

Cottonwood Mutual Water Company

Board of Directors Meeting Minutes

Wednesday, April 9, 2025; 6:00 PM

Board Members:

Katie Perry	District 1	2025 – 2028 – Present	Mike Johanson – GM – Present
John Merrett	District 2	2025 – 2028 - Present	Amber Rogers – Secy – Present
Chris Thomsen	District 3	2024 – 2027 - Present	
Cynthia Mattson	District 4	2024 – 2027 Treasurer - Present	
Greg Watkins	M-at-L	2024 – 2027 – Present	

Company Legal Counsel Present: *Chris Bramhall*

Guests Present: *Heidi Dorius, Ray Nettleton, Natasha Plyer, Ted W. Taylor*

1. President

- a. Call meeting to order: *Cynthia called meeting to order at 6:04 PM*
- b. Declare any conflicts of interest: *Board members reported no conflicts of interest*

2. Approve meeting minutes of February 12, 2025

Motion made by Chris Thomsen to approve the meeting minutes of February 12, 2025; Seconded by Greg Watkins; All were in favor

3. Approve share issuance, cancellations and re-issues

Motion made by Chris Thomsen to approve the share issuance, cancellations and re-issues from February 12, 2025 to April 9, 2025; Seconded by Greg Watkins; All were in favor

4. Review Section 2.5 (Standards of Conduct) found in the bylaws and review the Conflict-of-Interest Policy of CMWC (Utah Code 16-6a-825 Conflict of Interest Transaction) adopted August 10, 2022.

Chris Bramhall, legal counsel for CMWC, gave a presentation on the fiduciary duties of a board of directors; reviewed conflicts-of-interest; and the legal obligations of the board. Also, answered various questions from board members regarding responsibilities, policies, and procedures for amending bylaws and articles of incorporation.

Review and signing of the Conflict of Interest policy will take place next board meeting (Wednesday, May 14, 2025)

5. Board training discussion on duties, responsibilities, parliamentary procedures, due date for agenda items and agenda preparation

Mike reviewed Chapter 1: Making Your Board More Effective; from the Big Guide for Small Systems: A Resource for Board Members; produced by RCAP and provided the board a copy of this chapter

6. Establishment of the board meeting schedule for the year, May 2025 to April 2026.

Motion made by Chris Thomsen approving the second Wednesday of each calendar month at 6:00 PM for the year May 2025 to April 2026 as the date and time for the monthly board meetings of the board; Seconded by Cynthia Mattson; All were in favor

7. Discussion / Decision election of officers: President, Vice-president, Secretary, & Treasurer

Mike reviewed the responsibilities for the various officers of the company as found in the bylaws. After reviewing the responsibilities, elections were held for the officers.

President: Chris Thomsen made a motion appointing John Merrett as president; seconded by Greg Watkins; all were in favor

Vice-president: Motion by Chris Thomsen appointing Katie Perry as vice-president; discussion ensued about having a member who has been on the board longer serve in this capacity. Motion seconded by Greg Watkins; four members approve; one member votes against

Secretary: Motion by Chris Thomsen appointing Amber Rogers as secretary; seconded by Greg Watkins; all were in favor

Treasurer: Motion by Chris Thomsen appointing Cynthia Mattson as treasurer; seconded by Greg Watkins; all were in favor

8. Ratify 2024 tax return

Cynthia reported that there were some minor discrepancies in the tax documents and our company files she was trying to reconcile. She reported that the amounts were not great and they to some extent cancelled each other out. She wanted to do some further investigation before recommending the 2024 tax return be ratified.

Motion was made by Chris Thomsen to table this item until next month allowing Cynthia time to find the source of the discrepancies; seconded by Greg Watkins; all were in favor

9. Discussion / Decision approving an equal payment plan policy that can be used to assist customers with fixed incomes.

Motion to table agenda items 9, 10, 12, 14, and 15 until next board meeting was made by Katie Perry; seconded by Cynthia Mattson; all were in favor

10. Discussion / Decision changes to bylaws for conducting board elections and adopt policy and procedures to perform board elections.

Tabled until next meeting

11. Discussion / Decision Nathan Breinholt living at 4033 Mountain Brook Way needs a will-serve from CMWC to construct an accessory apartment. The additional space will be used as a home office.

Motion made by John Merrett approving the issuance of a will-serve for the accessory apartment provided they use the existing water connection. Mike to draft a will-serve letter for board to review and authorize before sending to Nathan; seconded by Cynthia Mattson; all were in favor

Discussion occurred over accessory apartments and how this seems to be a trend happening statewide. No water system is completely clear on how to handle accessory apartments. In the case of this situation the structure is going to remove turf that is being irrigated. Based upon the amount

of turf being removed the quantity of water saved would meet the potential indoor demand this accessory apartment would require. The board felt that further discussion should be had and a policy drafted on how to deal with accessory apartments in the future.

12. Discussion / Decision Buster Delemonte with 9Line seeks a will-serve to construct five hangars east of his 9Line hangar. These five hangars will constitute one (1) indoor ERU.

Tables until next meeting

13. Bids were solicited from several vendors for the emerging contamination removal of the Rollins Ranch #3 well. Of the three vendors that submitted bids, the recommendation from Gardner Engineering is to award bid to FilterTech.

Mike reviewed Gardner Engineering selection matrix used to evaluate the proposals for contaminant removal. Based upon the matrix and the criteria table a motion was made by Chris Thomsen to award the contract to Filter Tech; seconded by Cynthia Mattson; all were in favor

14. Discussion / Decision regarding Water Rate increase for 2025

Tabled until next meeting

15. Update on tank agreement.

Tabled until next meeting

16. Discussion of Durst water right protest

This item was moved up and discussed after item #7.

Durst was interested knowing the reason for the protest CMWC filed against their change application. Chris Thomsen explained the reasoning behind the protest and the desire of CMWC to maintain a "seat at the table". Heidi Dorius stated that they were not doing anything different with their change application than CMWC did with their change application back in 2018. Chris Bramhall was able to clarify a few points of the protest and that Durst could respond to the protest by letter to the Division of Water Rights.

Ray Nettleton took over after Heidi and began to rehearse again the history of the reservoir and the difficulty Durst has had working with MGSWC.

17. Q & A for Shareholders

No questions from shareholders

18. Set date for the next working meeting (if needed)

No work meeting scheduled; next board meeting May 14, 2025 at 6:00 PM

19. Adjourn

At 8:40 PM Katie P. made motion to adjourn the meeting; seconded by Cynthia M.; all were in favor