

PINE MEADOW MUTUAL WATER COMPANY

BOARD OF TRUSTEES MEETING

THURSDAY, SEPTEMBER 13, 2007

PINE MEADOW RANCH

SUMMIT COUNTY, UTAH

Board Members in Attendance: Cal Cragun, Bill George, Dan Heath - Board members
Eric Cylvick and Eric Anderson were excused.

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

Guests: Gary Nakken, Lot PI-E-10

Public Input

Gary Nakken explained that last year he received his water bill, which showed slightly under 100,000 gallons used. He stated that typically their bills have been showing 12,000 gallons. He wondered if the excess usage was caused by drilling that was being done below his property last year. Mr. Nakken requested some consideration from the Board regarding his excessive bill. He noted that the total bill was approximately \$4400. He paid half the bill until they could check to see if there was a leak between the meter and the house.

Brody Blonquist remarked that had he checked Mr. Nakken's meter numerous times on different days and at different hours to look for a leak. It is solid and he could find nothing. Mr. Blonquist pointed out that this was an isolated incident since the water usage has been consistently low in the past and it was low again this year.

Cal Cragun informed Mr. Nakken that the Water Board is bound by the bylaws, which allows a one-time adjustment. Mr. Blonquist recommended that Mr. Nakken contact Carol so she can calculate the one-time reduction to determine if the \$2200 Mr. Nakken already paid is enough. Mr. Cragun clarified that Mr. Nakken is only eligible for the one-time reduction if he has not used it before.

MOTION: Cal Cragun moved to proceed with the one-time reduction on the water bill for Gary Nakken. Bill George seconded the motion.

Dan Heath disclosed that he would abstain from voting due to a business relationship with Gary Nakken.

Motion failed for lack of a quorum.

Minutes

MOTION: Cal Cragun moved to APPROVE the minutes of August 23, 2007. Bill George seconded the motion.

VOTE: The motion passed unanimously.

Financials

The Board reviewed the profit and loss/budget versus actual and did not find anything questionable. Mr. Cragun asked if they had received any annexation fees. Mr. Blonquist replied that Carol told him they are still in the process but nothing has been received.

MOTION: Cal Cragun moved to APPROVE the profit and loss as presented. Bill George seconded the motion.

VOTE: The motion passed unanimously.

Dan Heath referred to the "resumption of service" and asked if it indicates that something was turned off. The Board members assumed it did; however no one had recalled seeing that line item in the past.

The Board reviewed the balance sheet.

MOTION: Cal Cragun moved to APPROVE the balance sheet as presented. Dan Heath seconded the motion.

VOTE: The motion passed unanimously.

Unpaid Bills

Brody Blonquist reviewed the unpaid bills. The bill from Dura Crete was for the PRV vault. H D Supply Water Works was for additional meters. The J & R Development bill was for the tank. KGC Associates was the bill for Carol's work. Mountain States Water Works was for parts. The bill from Now Recovery Services was for collections. Rocky Mountain Power, Sinclair Fleet, Verizon Wireless were monthly charges. The bill from Whiskey River Trucking were charges for Elk Road and Pine Meadow Drive.

Bill George asked if Whiskey itemizes the roads and Mr. Blonquist replied that he does.

MOTION: Cal Cragun moved to PAY the unpaid bills as presented. Bill George seconded the motion.

VOTE: The motion passed unanimously.

Mr. Cragun asked if the returned truckload was shown on this bill. Mr. Blonquist stated that he had sent back a number of things that they are probably still going through so the credit was not showing.

Mr. Blonquist presented the bill from J.E. Excavating for labor/trackhoe operator in the amount of \$21,595 and trucking in the amount of \$10,755.

MOTION: Cal Cragun moved to PAY J.E. Excavating \$10,755 for trucking and \$21,595 for the trackhoe operator. Bill George seconded the motion.

VOTE: The motion passed unanimously.

