

PINE MEADOW MUTUAL WATER COMPANY

BOARD OF TRUSTEES MEETING

THURSDAY JUNE 19, 2014

SUMMIT COUNTY, UTAH

Board Members in Attendance: Eric Cylvick, Cal Cragun. Kelly Cox participated via telephone.

Excused: Bill George, Tony Tyler, Brody Blonquist, Trevor Townsend

Eric Cylvick called the meeting to order at 6:30 p.m.

Approval of Minutes

May 8, 2014

MOTION: Cal Cragun made a motion to APPROVE the minutes of May 8, 2014 as written. Eric Cylvick seconded the motion.

VOTE: The motion passed unanimously.

Unpaid Bills

Eric Cylvick reviewed the unpaid bills. Allwest Communications and Catapultion were for the internet. Clyde, Snow and Sessions were legal fees for the easements and the road. Delco Western was for a second pump for the booster station at Oil Well Road. The \$18,440.71 to Fred Bacon was the amount remaining on the easement and that invoice would not be paid this evening. Haney & Company was the accounting firm who did the valuation. ID Electric was to wire the new pump. KGC Associates was for Carol's services. Meter Works is an annual fee that is charged by the company who does the telemetry system, the computers and all of the meters. Mr. Cylvick noted that once the annual fee is paid any warranty issues are fixed free of labor charge. Mountain States Water Works was for parts. Pine Meadow Mutual Water Company was the escrow debt reserve fund for the loan. Rocky Mountain Power was the monthly power bill. Select Health was the health insurance premium. Utah Division of Finance was for the two loans. Verizon Wireless were the cell phones.

MOTION: Eric Cylvick made a motion to pay the unpaid bills excluding the \$18,440.71 to Fred Bacon. Cal Cragun seconded the motion.

VOTE: The motion passed unanimously.
Kelly Cox disconnected from the meeting.

Financials

The Board reviewed the profit and loss/budget versus actual. Mr. Cylvick noted that 92% of the metered assessments and 92.4% of the standby had been collected so far

The Board reviewed the balance sheet.

The motions for the financials were made at the end of the meeting when Kelly Cox was on the phone again.

Correspondence

Mr. Cragun reported that George Croft was asking for the ability to transfer the water from Lot 26 to Lot 24 in order to sell the lot. Mr. Cragun noted that it would make Lot 26 a dry lot and he could not recall a time when the Water Company transferred water from one lot to another. Mr. Croft believed it was permissible in the bylaws. Mr. Cylvick did not think it was permissible. Mr. Cragun suggested that they defer the discussion to the next meeting and take the opportunity to read through the bylaws.

Mr. Cragun noted that a property owner was requesting a 50% reduction in his water bill because a leak was found and Brody had turned off his water at the meter.

Mr. Cylvick noted that without having the documents in hand it would be difficult for Kelly Cox to vote on the financials or the letters from the property owners. Mr. Cylvick deferred action on the financials and the correspondence until the next meeting when the Board would have a quorum to vote.

Mr. Cylvick and Mr. Cragun reviewed the projected route for laying a water line down the road and the emergency exit. He noted that per the easement agreement the Water Company would be responsible for constructing a four foot wood fence. Mr. Cylvick intended to include the fence, the water line, and two gates as one bid package.

Mr. Cylvick stated that he had sent the elevations to Andy Armstrong at Mountain Regional to do an elevation profile for the water line. Mountain Regional will do the engineering for the project. Mr. Cylvick had asked Dave Dillman from Horrocks

Engineering to help with the bid package and all the paperwork with state and federal money. Mr. Cylvick stated that when he spoke to Andy Armstrong he was told that Mountain Regional intended to instigate an infrastructure fee. They are not allowed to charge an annexation fee, but they can call it an infrastructure fee. Mr. Cylvick noted that the Water Company currently has an approximate \$20,000 annexation/impact fee and Mountain Regional would have a \$20,000 infrastructure fee. As an example, if the Water Company joined Mountain Regional and someone wanted to annex into the water system, that person would pay a \$20,000 infrastructure fee and \$10,000 would go to Mountain Regional and \$10,000 to Pine Meadow to pay down the debt.

Mr. Cylvick outlined the timeframe for the engineering and bid package. He believed the bid would not be awarded until August.

Mr. Cylvick called Mr. Cox to adjourn the meeting and found that he did have the financials with him and was prepared to vote.

Financials (Continued)

MOTION: Eric Cylvick moved to APPROVE the profit and loss budget versus actual dated January 1 through June 12, 2014. Kelly Cox seconded the motion.

VOTE: The motion passed unanimously.

MOTION: Eric Cylvick moved to APPROVE the balance sheet and previous year comparison as of June 12, 2014. Cal Cragun seconded the motion.

VOTE: The motion passed unanimously.

The Regular meeting of the Pine Meadow Mutual Water Company Board of Trustees adjourned at 7:05 p.m.

Minutes Approved

Pine Meadow Mutual Water Company
Monthly Board Meeting
June 19, 2014
Page 4

Date