

**Skyline Mountain Special Services District**

**2201 Skyline Mountain Resort**

**Fairview, UT 84629**

**Minutes of the annual Budget Hearing meeting held Dec 20<sup>th</sup>, 2008 at Skyline Mountain Resort**

Meeting called to order by Vice-Chair, Ed Collins at 6:38 p.m. Attending were Ed Collins, Mont Pugmire, and Terry Behunin. Absent due to surgery was Jay Hansen. Will Summerfeldt was away with family. No members of the public were in attendance.

Terry presented the proposed budget, which had previously been furnished to each member. Mont commented that with the extra line items, the budget will be much easier to track as to where funds are actually spent. Ed noted a minor discrepancy in the water income that Terry will correct. Mont moved for adoption of the budget as corrected. Ed seconded. Vote was 3-0 in favor. Budget hearing was then closed.

**Minutes of the monthly Board of Trustees of Skyline Mountain SSD held Dec 20<sup>th</sup>, 2009**

Attending were the above three board members. Joining were Tod and Robin Hansen, B-7. Orson Stilson also attended. Meeting called to order at 6:43 p.m.

1 Minutes of last meeting, previously furnished electronically were reviewed. Ed had a question about his assignment to work with Rural Water Development to obtain our Authority. After correcting, Mont moved and Terry seconded their approval. Motion carried 3-0 in favor.

2 Tod and Robin are requesting a water connection for lot B-7 so they can build their new home. Terry commented that we should decide on a set # of water connections to be allowed per year pending our new water system. Mont presented a data sheet to the Board, which was reviewed. It states that the average water use per household in Utah is 273 gpm per person, of which 73 gpm are culinary and 200 gpm are landscape water. A two person household at the average rate will use 146 gp day or 4380 gp month. At 86% setting our main well pump produces 72 gpm or 103,680 gal per day. At this rate it takes two minutes of pump time to provide for a two person household with no outside watering. At 88% our pump provides 92 gpm or 132,480 gp day. Our largest use ever was 115,000 gp day over a 3 day holiday weekend. Our average use is closer to 13,000 in winter and 85,000 gp day in summer. Our present storage tank has sensors which need to be raised another 10-12" in order to add to our on hand storage by about 5,000 gallons. The present tank capacity is 55,000 gallons. With the addition of Thad's Peak on a full time summer basis, a significant load has been taken from the main well cabin fill station. We will also be converting the campground to Birch Creek Irrigation Water for this coming year, thereby freeing up about 9,000 gp day. The new clubhouse will add the equivalent of several new connections. Terry asked if converting the campground to irrigation water wouldn't be counter productive to our desire to prove up on as much water as we can. Mont suggested that converting the campground to irrigation water would be done so that we can have water for our residents. We are trying to create the water for use by our patrons. There are more cabins being built that will draw on both Thad's and on the Main well fill stations. We also have an obligation to prove up on as much water as we can. It does not behoove us to show behavior that looks as though we are not trying to prove up on that water right. The information above was provided to help Board members make informed decisions. We are legally able with our storage capacity to have 138 connections. That's our limiting factor. We have roughly 84 now but we assume a value closer to 100 due to the SMR clubhouse, pool and rental cabins being all on one meter plus what we estimate is used through the lower fill station. Mont suggested that the terms of the 2005 amendment to the previous water moratorium should still apply to any new connections. Terry re-emphasized how important it is to control the number of connections until we get at least, the lower section through

