

December 15, 2022

Skyline Mountain Resort Office Fairview, Utah

Public Budget Hearing Minutes

Public Board Meeting Minutes

Public Hearing called to order by Craig Godwin @ 6:17 after some technological glitches trying to innate the Zoom meeting for those who would like to attend electronically.

Those in attendance: Craig Godwin, Don Hunter, David Weber, Gene Nielsen, Roy Fox(Water Superintendent), Jeremy Fox(Certified Water Operator), Beca Mark via Zoom.

Goal of the budget hearing is to discuss and approve the 2022 proposed final budget and approve a final 2023 operating budget.

PUBLIC BUDGET HEARING

Review of revenues for the year and expenses. Concerns expressed about shortfall. Explained for the most part by the unplanned expenditures for a project to correct unacceptable low water pressure in one area of B section, as well as expenditures for engineering, preparation work on Thad's peak fill station road, and water master plan that were all going to be reimbursed from proceeds from the refinanced bond that didn't materialize because of the ultra excessive bids submitted for the project in June. Bids to be opened again in February in hopes that bids will come in in-line with engineering estimates.

Motion made by Dave to accept the proposed final 2022 budget as recorded. Seconded by Don. Motion carried unanimously.

The proposed 2023 budget is predicated off of 2022 actuals. Motion made by Don to accept the proposed 2023 budget, seconded by Dave. Motion carried unanimously.

Craig reminded all, that since there are yet 2 weeks remaining in the budget year, a final-final approval for the 2022 budget will be required in January/February budget hearing to approve the 2022 final budget.

Gene made a motion to close the budget hearing seconded by Don. Motion carried unanimously. Budget hearing adjourned.

Motion made by Gene to open the December 2022 SMSSD Board meeting, seconded by Don, motion carried unanimously.

Board Meeting is now in session.

Welcome to SMSSD Board meeting.

APPROVAL OF FINANCIALS: Financials were sent out electronically prior to the meeting for board members review. Roy reviewed account balances. \$93,494.84 was transferred from our loan account #108 to our checking account in early October and \$30,000.00 from our Xpress bill pay deposit account in preparation to make our annual bond payment of \$143,250.00 on October 15th. We made our annual payment on our truck of \$10,002.51 on November 30th. Short period of discussion and motion was made by David to approve the financials as presented, seconded by Gene, motion carried unanimously.

UPDATE ON MASTERPLAN/IMPACT FEE FORGIVENESS. Our Master Plan Impact Fee study completed by HAL last spring qualified for a forgiveness grant from the Utah State Drinking Water Board after a little pursuit on our part. That check for \$21,700.00 was received on November 16th. Hurrah!!

THAD'S PEAK FILLING STATION IMPROVEMENT PROJECTS. We had made application to the State Drinking water Board for a refinanced bond that would pay for this project and save us \$60,000.00 in interest over the life of the loan. The engineers bid for the project was in the neighborhood of \$460,000.00 and the only 2 bids that came in were astronomical and way beyond anything we could accept. With the change in the economy we have decided to readvertise bids for this project starting in February with hopes that contractors more anxious for work will come in close to the engineer's estimate.

UPDATE ON WATER SYSTEM.

1) Discussion led by Jeremy on the need over time to update PRV valves to meet the state's new lead and copper rules.

2) District Expansion & Water Dedication Policy. This policy remains in draft form and still requires further input from our Legal Council, Craig Smith. We'll postpone a vote to approve and put in place until that is in final form and presented at a public hearing.

3) Update on Mecham water connections. We are under contract with Don. The county is ok with Don connecting with our system providing he pay all of the costs or provide the water shares, all of which was dictated in the original contract drawn up by our attorney Craig Smith. This benefits every member of SMR. He has provided \$27,000.00 for the purchase of water shares of which we have already begun the process of acquiring those shares. He will still have to work with the county planning commission on getting final approval for his 3 lot development.

NEW BUSINESS.

Joined by several members of the SMR Board. They bring a letter of intent from Sweetwater LLC, (the private water company of Legacy Mountain Development) to enter into discussions for Sweetwater's acquisition of all water assets of SMSSD in exchange for a plan to provide water hook-ups to each lot of SMR. Initial committee appointed to get facts that can be shared with members of SMR and determine feasibility. Craig Smith our water attorney was provided with preliminary information so that he can provide legal counsel.

Motion made to adjourn the the SMSSD Board meeting by Dave, seconded by Don. Motion carried unanimously.

Meeting stands adjourned.