

Cottonwood Mutual Water Company

Board of Directors Work Meeting Minutes

Wednesday, April 5, 2023; 6:30 PM **Closed Meeting**

Board Members:

Earlene Lee	District 1	2022-2025	Present
Blaine Murray	District 2	2022-2025	Present
Heidi Dorius	District 3	2021-2024	Present
	District 4	2021-2024	
Sean Dorius	M at L	2021-2024	Present
Mike Johanson / Manager			Not Present

Visitor: Attorney Matt Johnson via Zoom (7:00 pm) (34:00)

Discussion:

Reach out to each party who claim they have water rights and inform them of what the board needs from the state in providing proof of their water rights. See who responds with proper paperwork.

Have Attorney Johnson draft up a document of exactly what the capacity claimants need to do and send it out to all parties.

Heidi will explain the different storage rights and change applications, (# 35-11718, 35-5791, 35-8243, 35-199 and a44106) to the shareholders to understand the water rights for the Silver Leaf Reservoir. (19:30) Also the change application #a8708 that the state did not certify. For a storage right one needs two parts: Property Rights & Administrative Right from the State. For individuals who feel they have ownership of water storage will also need proof of a legal proceeding.

AMEC REPORT. (35:12) 2005 Recommendation from Board of Engineers:

1. The water level 15-20 feet below crest for minimal safety standard. If breached, the board is liable for any damage. Reasons of possible breaching either a maximum earthquake, mild earthquake, or Soil Saturation (1986) Record breaking snow level throughout the state. Some water can be diverted from going into the reservoir, but controlled release. (Part 4-1-5 of report) Saturated dirt causes soil slumps.
2. Unknown if any recommendations have been completed since this 2005 Report.
3. Do we know the saturation of the soil is today?
4. Was rip rap replaced on the upstream slope. Was rip rap put on Spillway to inlet box? (Bottom Page 23-24)

Question to Board: We don't need the Dam. Have the dam appraised to possibly sell in future. Is CMWC making money from owning the dam?

- 1 Low the water to the recommended level in the dam. (15-20 feet) Best Business Judgement (1:09:10)
2. Rebuild the dam (high hazard due to the homes close to the dam.)
3. Upgrade insurance policy for any liability
4. Appraise the dam for possible selling it down the road. (review later time)

(1:27:29) We need to sit down with Ruland Gardner, as to if what if anything, that has been done due to the AMEC Report and get proof of it being done by a deadline. Keep it 20 feet below until proof is received from MGSWC.

How many piezometers are there now?

Heidi will check with Gary Brimley at the State Engineers Office to see if and what improvements were completed (2:03:00)

Attorney Matt Johnson will reach out with Attorney McConnell to produce proof of any improvements completed on the dam from MGSWC with a deadline. Also, the proof of any water right for storage paperwork. (1:55:48)

Give the people in the flood zone a heads up with the high level of water. To be prepared for the possibility of water spilling over.

Articles VS Bylaws & Articles of Incorporation (2:09:33)

Article of Incorporation Article IX Board of Directors. (Pages 8-9)

Discussion on replacement of empty board seat. Can be assigned to serve until the next Annual Share Holder Meeting when a vote can be done. The directors MAY fill it now to serve at least until the next Annual Share Holder Meeting.

Bylaws 2.4 (page 4-5) State that the appointed member will serve until the next Annual Share Holder Meetings.

The Board can amend the By Laws without the shareholders, but the shareholders must approve the Amendments of the Articles.

Heidi will send Attorney Johnson all paperwork regarding the water rights etc. for them to possibly meet and discuss.

Next meeting: Board Meeting May 10, 2023 @ 6:30 pm