PAGE 2: on a new system. He suggested that we, as a board, need to establish the number of connections, for example 5 or 6, as a maximum allowed per year until we do get the new water system. The 2005 amendment allowed up to 5 connections per year in 2005 and suggested a similar number for 2006. In 2005, 4 connections were requested with the 5<sup>th</sup> one being granted in 2006. Then there were two more granted in 2006 and in 2007 we had one. In 2008 we have had two requests for connections. Terry said, I would vote to approve the Hansen's water connection but before any others, we, as a board need to get together and say, 'this is the limit for the year ... whatever number that is' and we have just got to get this grant through and we have got to get the water system done. Mont stated, "Your suggestion is an excellent one and is exactly what the 2005 amendment does, which is to show that we will allow connections and beneficial use but control that growth until our new system can be put in." Since the system was made operational 27 years ago we have averaged 3 connections per year. Terry moved that we approve the Hansen connection and then decide at our next meeting on a number that we will allow per year until the new system is in place. This approval would be according to the terms and conditions of the 2005 amendment as to residential, household use and not for outside landscaping. Monte seconded. Vote was 3-0 in favor. Mont noted that both Jay and Will had previously stated that they would likely vote to approve this one connection also. Mont suggested that we table the discussion on new connections until all the board members are present. Ed asked what the process was to raise the sensors. Mont explained that it involves using a laser level to determine the over flow level and then have Jay, from the top, raise the sensors to be even with that. We would also raise the 'turn on' sensor at that time so the well pump would turn on sooner. Mont emphasized that our next very important conservation method will be to get a water rate set up. He stated that the real culprits are not a few new connections but those who use excessive amounts of water. It was explained that although we have no connection costs or impact fee at this time, all costs of the connection are the responsibility of the applicant.

3. Financial Report: It was explained that we have a CD with emergency funding for a full pump replacement if it was needed. It has roughly \$18,000 in it. Our savings account is still about \$45,000. Our checking is quite low but will build up during the winter. We have expended all of the surplus funds we previously had on road projects this year. A motion to accept the financial report by Mont second by Terry was made. The motion to accept the financial report carried 3-0 in favor.

4. Purchase a computer for doing the financials. Terry suggested we table this until we find out what our requirements for water billing will be. Each board member agreed with Jay's suggestion. This item is tabled for 90 days while we get our authority worked out and the water billing program in place.

5. Water share transfer letter: Jay is working on this and there is an upcoming appointment with our attorney to finalize it. It is essentially ready for the members. This letter does not need to contain a ballot. The water transfer will go forward unless a large number of members move against it. A public hearing is not required, just the notification.

6. Water billing: Terry asked what authority we have to go after someone who doesn't pay their bill. Ed explained that the procedure is to turn off their water and notify the health dept. The question was then raised as to what leverage we have over someone filling at the fill station and not on a meter. Ed suggested that we need to adjust the rates to all members, including those who use the fill stations. We need to make our rules to allow for a lien on the lot of a person who is using the fill station and refuses to pay. Mont said that after we have our authority, we will have the ability to enforce collection. Terry said that we need to have a tiered rate for users with punitive rates for those who overuse. Ed agreed to take on the project of getting our legal authority. Rural Water Development has a person to help walk us through this project. Right now, even though we read the water meters, people who overuse pay the same as those who are conservative.

Page 3: 7. Will's resignation letter has been sent to the county commission explaining that they are going on an LDS Church mission. We need to fill that at large position. Ed mentioned a potential candidate with a lot in the Mountain Section. He will encourage him to apply when the County Attorney posts the open position. Ed will take the responsibility to contact Mr. Blackham and urge him to get the position posted so we don't have a void.

8. Snow gates will be closed right after the 22<sup>nd</sup> of Dec. We had previously asked Haynes to build new lock boxes for the snow gates. This request was made in June and nothing has been done so Mont hired SMR employee, Chad Ramey to build these. He has done so and they are in place. Terry asked about the upper crash gate and the steel bumper push plate that Haynes was supposed to install. They haven't done it yet. We will do this in the spring. Terry mentioned the importance of respecting the easement restrictions we have. SMR said they were going to fence that area to block people from illegally travelling across the easement grounds.

9. Meeting motioned for adjournment by Mont, seconded by Terry. Motion to adjourn was 3-0 in favor.

Respectfully submitted,

LaMont Pugmire, sec-clerk