

PINE MEADOW MUTUAL WATER COMPANY

BOARD OF TRUSTEES MEETING

THURSDAY, AUGUST 9, 2007

PINE MEADOW RANCH

SUMMIT COUNTY, UTAH

Board Members in Attendance: Eric Anderson - Vice-President; Cal Cragun, Dan Heath - Board members

Eric Cylvick and Bill George were excused.

Ex Officio: Brody Blonquist–Water System Manager; Trevor Townsend

Guests: Ray Zigler and Ryan Ficklin, Lot F-52 on Uinta View Drive

President Eric Cylvick called the meeting to order at 6:38 p.m.

**1. Minutes**

MOTION: Eric Anderson moved to APPROVE the minutes of July 26, 2007. Cal Cragun seconded the motion.

VOTE: The motion passed unanimously.

**Financials**

Eric Anderson reviewed the profit and loss/budget versus actual. He noted that the assessments were 97% and standby fees were 91%. The total was 89.5%. Brody Blonquist asked if they knew anymore about the annexation fee. Mr. Cragun replied that Carol said it was in process but all the paperwork has not cleared. Mr. Blonquist stated that he had received a water letter and once he has a water letter that means it's annexed in. Mr. Cragun asked Carol to check on the matter and call him. Mr. Anderson wanted to make sure the right procedure was followed so they could trace the annexation fee. He also wondered of the Brown annexation should be added in. Mr. Blonquist offered to call Carol about it.

Mr. Cragun referred to the excess water assessment on the first page and asked if that amount was the money collected. Mr. Anderson answered yes.

Mr. Anderson asked if anyone had the inclination to do a newsletter for the Water Board. Mr. Cragun suggested that they include their articles in one of the other newsletters rather than recreate a new newsletter. Mr. Anderson remarked that the Water Board usually puts out a newsletter at least once a year. Mr. Cragun offered to format a newsletter if someone would gather the information and put it together.

MOTION: Eric Anderson moved to APPROVE the profit and loss/budget versus actual. Cal Cragun seconded the motion.

VOTE: The motion passed unanimously.

Mr. Anderson reviewed the balance sheet. Mr. Blonquist noted that the fixed assets did not show the Kubota. Even though they are planning to purchase a Ranger to replace the Kubota it still needs to show as a fixed asset.

Mr. Anderson understood that Komatsu was paid off. Mr. Blonquist answered yes and stated that he would put the trackhoe up for sale in October. Jed wants to run two trackhoes next year. If they can use one trackhoe for digging and one for backfill, they would be able to lay a significant amount of pipe in one day.

MOTION: Eric Anderson made a motion to APPROVE the balance sheet. Cal Cragun seconded the motion.

VOTE: The motion passed unanimously.

## **2. Public Input**

Ryan Ficklin stated that he and Ray Zigler are business partners and the owners of Lot F-52. They are building a Whisper Creek style cabin and are waiting for approval of their plans from the HOA. They are coming to the Water Board prematurely because they have a delivery date for the cabin on September 24<sup>th</sup> and they are approximately three weeks out from getting a permit from Summit County. They would like the builder to be able to go start the foundation and the shell before the snow falls. This is important because they just closed on a 9 month construction loan which will be up in April. Without the foundation and the shell, they will not be able to extend that loan. If the Board would give them a water letter they will submit the letter of approval from the HOA when they receive it next week. Mr. Anderson did not believe there would be a problem getting approval from the HOA since there is a lot of building going on in Whisper Creek. Dan Heath agreed. Mr. Anderson felt the quickest way to handle the matter would be for Mr. Ficklin and Mr. Zigler to give them a bank check or cashier's check. Otherwise, they need to wait for the check to clear. He explained that once the homeowner's give approval, the Water Company can issue a water letter; but they cannot issue a letter without that approval. Mr. Blonquist remarked that the HOA and the Water Company have the same secretary. She will know as soon as the approval goes through and can begin the process for issuing a water letter. Mr. Anderson explained the procedure for applying for a water letter.

