

**Skyline Mountain Special Services District  
2201 Skyline Mountain Resort  
Fairview, UT 84629**

Minutes of the monthly Board of Trustees Meeting Held November 18<sup>th</sup>, 2006  
At the Skyline Mountain Resort Clubhouse 6:00 p.m.

Meeting called to order at 6:00 p.m. by Chairman Roger Mace

Attending: Roger Mace- J43; Jay Hansen-L13; R. J. Slater- L23; Monte Pugmire -B19; from the Board. George Scarlet excused. Also attending were Roy Fox C-49; Max Henrie-J76. Orson Stilson from B section came later.

- 1 Minutes for Oct 21<sup>st</sup>, 2006 board meeting were read and approved as modified.
- 2 Budget for 2007: Roger presented a budget proposal for consideration. After some discussion concerning the addition of approximately 10-12 additional lots from sales, motion was made by Monte and seconded by RJ to amend the proposed budget by adding the estimated revenue from 10 additional lots and after this revision to propose this budget to the members of the District at the annual budget hearing on Dec 16<sup>th</sup>, 2006 at 6:00 p.m. Because the budget as proposed shows income and spending divided equally by 12 months, included in the motion was the provision that we will create a working budget that will take into account best estimates of income and spending by actual month, including our present estimated year end surplus. This motion passed 4-0 in favor. Roger will send the wording of past budget hearing postings and Mont will post no later than 2 weeks prior to the meeting in 4 prominent places within the District boundaries.
- 3 Page/Anderson water connection: We need to quickly develop a plan to require only licensed and bonded contractors on road and water projects under the District's jurisdiction. There was a long discussion concerning co-location of water and power in same trenches. Jay Hansen discussed the risks of this practice as a/. back hoe dangers of a track or back hoe hitting one or the other lines when doing maintenance or connections etc. b/. possible electrolysis of copper saddles and power cables in similar locations. c/. potential problems especially in the GC lots, which SMR plans to develop with, paved roads and possible curb and gutter with electrical location in the public right of way if repair was necessary. He stated that underground electrical cables deteriorate in time (he suggested 10 years or so with some installations having lasted 30+ years) and that locating said electric underground 1' inside property lines in the recorded easement made repair less costly.

Discussion then centered on the fact that Mr. Page was given permission by SMR Board to proceed with installation of electrical service to his Lot, GC 16, on which he is building a new home and that the instructions as to where to dig were given to him to dig just inside of the road right-of-way as has been common practice elsewhere in the Resort (District), which instructions he has followed. Jay suggested that we ask him to dig a second trench in the property easement. R.J. commented that he was unable to verify the location of the property stakes or hubs because they have either been covered by dirt or perhaps dug up. Monte suggested that this was not our concern because replacement of damaged or removed property stakes is covered by

SMR Architectural Covenants and is a matter for them to deal with the owner/builder. Monte suggested that we might be in a very weak legal position if Mr. Page pursued such action due to the fact that we are trying to go back after the fact and ask additional investment of him. Roger said that when he and Mr. Page talked, Roger told him that if Page went ahead with the trench, and his water connection was not approved this year, he might have to fill the trench in. Monte reminded the Board that our current lease requires us to develop the Resorts water rights to the fullest extent possible and to use that water for the benefit of our members.

Monte moved for the Page and Anderson water connections to be #2 and #3 of the 2006 water connections approved as agreed last April. Discussion on the motion was as follows: Roger said he thought only 2 connections were approved for 2006. Monte had previously furnished each board member quotations from the April 2006 minutes where 3 connections (of the 5 allowed in the amendment to the previous moratorium) were approved with the remaining two, if needed, to be reviewed on a case-by-case basis. It was pointed out that we gave the remaining 2005 connection to Fullmer and that one of the 2006 connections was given to Adamson, leaving 2 available for immediate awarding. Jay Hansen said that it was correct that the last of 2005 connections went to Fullmer. Monte restated his motion asking for approval of the Anderson and Page connections to be #'s 2&3 for 2006 with the Page connection conditional on an opinion from Sanpete County attorney as to whether we can deviate after the fact from the County's standard operating practice as to when co-location is allowed. There was no second forthcoming. Roger stated that if Monte were to amend his motion, he could probably get a second. Monte said, "No, the motion stands". Motion died for lack of a second.

