

MINUTES OF THE ANNUAL SHAREHOLDERS MEETING OF THE BLOOMINGTON WATER COMPANY, INC.

The annual meeting of the shareholders of the Bloomington Water Company, Inc., a Utah nonprofit Corporation, was held in St. George, Utah on the **25th** day of **January, 2023**, at the St. George Water & Power Administration Bldg. at 811 E. Red Hills Pkwy. Time of Meeting: 7 p.m.

Board members present were:

Jeff Lance, President

Rod Savage, Vice-President

Diana Green, Trustee

Present by Invitation:

Frankye Pepito, Sec./Treas.

Jeff Morby, Manager

Excused:

Scott Taylor, Trustee (family emergency)

Absent:

Shane Moore, Trustee

WELCOME

Jeff Lance welcomed those shareholders present, brought the 2023 Annual Shareholders Meeting to order at 7:08 p.m. and proceeded to introduce the 2022 members of the Board of Trustees for Bloomington Water Company.

VERIFICATION OF QUORUM

Frankye Pepito was asked to verify if there was a sufficient representation for a quorum. Frankye verified that with the representatives present in person and by proxy, a quorum was present.

REVIEW & APPROVAL OF MINUTES OF 2022 ANNUAL SHAREHOLDERS MEETING

Frankye read the minutes of the Annual Shareholders meeting for 2022. After asking if there were any questions, Jeff Lance asked for a motion to approve the minutes. A motion was made by Brad Young to approve the minutes of last year's Annual Shareholders meeting. The motion was seconded by Doug Straub, and all were in favor. Motion carried.

ANNUAL REPORT ~ FINANCIAL STATEMENTS

While Jeff Lance prepared the equipment for the power point presentation, Rod Savage reviewed the Statement of Assets & Liabilities and the Profit and Loss statement with shareholders. He explained the need for building reserves to replace the aging infrastructure and explained the new State mandate that all secondary water companies must be metered by 2030. BWC has made application for available grant monies towards the cost of meters & the board is also looking to possibly qualifying for a low-interest federal loan for the balance of the installation costs. It is the hope of the board members that metering the irrigation water will be a more equitable arrangement for all shareholders and help with water conservation.

In light of this mandate and the need to replace the infrastructure, the board has recommended a minimum share increase of 5% over the next several years to keep up with inflation and to hopefully keep from having to levy a large assessment to cover expenses. There has also been a significant increase in new connection costs. There are not many properties that have not connected, but the State Division of Water Rights has also ruled that all new connections must be metered. Therefore, Rod announced the board's recommendation for the 2023 assessments and connection fees:

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SETTING OF THE 2023 ASSESSMENT & CONNECTION FEE

Rod stated the board is recommending that the 2023 assessments be increased as follows:

- **A Share \$242/share**
- **B Share \$121 /share**
- **Service Fee (BH only) \$242/share**
- **Connection fee is now \$2,500 plus any additional costs beyond the meter and normal connection.**

Rod then asked for a motion to approval the financial statement . A motion was made by Brad Young to approve the financial statement and the board's recommended assessments and connection fee for 2023. William Cavanagh seconded the motion, and all were in favor – motion carried.

ANNUAL REPORT ~ ACTIONS OF THE BOARD

Rod Savage reviewed the actions of the board for 2022, including the rebuilding of the steel tank in Bloomington Hills that was budgeted for 2022 and is in the process of being completed. An engineering study was reviewed and approved to relocate a 12-inch delivery line that goes under several properties near Hillcrest Drive in Bloomington Hills and could be a potential flooding danger. There were also teleconferences and emails to review the new State mandates for metering. Rod then asked for a motion to approve the actions of the board for 2022. Motion was made by Art Cottam, seconded by Michael Amundsen, all were in favor. Motion carried.

POWER POINT PRESENTATION

Jeff Lance had updated the power point presentation and reviewed locations of the major assets of the BWC. He went on to discuss some of the proposed repairs needed in the system.

- He showed photos of the steel tank depicting the pitting that has occurred throughout the floor, walls, and ceiling, and had to, essentially, be completely replaced. The floor was covered with a layer of gravel and all new steel was placed on top. The walls and ceiling were sandblasted then patched and sealed.
- He pointed out the location of the new PRV on Round Hill which regulates the water coming from Bloomington Hills to Bloomington Ranches and the new control valve. The old valve was approximately 45 years old, and this is a very important part of the water system.
- Jeff showed photos of the extensive upgrade made to the pump station on Ranch Well #1 & #2 near Walmart when the well started to cavitate.
- There were also photos of the new control panel that was required when the old control panel went down.
- The location of the 12-inch line that needs to be relocated near Hillcrest Drive in Bloomington Hills was reviewed on a map.
- Jeff gave shareholders the URL for the city maps that show the BWC irrigation water delivery system: **maps.sgcity.org/watermobile**. He also reminded everyone of the number for after-hours problems that goes directly to the ON-CALL irrigation water technician → **435-703-1140**.

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ELECTION OF BOARD OF TRUSTEES FOR 2023

Jeff Lance informed the shareholders the current board members were willing to serve another year, but we would also welcome any nominations for someone wishing to serve on the board. No nominations were forthcoming, so motion was made by Richard Gull to suspend the rules and retain Jeff Lance, Rod Savage, Scott Taylor, Diana Green, and Shane Moore for 2023 by acclamation. The motion was seconded by Karen Amundsen, all were in favor – motion carried.

2023 Annual Shareholders Meeting was adjourned at 7:57 p.m.