

Skyline Mountain Resort Special Services District

2201 Skyline Mountain Resort

Fairview, UT 84629

Minutes of the monthly Board of Trustees meeting

March 15, 2008

Board Members in Attendance: Frank Fraser, Jay Hansen, Roy Slater

Board Member Excused: Terry Behunin, Monte Pugmire

The meeting was called to order by Frank Fraser at 7:10 PM in the Clubhouse of the Skyline Mountain Resort. The meeting began late due to adverse weather conditions.

Minutes: Minutes of the February 16, 2008 meeting had been previously distributed and reviewed. Jay moved and Roy seconded that the minutes be adopted without change. Motion passed 3-0. Minutes of the February 20th Work Meeting with Hansen Allen and Luce were not available and will be reviewed at a later meeting.

Minutes on the Web: Discussion relating to placing the SSD minutes on the Web Site was postponed until the April meeting so that all Board members could be present. Frank expressed concern that this is now an urgent issue and needs to be addressed promptly in order to avoid being in violation of state statute.

Meeting to Discuss Water Rights: Attempts are being made to schedule a meeting between the SSD and SMR Board and their attorneys for the purpose of discussing water rights and what needs to be done to adequately protect them. Jay has been in contact with Mr. Craig Smith, The SSD's attorney, and has requested he contact the SMR Board's attorney to schedule possible meeting times. Jay is attempting to have a meeting scheduled for the first week of April. As soon as he receives a response, he will inform the other members of the SSD Board. The most likely place for the meeting will be at one of the attorney's offices. The Board also agreed that it would be beneficial to have Mr. Richard Noble of Hansen, Allen and Luce at the meeting to discuss items related to funding of water development projects.

Project Flow Chart: The Board discussed the project flow chart that is posted on the wall of the Resort Clubhouse. Jay and Roy both pointed out that the chart had been well thought out and was a great value to the Board. It was discussed that some of the steps in the flow chart process would need to be revisited in order to get back on track. The Board reaffirmed its commitment to use this chart as its guide to project development and funding.

Liability Insurance: Frank informed the Board that he had begun the process of researching liability

insurance coverage for the SSD Board. He has contacted the Utah Government Trust and been advised that the Board has coverage totaling 2 million dollars. The Utah Government Trust recommends raising this level to 5 million dollars in July. The cost increase would be approximately \$1000.00 a year. Jay has also contacted Sanpete County and has been informed that we may want to research their insurance program. Frank has called Ilene Roth, the Sanpete County Auditor, and she is in the process of researching whether the SSD Board is covered under the County's policy since they are appointed by the County Commission. This item will be revisited at the April meeting.

Plowing of Birch Creek Road: The next item on the agenda was an update on the plowing of Birch Creek Road. Frank noted that it was anticipated that Mr. Jess Baker would be present for this discussion but had not shown. Jay reported that at this point the road between the gate and Mr. Baker's property was about 75% bare (no snow). Because of the earlier plowing the road has begun to erode and there is nothing that would be gained at this point to moving the snow from the edges to the middle of the road. Jay pointed out that continued travel by vehicles would damage the road and may necessitate 15 – 20 loads of gravel to repair in the summer. One issue is who should bear the cost of this repair. Roy pointed out that there is a provision in the SMR Board's CC&Rs that will allow for the billing of road repair cost to the member who has caused the damage (Section II, paragraph 7). The problem is that the locks have been broken off the gate and this is allowing Mr. Baker and some others to drive their regular highway vehicles on the muddy road thus creating significant damage. At this point, the locks have not been re-installed. Jay also pointed out that the plowed snow has been piled on the sides of the road creating about a 4 foot snow bank on each side. As the snow melts, the water from these snow banks will flow to the middle of the now exposes road surface washing away the road base and mag-chloride. Jay also reported that Mr. CJ Lowe, who grooms the roads, had been threatened by a resident of Legacy Mountain when he informed the resident that the gate on Juniper will be locked. It was agreed that the gates will need to be locked as soon as possible to prevent further damage.

Water Statistical Information: Frank reported receiving various requests for statistical information on water usage. Roy stated he had also provided Mr. Noble with some information. The state of Utah has sent a statistical report to Mr. Everett Taylor that needs to be completed this month. Neither Jay nor Roy had seen this survey in the past. Jay took a copy of this survey and stated he would work on the parts of it that he could complete.

St. George Conference: The Board agreed that the three people who attended the Rural Water Users Conference in February will be invited to the April meeting to make a presentation on the information they acquired at the conference.

Fire Committee: Mr. Dwayne Combs, head of the Fire Committee, has requested authorization to service the chipper. Jay reported that he has the video but does not have the book. Jay stated that authorization to repair the chipper needs to be obtained from the State. At this point the State of Utah still owns the chipper and the SSD Board is not involved with it. The contact with the State is Mr. Terry Heath. The Fire Committee has scheduled a meeting on the new Fire Mitigation Grant for March 31st at 6:00 PM in the Midvale Fire Station on 607 East 7200 South in Midvale.

Spring Projects: The Board discussed various projects that need to be worked on beginning this

spring. The Board agreed that in the road project area, the emphasis should be placed on completing the Deer Valley Drive south (lower) section began last fall and monitoring the fire exit roads to insure they are adequately maintained. Beyond this, the Board agreed that all other road maintenance projects should be based on the results of the road evaluation system. Jay suggested that the Board as a group should have a work day when the weather permits for the purpose of getting familiar with the road evaluation system and how to use it. He further stated that all roads in the Resort should then be evaluated using the system. Jay also noted that there are fire escape roads that are not under the jurisdiction of the SSD. These roads are Hot Well Road and the escape route from the end of Thads Peak Road to Route 31 near Skyline Drive. He recommended that the SSD Board coordinated the maintenance of our fire escape roads with the SMR Board who maintains these two roads so that the maintenance is don close to the same time.

Other spring projects discussed included the repair of the Thads Peak well plumbing, water testing on Thads Peak, cleaning the tank at Thads Peak, check the clay valve at Thads Peak, adjusting the sensors on the main tank, installation of the locking mechanism on the gates, and move/widen the gate access to allow for side by sides and snow cats.

Jay recommended that the April agenda should include a "start of the year" review of our roads and water system to identify needed projects.

Presentation to the County Commission: Jay recommended that the SSD Board make a presentation to the Sanpete County Commission in the near future. After some discussion it was agreed that the target date for this presentation should be at the end of May or the first of June. Follow up discussion on this item will take place at the April meeting.

Roy Slater – resignation: Roy presented a letter announcing his resignation form the SSD Board, effective April 1st. He has also sent the same letter to the Sanpete County Commission. Both Jay and Frank expressed both their sadness with Roy's resignation, and their understanding that he needed to do what was best for himself and his family. Frank will contact Ross Blackham, Sanpete County Attorney at the beginning of next week and request he prepare the announcement to fill Roy's position.

Roy motioned to adjourn the meeting. Jay seconded the motion. The meeting adjourned at 9:15 PM.

Next Meeting: April 19, 2008

6:30 PM

Skyline Mt. Resort Clubhouse