Manager's Report

Mr. Blonquist reported that when they went down Elk Road they dug the old main out of the ground. When they go down through the new main, they hook up everybody that has a meter. When they went past Patty Jacobs' house, she did not have a meter but she was hooked up to the water. Mr. Blonquist explained that when line was originally put in years ago, every once in a while they would stub up a water line and put in a cork stop for hook-up later on. Mr. Blonquist noted that this was hit and miss and it was not done at every lot. He was unsure why this was done or the purpose. Mr. Blonquist stated that he found the cork stop on Ms. Jacobs' property and he assumed that when the cabin was built they dug down, found the water line and assumed it was their water connection. He called Carol and talked with Patty Jacobs and after going through every file, they cannot find payment for a meter in 2001, when the cabin was built. Mr. Blonquist explained that Mr. Jacobs was a contractor who built the house. He has since died and Ms. Jacobs has no idea what went on with the water. Carol called the County and asked why a building permit was given without a water letter. They had no idea why that would have happened since you cannot get a building permit without a water letter. Mr. Blonquist noted that the permit was signed and stamped by Summit County. He stated that Ms. Jacobs' biggest concern is that she has a nice cabin with no water. Mr. Blonquist noted that he contacted Eric Cylvick and he advised him to hook up Ms. Jacobs to a meter so she can have water until they resolve the issue. Mr. Cylvick had suggested that they go back to 2001, when the assessments were \$4,046, and charge her that amount because it was never paid in 2001. Mr. Cylvick also talked about billing Ms. Jacobs for a meter fee for the last six years, rather than a standby fee. Mr. Blonquist stated that he would provide Ms. Jacobs with water and the Board can discuss the matter when Mr. Cylvick is back in town.

Mr. Cylvick asked if anyone knew anything about the issue with FM-D-165B, Charles Tarver. He purchased his property on a tax sale foreclosure; however, Carol had noticed an unpaid balance on the property in the amount of \$2,864.44. Mr. Blonquist believed Mr. Tarver was the gentleman who contacted him when he first came to work for Pine Meadow. Mr. Tarver had said that he would not be charged a standby fee or a meter fee because his property was landlocked and he could not get water to it. Mr. Cragun felt that Summit County created the problem by not making Mr. Tarver aware

that the property was land locked. In his opinion, the money is owed and due and he should pay it per the bylaws. Mr. Blonquist pointed out that even though the property is landlocked, Pine Meadow can still get water to it. Dan Heath stated that Mr. Tarver is trying to use a density transfer. If he cannot get water those lots would be unbuildable and that would kill his plans for a density transfer. Mr. Heath assumed Mr. Tarver would want to paid the balance due. Mr. Cragun suggested that they wait until Mr. Cylvick is back in town when they can discuss the matter with him. The Board agreed to table the discussion.

Mr. Blonquist reported that Elk Road is done and Trevor has started on Alexander. They will continue to do Alexander until it snows. The 200,000 gallon tank was tied in and they are currently running off of that tank. Mr. Cragun asked about the risk element when the pressure builds up. Mr. Blonquist replied that when the tank is full of water, there is only 5 psi at the bottom of the tank.

Mr. Blonquist stated that Jed tied into the 200,000 gallon tank on Aspen View, Windy Ridge and Windy Circle. Mr. Blonquist had done a chlorine and bacteria sample on the water going to the tank and he intends to start pumping to the tank tomorrow. By the weekend Woodchuck should be back on, as well as the line going down in front of Eric Cylvick's house. Mr. Blonquist stated that the goal is to pump enough water this weekend to be able to flush Aspen View on Monday and Tuesday and to have Aspen View going by late Tuesday. Jed needs to finish Woodchuck and do Aspen Circle. He expects to have this work completed before winter.

Bill George asked if a decision has been made on refurbishing Uncle Tom's well. Mr. Blonquist replied that the Board decided to hold further discussion until the tank is full, which should be the end of next week. He believes it is too late in the year to start anything now.

The Regular meeting of the Pine Meadow Mutual Water Company Board of Trustees adjourned at 7:16 p.m.

Minutes Approved

Date