Minutes of the Regular Meeting of the Board of Trustees

UPPER COUNTRY WATER IMPROVEMENT DISTRICT

Altamont, Utah
June 18, 2026

The Board of Directors of Upper Country Water Improvement District convened a Regular Meeting of the Board on April 16, 2026, at 7:00 p.m., at the Upper Country Water Improvement District's Office, 4132 North 15675 West, Altamont, Utah 84001. The meeting was open to the public.

ATTENDANCE

Directors in attendance were:
Derek Herrera – President
Clyde Watkins – Vice-Chairman
Charles Miles – Treasurer
Donald Miles – Director
Jimmy Brotherson – Director
Stetson Christensen – Director
Phillip Whiting – Director

Also, in attendance were:
Kirk Christensen, Cheyenne Reid and Josh Crowther, Upper Country Water Improvement District

Guests in attendance included Phil Millett of Yesta and Brayden and Kayla Oman.

Director Phillip Whiting gave the invocation.

ADMINISTRATIVE MATTERS

Call to Order

The meeting was called to order at 7:34 p.m. by Chairman Derek Herrera

Quorum, Location of Meeting, Posting of Meeting Notice

A quorum was confirmed, and the meeting and location were approved and noticed as required.

Public Comment

No public comment was made

CONSENT AGENDA

Phil Millett with Yesta addressed the Board regarding cybersecurity requirements for public water systems. He reviewed recent state legislation related to cybersecurity planning and discussed available grant funding, emergency response planning, and cybersecurity protections for SCADA systems. The Board discussed the proposed program and directed staff to continue evaluating the opportunity and available grant funding.

Brayden and Kayla Oman discussed plans to expand the Altonah Trailer Park and requested guidance regarding future water service. Discussion included master meter configurations, community water system requirements, and potential regulatory concerns associated with additional RV spaces. Staff was directed to coordinate with Nathan Hall and the Utah Division of Drinking Water to obtain additional clarification before further action is taken.

Minutes from April 16, 2026, Regular Meeting of the Board.

The Board reviewed the minutes. Upon motion made by Director Phillip Whiting, seconded by Director Donald Miles, and upon vote, unanimously carried, the Board approved the meeting minutes as presented.

FINANCIAL MATTERS

Review of the unaudited April 2026 and May 2026 Financials

Ms. Reid presented the April and May 2026 financial statements. She reported that April water sales remained comparable to the previous year, while bulk water sales increased approximately $3,000. Revenue differences during May were primarily due to the sale of an annexation during the prior year. Significant expenditures included the purchase of a truck bed, water meters, and insurance for the District's new truck. Ms. Reid also reported that issues with PEHP insurance billing had been resolved, retirement reporting corrections had been completed, and prior bank reconciliations had been corrected.

Ms. Reid further reported that the District's 24 month certificate of deposit matured in May and was renewed for another 24 month term at the highest available interest rate following consultation with Board leadership due to the cancellation of the previous meeting.

Staff also reported a one time leak adjustment approved for Andrea Sorensen in accordance with District policy and reviewed information received from the Utah Division of Drinking Water regarding proposed statewide fees anticipated to become effective in Fiscal Year 2028.

Upon motion made by Director Charles Miles, seconded by Director Clyde Watkins, and upon vote, unanimously carried, the Board approved the April and May 2026 financial statements.

SYSTEM ISSUES:

System Update:

Discussion was held regarding a proposed development in Jenkins Draw. Staff reported that substantial infrastructure improvements would be required before development could occur and that no additional information had been received from the developer.

Mr. Christensen also reported that the District is transitioning to a new Neptune meter reading system that will provide improved mapping capabilities, GPS locations, and more efficient meter reading and leak monitoring. Equipment repairs and maintenance, including repairs to the District backhoe, were also discussed.

NEW BUSINESS:

A. Tri County Water Collaboration Initiative (Built Here Project)

The Board reviewed information regarding a proposed regional water collaboration initiative involving water providers in Duchesne, Uintah, and Daggett Counties. Discussion included regional planning efforts, communication between water providers, and concerns regarding sharing GIS infrastructure information. No action was taken.

B. Water Connection Purchase/Transfer – Cheri Smith to Nancy Miles

Staff reported that no additional information had been received regarding the proposed transfer of the water connection. The Board discussed the need for the outstanding balance to be paid and the required transfer paperwork before the transaction could be completed.

C. Moon Lake Easement

The Board reviewed the Moon Lake easement agreement. Staff reported that the easement width had been reduced from 40 feet to 20 feet prior to execution and that the District received $350 in compensation.

D. Delinquent and Aged Customer Accounts

Ms. Reid presented a review of long standing delinquent and inactive customer accounts. Discussion was held regarding outstanding balances, lien procedures, inactive accounts, and potential write offs for accounts determined to be uncollectible. Staff was directed to continue working with the District's attorney and auditor regarding appropriate collection and write off procedures.

E. <u>RWAU Fall Conference</u>

The Board discussed the Utah Rural Water Association Fall Conference scheduled for August 30 through September 2, 2026, in Layton. Board members and staff interested in attending were asked to notify the office.

OTHER BUSINESS:

A. <u>Office Updates - Policies</u>

Ms. Reid reported that she has continued reviewing previous Board actions and updating District policies to ensure all adopted changes have been incorporated into the policy manual. The Board agreed to continue reviewing policies on an ongoing basis.

B. <u>Fire Mitigation Plan</u>

Discussion was held regarding coordination with the U.S. Forest Service on the South Slope Fuels Mitigation Project. Staff reported that the project includes mitigation work surrounding the District's spring sources. A site visit with Forest Service personnel will be scheduled later this summer.

C. <u>Maternity Leave Policy Discussion</u>

Chairman Herrera presented a proposed maternity leave policy and short term disability options for the Board's consideration. Board members were asked to review the proposed policy and provide comments prior to the next meeting. No action was taken.

D. <u>Confirm Quorum for July 16, 2026 Meeting</u>

A quorum was confirmed, Regular Meeting.

ADJOURNMENT

There being no further business to come before the Board at this time, upon a motion made by Jimmy Brotherson, seconded by Clyde Watkins, and upon vote, unanimously carried, the meeting was adjourned at 9:30 p.m.

Read and approved the 16 day of July 2026.

Derek Herrera
Board Chairman

Charles Miles
Treasurer

Minutes of the meeting prepared by Cheyenne Reid