Monte then made a new motion to approve the Anderson connection subject to verification that the deed transfer has been made prior to connecting to the water lines. This motion was seconded and the vote was 4-0 in favor.

4. Snow gate key for Hamblin to be given since he is living in the full time area and our snow gate is lower than his home. He has been advised that his road will not be plowed but that we would make every effort to keep a one vehicle wide area ungroomed so he can drive to and from his home. We will instruct the groomer to run the groomer from the snow gate past the Hamlin home on the south side of the road.
5. Thad's Peak well test update: Roger reviewed a letter from the engineers (copy included with these minutes) detailing the 2-week pump test. The results were not as encouraging as hoped for installing a larger pump and perhaps use the Thad's Peak well to be a water supply to area 3 (Birch Creek area) as well as area 2 (upper mountain area). In fact, it may be insufficient even for complete coverage of area 2. There was a discussion around the well siting plan from HAL engineers. It was generally agreed that we should put a lot of effort into development of site 9 (the lower NW corner of the Resort property) and pumping that well to area 1 & 3. Jay and Monte both discussed the fact that we should proceed with HAL to look at the potential of moving forward now on drilling at site 9 and begin using that water as soon as possible. This would also help us prove up on our water and help eliminate the risk of the State taking away some of our water right due to lack of beneficial use. Monte mentioned that we have been keeping records on the Chicken Springs water

- use throughout the summer and that an average of 96,400 gallons per day was recorded for the majority of the summer.
6. Orson Stilson was assigned to coordinate with Joe Daley to lift the Thad's Peak well pump and retrieve the "measuring tape" used in the draw down test.
  7. Road Break Digging permit draft copy: This is to be reviewed by each Board member and discussed in detail at our next work meeting.
  8. Design Standards draft copy: Monte handed out a draft copy of proposed design standards for road, power and water installation within the Resort. This was patterned after the Lehi City plan but modified extensively to meet our needs here as to terrain, desired end result and our lease with the SMR Board. This will be reviewed at our next work meeting since it is 24 pages long.
  9. Road Patches: If Johansen Asphalt is still operating the batch plant, move ahead on the large patches at the east gate area plus 3 holes near the old gate and some chip seal shoulders that are deteriorating rapidly.
  10. Magnesium Chloride: George asked that we begin earlier to canvass the various areas in the Resort to make sure we can get sufficient voluntary support for continuing this practice. Roger mentioned it has been very good as far as needed road maintenance on those roads in Birch Creek and A and B sections where the experiment was conducted. No additional grading has been required all summer and the residents have spoken highly of the result. R.J. mentioned they had gathered about \$2300 of the approximate \$6,000 cost for the Birch Creek area (38%). Monte mentioned that \$1860 had been gathered of the approximate \$2,300 cost in A and B sections(80%). We will want a higher participation in order to move ahead. Roy Fox will start soliciting for C-section, where many members saw the results and wanted the treatment in their area.
  11. C Section escape route and progress by SMR in resolving exit easements for this road. We have banked \$4,000 for doing this work but cannot proceed until the easements at the bottom end are worked out.
  12. Work Meeting: Try to set a work meeting in the week after Thanksgiving. Any night but Tues./Wed will work.
  13. The remaining items from the fire grant to be paid for are Chemicals, signs for escape routes, C-section escape road, and dry hydrant cleaning in Birch Creek. This is estimated to be \$15,000 roughly and money has been reserved for this.
  14. Orson to store the Thad's Peak well fill station hose and meter here or at his house. He was assigned to start cataloguing where we need culverts so we can plan for and budget for them.
  15. Meeting adjourned at 8:47 p.m.