



Rockville Pipeline Company

Annual Shareholders Meeting

Wednesday, February 25, 2021, @ 6:00 PM

Zoom meeting was called to order at 6:00 PM. This Zoom meeting is in lieu of the regular annual shareholders meeting. With public health considerations in mind, we are suspending the bylaws and rules for the meeting. Attending: Rob Snyder (President), Penny Walker, and Zac Martin as Board Members. Karen Crawford (clerical) and Ken Rybkiewicz (Water Master) were in attendance. Tony Ballard and Pete Mortensen were excused.

Presidents' discussion:

- 2020 reviewed, extreme drought, Dave Brooks retired in April, well pump and controllers failed, new Water Master trainee contracted.
- Billing cycle change from quarterly to monthly explained. Mainly to promote water conservation by helping users monitor their water consumption. Paying an estimated quarter or year in advance is acceptable.

Agenda item #1 - Minutes

- The board approved the 2020 minutes.
- Note my discussion last year about the upcoming financial crisis. I said we were going to have to cash in our CD.

Agenda item #2 – Water Report

- Much of the town is conserving while several users seem to be wasting 1000's of gallons per day.
- 10% to 20% loss is not uncommon in drinking water systems, however, please advise us if you notice surface water in unexpected locations.
- We purchased 3,196,568 gallons from Springdale in 2020 for a cost of \$17932.70.

Agenda item #3 – System Report – introducing new Water Master Ken Rybkiewicz. General Contractor experience, Utah State Drinking Water Operator Certificate.

- We are required to go to the well a minimum of 3x per week to monitor water production, tank storage and disinfection systems. This is in addition to monthly chemical tests that we send in for analysis and report results to Utah Division of Drinking Water.
- Cross connection education – State Requirement.
- Ken – Replaced 2 leaking meters, supervised 2 fire hydrant installs, well pump replaced, control diagnostics, CL2 metering pump replaced, leaking door at office repaired, new door lock and lighting, awning built to protect entrance, CL2 pails available.

Agenda item #4 – Financial Statement

- At last Annual Meeting we indicated that 2020 was going to be a tough year financially. We spent all our rainy-day fund plus \$10K from checking. The project of putting a main waterline under the river below the bridge was our largest undertaking in decades. That project cost the company over \$40K in addition to \$80K grant and \$10K in donations.
- Monthly Billing: Beginning this year we are going to send bills every month instead of quarterly. This will be more work and extra cost for the Pipeline Company, but there are several advantages. Most importantly this gives users current information about the amount of water they use and encouraging conservation. Let us know if you have questions.

Agenda item #5 – Rate Increase

- Water Conservation: Climate change aside I am sure nobody questions the fact that we are living in a time of extreme water limitations. We need to conserve and reduce outdoor watering with culinary water. Some customers use more than 30,000 gallons per month, which puts a strain on the system.
 - i. Examples were given illustrating how significant 1000 gallons a day is.
 - ii. We must take steps to conserve water: limit outdoor watering, check automatic sprinkling timers at least a couple times a month (power bumps can reset timers to daily watering), watch for unnecessary wet spots in yard, repair leaks and drips.
 - iii. We had to buy over 3 Million Gals from Springdale (costing ~\$18K).
- We are in a financial position where an increase in rates is necessary. High volume usage, infrastructure requirements, water quality maintenance and testing all make this rate increase necessary. Currently we are not increasing the fee for use up to 15K gallons per month. A small increase for use of 15K to 30K gallons. **There will be a substantial increase for use over 30K per month** (which is over 1000 gallons per day). Hopefully, this rate increase will motivate conservation.

Proposed Rate Increase for April 2021 With Springdale For Comparison

Rockville Pipeline Company

Cost per Thousand Gallons Used

	Current	Proposed
0-5,000	\$ 4.00	\$ 4.00
5,000-15,000	\$ 4.00	\$ 4.00
15,000-30,000	\$ 6.00	\$ 8.00
30,000-50,000	\$ 9.00	\$ 15.00
50,000-100,000	\$ 10.00	\$ 15.00

Springdale Town

Base Rate	\$ 17.78
0-5,000	\$ 5.41
5,000-10,000	\$ 7.61
10,000-25,000	\$ 9.46
25,000-50,000	\$ 10.93
50,000-100,000	\$ 12.04

Meeting adjourned at 6:45 PM.