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

**Minutes of the Organizing Board Meeting held Sept 5th, 2007
At Skyline Mountain Resort Clubhouse**

Meeting called to order at 7:05 p.m. by acting chairman, Jay Hansen.

Nominations for officers for the coming term.

Mont nominated Frank Frazier as chair, Jay Hansen as vice chair and Terry Behunin as treasurer. Nomination seconded by Frank. Frank then asked to amend the nomination to include Mont Pugmire as sec-clerk. Mont seconded this amendment. There being no other nominations, Jay called for a vote by acclamation. Vote was 5-0 in the affirmative.

Frank then took over the meeting. Jay suggested that we have a person on the board assigned to be over each area ... a 'kingpin' for that area of responsibility. Frank said it would be his goal to take the county commission's assignment to work out our differences internally. He stated that what was past is past and we now need to move forward as a 5 member Board. He also stated his goal that we leave in the past differences between our Board and the SMR Board, who represent our only customer, the members of SMR.

There was a motion to ask Terry to write a letter to the former Board members thanking them for their service. Motion passed 5-0 in favor.

The action items from the two June meetings were reviewed and those complete were reported so and those still open were left with those previously assigned.

Jay reported on Hansen-Allen-Luce and the forward progress with Rural Water Development. RWD has added two additional requirements: 1= an endangered species survey and 2: an agricultural impact report. These could add between 8 and 13,000 dollars to our application cost. Jay says Richard Noble of HAL feels the likelihood of our being approved for this funding is very high and recommended that we contract for the additional two items needed. The motion to proceed with the biologist contract for \$8500 dollars estimate was approved 5-0 in favor. When the agricultural contract amount is known, Frank will conduct a phone vote to authorize this amount.

We haven't heard from SMR Board after both attorneys reviewed the law providing for the protection of our municipal water right by having it owned by the SSD, which as a governmental agency can store unused municipal water without it being at risk to be confiscated by the State Engineer.

The minutes of June 16th and June 23rd were read and approved as amended.

Review of present bank balances:

Checking = \$69,000

SMR deposits pending= \$24,000

Water pump/main well savings= \$43,000

Emergency CD = \$17,700.

We have payables of approximately \$31,000 to HAL, \$20,000 potentially on the new pump and \$8,500 for the MgCl applied on May 23rd, for which they have never invoiced us yet.

Policy change: Mont will deposit banking information in our SSD collection folder in the SMR offices so the checks can be prepared in advance of meetings. Mont will bring a list of the last minute ones that arrive just prior to our Board meetings.

Terry asked if we should have an independent audit with the changing of treasurers? After discussion about costs, it was decided that Terry will review our present status and will report. At that time we can make that decision.

Mont was asked to contact Fairview and/or Mt. Pleasant water systems operators to see if that could be an avenue for our water testing. Terry motioned and RJ second. Vote 5-0 in favor of exploring this idea.

After discussion concerning meter reading, it was moved by Mont with Terry seconding that we add to the duties of our contract employee, Orson Stilson, the duties to read the water meters. These are to be read monthly during the April – October time period and every two months after that, as weather permits.

Orson Stilson report:

Spraying for fire mitigation is complete for the year.

O section report. Haynes did a poor job leaving boulders in the road and not providing a good end result. Two more culverts are needed there and potentially 15 loads of gravel applied to make the roads safe. The drains and culverts are cleaned.

The SMR Board is talking to Melynda Haverson about working for us as a contract employee to take the minutes and enter the old ones on the web site. Terry will take that action item and report back.

Mont assigned to see if we have officers and directors liability with Rural Water Users Insurance.

We will have a work meeting on Sept 12th to discuss the old and proposed SMR-SSD lease; the water master plan; and the water letter that we placed in the SMR Board's hands for review. Meeting will be at 6:00 p.m. at the SMR Clubhouse.

Mont suggested we put out three areas for bid this year on roads:

1. Juniper Drive for gravelling the three areas previously discussed.
2. Choke Cherry Drive south end.
3. Deer Valley Drive project.

Jay suggested there might not be time this season to do the work. Mont suggested we get the bids soon because there may still be sufficient time to attack these projects this fall. It is possible the Deer Valley Drive bid could be phased with the rough grading, widening, crowning and borrow ditches put in this fall and then final grade and gravel in the spring, if needed.

There was a long discussion concerning the installation of the new pump and motor being done in an offensive way to Jay and R.J. Frank said he could see their concerns but suggested that the SMR Board did the best they knew how under the circumstances with the pump in failure mode in the heat of summer and the SSD not in a position to act as a quorum to address the situation. He acknowledged the concerns and suggested it was time for us to get past it and move on. Frank called for a motion to accept financial responsibility for the payment of the pump, motor, controls and installation. Jay asked for a roll call vote. Voting aye were Terry and Mont. Voting no were RJ and Jay. Frank voted aye. Motion carried 3-2.

Meeting adjourned at 10:15 p.m.

Frank Fowler - Chair
Mont Pugmire sec-clerk