## **3. Unpaid Bills**

Brody Blonquist reviewed the unpaid bills. The bill from Coalville Auto and Farm Supply was for two battery powered grease guns and grease. The bill from Delco Western for \$579 was for the starter panel and other items when the well went down two weeks ago. The bill from Delco Western for \$5,473 was for electronics valves at the tank. Dura Crete was for the PRV vault. Ferguson Enterprise was for odds and ends parts. Geary Construction was for sand. The bill from J & R Development was for the tank. KGC Associates was the bill for Carol's work. Mountain States Water Works was for 22 and 11 degree bends. Mr. Blonquist noted that the project was only engineered with 45 and 90 degree bends, which is rarely used, and they will be able to get credit for the unused bends. The bill from Rocky Mountain was the typical monthly bill. Skyline Electric was the cost of having the electrician come up for the starter on the pump. He requested that Carol hold off paying Skyline Electric until he talks to them. The bill from USA Bluebook was for the air sensor. The Utah State Tax Commission was for registration on the trailer.

MOTION: Cal Cragun made a motion to APPROVE paying the unpaid bills. Eric Anderson seconded the motion.

VOTE: The motion passed unanimously.

Dan Heath noted that Whiskey has said that the Water Company owes him money for delivery. Mr. Blonquist explained that any bills involving the water project are paid once a month and Carol had not yet sent those checks. Mr. Anderson commented on the amount of paperwork involved in keeping everything documented for the loan. He thanked Carol for her time and effort, noting that the Water Company will have a good paper trail because of her good work.

Mr. Blonquist presented the bill from JE Excavating. The charges for equipment and labor was \$17,470 and the truck time was \$4500.

MOTION: Cal Cragun made a motion to pay the bill from JE Excavating. Eric Anderson seconded the motion.

VOTE: The motion passed unanimously.

#### 4. **Manager Report**

Mr. Blonquist reported on the water project. Everything is going great with the water lines and Trevor is at the end of Elk Road. Elk Road and Pine Meadow road should be done by the week of August 20<sup>th</sup>. Trevor will then come down Alexander. If they finish Alexander, their crew will have laid 16,000 feet of pipe this year. Mr. Blonquist stated that currently Jed is at the intersection of Windy Ridge and Aspen Circle. He will start from the tank down, come down to Aspen Ridge Circle, and then tie into Chipmunk. They need to have Chipmunk tied in in order to pump up to the 200,000 gallons. Mr. Blonquist noted that the 6" line going up from the tank is actually 6-1/2 feet deep. If Jed can stay in the same trench and keep that trench at 6 feet deep, it will be fairly easy to replace the 6" pipe the 12" pipe because the trench is already dug. If everything goes well, Jed should be able to do from the tank down by next Friday. They hope to have water in the 200,000 gallon tanks in two weeks. Jed will then do Woodchuck Way.

Dan Heath asked for an update on filling the 500,000 gallon tank. Mr. Blonquist stated that he started filling it today and it was at approximately 19 inches. They found the leak and it has been stopped. He expects to keep filling the tanks and once they are filled they will tie into the 12" line in the road. Mr. Blonquist stated that he wants to be able to scrub the well and see if they can put in a larger pump. He would like to have that scheduled by September 15<sup>th</sup>.

Mr. Blonquist noted that he had emailed all the Board members about the transmission on the Kubota going out. He believes the Kubota will be another situation like the one-ton where they will continue to have more problems. He spoke with a mechanic who told him that Kubotas typically have transmission problems and they could probably expect the motor to go next. Mr. Blonquist stated that he researched various vehicles and believes that the Polaris Ranger is the better vehicle. He will trade in the Kubota for \$6500. The balance on the Ranger would be \$2800. Mr. Anderson asked about warranty on the Polaris. Mr. Blonquist stated that they could buy an extended warranty after the factory warranty runs out.

Mr. Blonquist presented a bid from the electrician for the pump houses, the office, and the shop.

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The bid includes putting electric fans in the pump houses and doing everything in water tight conduit. Mr. Anderson suggested that they obtain three bids since it will be paid with loan money. Mr. Blonquist understood that Eric Cylvick was going to call Karen at the Division of Drinking Water to ask how many bids are required.

**5. Miscellaneous Business**

Mr. Cragun noted that property values have tripled on non-primary land. He believed it was possible to contest it because Pine Meadow is non-income producing. Mr. Cragun stated that the taxes on his property went down and he wants to make sure his do not triple. Mr. Cragun was unsure what was considered non-primary land. Mr. Blonquist thought it might be unbuildable lots.

Mr. Cragun noted that Carol had sent him something from the Utah Local Government Trust regarding Workman's Compensation and a request to bid on auto, liability and health insurance, with possible discounts for safety improvements. He will check on this and report back to the Board.

The Regular meeting of the Pine Meadow Mutual Water Company Board of Trustees adjourned at 7:33 p.m.

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Minutes Approved

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Date