

PINE MEADOW MUTUAL WATER COMPANY
BOARD OF TRUSTEES MEETING

THURSDAY, JUNE 5, 2008

SUMMIT COUNTY, UTAH

Board Members in Attendance: Cal Cragun, Bill George Dan Heath - Board Members.

Ex Officio: Brody Blonquist, Trevor Townsend

Eric Cylvick was excused.

Brody Blonquist called the meeting to order at 6:40 p.m.

Minutes

MOTION: Cal Cragun moved to APPROVE the minutes of May 22, 2008 as written. Bill George seconded the motion.

VOTE: The motion passed unanimously.

Financial

The Board reviewed the profit and loss/budget versus actual. Mr. Blonquist noted that Carol had changed the format slightly. Mr. Cragun referred to a typographical error on the first page that he corrected to read June 5, 2008. He stated that Carol was willing to provide additional information if the Board wants the breakdown beyond what was shown.

Dan Heath asked if there was a reason why the excess water assessment was so high. Mr. Blonquist believed it was because the water was on for a longer period this year.

Mr. Cragun reported that Carol had said they were a percent ahead of where they were last year, which speaks highly of Eric Cylvick's ability to budget.

The Board reviewed the balance sheet.

MOTION: Cal Cragun moved to APPROVE the income budget versus actual, the profit and loss, and the balance sheet. Bill George seconded the motion.

VOTE: The motion passed unanimously.

Unpaid Bills

Brody Blonquist presented the unpaid bills. Home Depot showed a 16 cent credit. KGC Associates was for Carol's services. Mobile Mini was the bill for the storage unit, which they no longer have. Mountain States Water Works still showed a credit. USA Blue Book was for signs and other items for the project this year. Verizon Wireless was for the cell phones.

Mr. Cragun asked if USA Blue Book would come out of the loan? Mr. Blonquist answered yes and asked Carol to take it out of the loan.

MOTION: Cal Cragun moved to APPROVE the unpaid bills dated June 5, 2008 as presented. Dan Heath seconded the motion.

VOTE: The motion passed unanimously.

Managers Report

Brody Blonquist reported that work would start on the Grand View line the following day. The Grand View line is to be able to turn water back on to Forest Meadows once they go past the intersection of Arapaho and Valley View. It will be a six inch line with a fire hydrant in the middle and a PRV at the end. As soon as they finish the Grand View line they will start at the intersection of Arapaho and Navaho and start working their way towards Forest Meadows. J.E. Excavating will be doing that work and Cole will also be there.

Mr. Blonquist stated that excavating has begun on the shop. A lot has been done but they ran into a standstill with the loan. They have to put it out to bid in the paper for 30 days and then accept bids for 30 days. Karen, with the Division of Drinking Water, is taking it to the Division Board because it is a change in scope of work. In the initial loan they only put that they wanted a 500,000 gallon storage tank and distribution lines. She will let the Division Board know that some of the money will be used for a new shop. Eric Cylvick will work with Karen to get the approval. Mr. Blonquist stated that he would send something to Carol tomorrow for the newspaper so they can begin the process.

Mr. Blonquist presented a bid from Petersen Drilling, which is the company he recommended to pull and scrub the well at Uncle Tom's. The bid for everything was \$27,000. He recalled from previous meetings that the Board had said \$28,000 to \$30,000.

Miscellaneous Business

Mr. Cragun referred to an earlier discussion about moving some of the money in the CD at Brighton Bank that is earning 1.27%. He noted that Brighton Bank has a two year CD that would pay 1.73%; however the money would be locked up. Mr. Cragun stated that Zions Bank has a 2.79% savings account and a one year CD that would lock up the money at 2.27%. He did not think it made sense to lock up the money for less money

when it can be available at a higher interest rate. Mr. Cragun stated that he and Carol had decided on the 2.79% savings account as soon as they can get personal information on Eric Cylvick and Eric Anderson. The 4% Carol had mentioned at the lat meeting was based on the past prime rate of 5%. The prime rate has fallen and so has the interest rate.

Mr. Blonquist stated that he was putting a check in the packet from Extreme Excavating in the amount of \$3500 for the sale of the sand box.

The regular meeting of the Pine Meadow Mutual Water Company Board of Trustees adjourned at 7:00 p.m.

Minutes Approved

Date