

Minutes of the Regular Meeting of the Board of Trustees
UPPER COUNTRY WATER IMPROVEMENT DISTRICT

Altamont, Utah
August 20, 2026

The Board of Directors of Upper Country Water Improvement District convened a Regular Meeting of the Board on August 20, 2026, at 7:30 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
Stetson Christensen – Director
Donald Miles – Director
Jimmy Brotherson – Director
Phillip Whiting – Director

Also, in attendance were:

Kirk Christensen, Cheyenne Reid and Josh Crowther, Upper Country Water Improvement District
A representative of Aycock, Miles & Associates

Director Stetson Christensen gave the invocation.

ADMINISTRATIVE MATTERS

Call to Order

The meeting was called to order at 7:32 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

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

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

FINANCIAL MATTERS

Review of the unaudited July 2026 Financials

Ms. Reid presented the July 2026 financial statements. Revenue was approximately \$20,000 higher than July 2025 due to increased water sales, nine percent higher usage, twelve additional connections, and conservation rates. She reported that several delinquent balances were collected and explained the increased Utah Local Governments Trust premium and a corrected retirement contribution error. The Board also reviewed high usage accounts.

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

Aycock, Miles & Associates 2025 Audit Report

A representative from Aycock, Miles & Associates presented the District's 2025 audit. The District's cash and net position increased, long term debt decreased, and no findings were reported. The auditor stated that the District's internal controls and Board review procedures were appropriate.

Upon motion made by Director Stetson Christensen, seconded by Director Clyde Watkins, and upon vote, unanimously carried, the Board accepted the 2025 audit as presented.

SYSTEM ISSUES:

System Update:

Trailer Park Development

Mr. Christensen reported that a proposed trailer park expansion may be required to operate as a separate regulated water system supplied by the District through a master meter. A possible required hydrant was estimated at approximately \$11,500, and the property owner may delay the expansion.

Cybersecurity

Mr. Christensen reviewed recommendations from the District's cybersecurity assessment, including improved firewall and remote access protection, system separation, and employee training. State assistance may reduce the cost of the proposed services to approximately \$200 per year for three years.

Upon motion made by Director Phillip Whiting, seconded by Director Jimmy Brotherson, and upon vote, unanimously carried, the Board approved moving forward with the proposed cybersecurity services and state funding application.

Forest Service and Spring Mitigation

Chairman Herrera reported that federal approvals are complete for wildfire mitigation within the approximately 71.6 acre area surrounding the District's springs, but funding remains pending. Funding may be more available in 2027, and a Forest Service representative plans to attend the October Board meeting. The sanitary survey also identified drainage ditches near the springs that need cleaning. The Board discussed coordinating the drainage work, vegetation removal, road improvements, access, and a possible gate.

The Board discussed winter access to the Yellowstone area, Moon Lake's removal of the penstock, and the need to verify the District's easement. The District will follow up with Moon Lake regarding the easement.

System Capacity and Connections

Mr. Christensen reported that the District has approximately 905 connections, including twelve added during the past year. The Board discussed future growth, transmission line capacity, tribal easements, irrigation demand, and possible future water sources or line upgrades. Recent valve and pressure adjustments have improved water movement.

Ms. Reid reported that the Miles property owner no longer wishes to proceed with the connection transfer. The paperwork will be retained in case it is requested later.

NEW BUSINESS

A. New Connection – Atwood

Mr. Christensen presented requests to extend approximately one half mile of four inch waterline to the Atwood property and approximately one quarter mile to the Webb property. Total materials for the Atwood extension were estimated at approximately \$20,000. Under the proposed arrangement, the District would purchase materials and assist with installation, while the property owners would be responsible for trenching and backfilling.

Upon motion made by Director Stetson Christensen, seconded by Director Phillip Whiting, and upon vote, unanimously carried, the Board approved the Atwood and Webb waterline extensions under the proposed arrangement.

B. Wilcken Annexation

Ms. Reid presented the Wilcken request to annex without purchasing a water connection. The existing formula calculated a fee of approximately \$17,000, while the property owner's historical calculation was approximately \$5,647. Approximately \$361 had also been paid after the County mistakenly included the property in the District's taxing area. The Board directed Ms. Reid to verify the original policy and prior calculations. The matter was tabled pending further research, and verified prior payments would be credited if the annexation proceeds.

C. Seismic Data Recorder

Ms. Reid presented a TGS permit request to place passive seismic data recorders on approximately 3.6 acres of District property. The Board discussed access to District facilities and responsibility for damages.

Upon motion made by Director Stetson Christensen, seconded by Director Clyde Watkins, and upon vote, unanimously carried, the Board approved the permit subject to revisions making TGS responsible for damages and requiring TGS personnel to be accompanied by a District employee on District property.

OTHER BUSINESS

A. PLT Policy

The Board confirmed that the PLT policy had previously been provided for review. No further action was taken.

B. Maternity Leave Policy Discussion

The Board reviewed the proposed Short Term Disability and Maternity Leave Policy.

Upon motion made by Director Donald Miles, seconded by Director Clyde Watkins, and upon vote, unanimously carried, the Board approved and adopted the Short Term Disability and Maternity Leave Policy.

C. Confirm Quorum for September 17, 2026 Board Meeting

The Board discussed attendance for the September 17, 2026 Regular Board Meeting and confirmed that a quorum is anticipated.

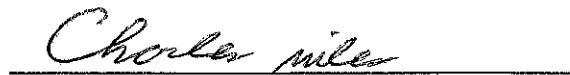
ADJOURNMENT

There being no further business to come before the Board at this time, upon a motion made by Director Jimmy Brotherson, and upon vote, unanimously carried, the meeting was adjourned at 8:59 p.m.

Read and approved the 17 day of September 2026.



Derek Herrera
Board Chairman



Charles Miles
Treasurer

Minutes of the meeting prepared by Cheyenne Reid

