

PINE MEADOW MUTUAL WATER COMPANY

BOARD OF TRUSTEES MEETING

THURSDAY, JUNE 28 , 2007

PINE MEADOW RANCH  
SUMMIT COUNTY, UTAH

Board Members in Attendance: Eric Anderson-Vice President, Cal Cragun, Dan Heath - Board Members.

Eric Cylvick, Bill George, Brody Blonquist, and Trevor Townsend were excused.

Vice-President Eric Anderson called the meeting to order at 6:44 p.m.

**Minutes**

MOTION: Eric Anderson moved to APPROVE the minutes of June 14, 2007. Dan Heath seconded the motion.

VOTE: The motion passed unanimously.

**Unpaid Bills**

The Board members reviewed the unpaid bills. Eric Anderson noted that the bill from J.E. Excavation was separate from the other bills. Cal Cragun asked about the asterisk on the \$29,000 bill from J and R Development. Mr. Anderson understood that \$29,000 was the amount of the current bill. The mobilization was \$2250; the shore tank lid was \$3500; and pouring the tank lid was \$25,120. He believed the remaining amount was the list of retainages. Mr. Anderson explained that a certain percentage is taken out of each bill and on this bill \$1,543 was taken out of the APPL #5. APPL #5 indicates that this is the fifth application they have turned in.

MOTION: Eric Anderson moved to APPROVE the unpaid bills as of June 28, 2007. Cal Cragun seconded the motion.

VOTE: The motion passed unanimously.

Eric Anderson noted that J.E. Excavation separates their billing into two bills. One was for equipment and labor in the amount of \$23,865. The other bill was trucking charges in the amount of \$14,130 to haul sand for Elk Road, Aspen Ridge and Woodchuck and to haul left over dirt from Navajo. Brody Blonquist had approved these charges.

MOTION: Eric Anderson moved to APPROVE J.E. Excavation Schedule #7, equipment and labor, in the amount of \$23,865 and Schedule #7 for trucking in the amount of \$14,130. Cal Cragun seconded the motion.

Pine Meadow Mutual Water Company  
Board of Trustees Regular Meeting  
June 28, 2007  
Page 1

VOTE: The motion passed unanimously.

## **Financials**

Eric Anderson reviewed the profit and loss/budget versus actual and noted that they were getting close on assessments. The standby was 88.7% and metered was 92.8%. Mr. Anderson indicated an increase in the workers' compensation insurance. He recalled a discussion from the last meeting on whether or not enacting a drug policy would reduce the premium on the workers' compensation insurance. Mr. Cragun thought it would reduce the premium and offered to check on the guidelines.

Mr. Anderson remarked that additional computer expenses put them over budget on office supplies. He stated that a lap top was purchased. They were significantly under budget on professional services. The property taxes had increased 111%.

MOTION: Eric Anderson moved to APPROVE the profit and loss/budget versus actual for June 28, 2007. Dan Heath seconded the motion.

VOTE: The motion passed unanimously.

Eric Anderson reviewed the balance sheet. He recalled a previous discussion about moving money into different accounts. Cal Cragun replied that they had decided to wait and see if additional money would be needed for bills before moving any money. He believed the amount in the checking account had doubled from this time last year. He hoped to know more by the next meeting. Mr. Anderson remarked that the escrows are high and the money market account is up; however, in reading the balance sheet he thought the checking account showed a negative balance.

MOTION: Cal Cragun moved to APPROVE the balance sheet as presented. Eric Anderson seconded the motion.

VOTE: The motion passed unanimously.

## **New Business**

Eric Anderson stated that Brody Blonquist had presented information on Cellualarm, a wireless communication system for monitoring the water system. Their current system does not sound an alarm when the water tanks get lower or the pump stops pumping, etc. The Cellualarm sends a call out to a listed number of callers when the water drops to a dangerously low level. The system will call Brody with a message and he can log on to see where the problem is and what needs to be done. He pointed out that Cellualarm takes monitoring the water system to the next level. Mr. Anderson noted that the base price is \$2300 with an additional monthly cell phone fee. He was unsure of the amount of the monthly fee and whether \$2300 included labor. Mr. Anderson felt the Board should continue to look at this option and to find out a more definitive cost.

Pine Meadow Mutual Water Company  
Board of Trustees Regular Meeting  
June 28, 2007  
Page 1

Mr. Cragun stated that this type of system would relieve their liability in terms of fire if the water system were to shut down.

Cal Cragun noted that Eric Cylvick had asked him to form a committee to work with the Homeowners and Whiskey on a set format for repairing roads. Mr. Cragun stated that the pattern has been for the water company to widen the road 2 feet on each side. Since the water company has half the road, they need to find a way to share the responsibility of putting down 8 feet of road base. He had started to draft a form to document the exact work done on each road. Mr. Anderson asked if the form would include a signature from the Homeowners Association. Mr. Cragun replied that it would require a signature from the Homeowners, the Water Board, and the Ranch Manager. Mr. Cragun will prepare a hypothetical form for the Board members to review at the next meeting. Mr. Anderson commented on the importance of clarifying any work that is done. He suggested that Mr. Cragun get input from the Homeowners on anything they would like to see included on the form.

Mr. Heath reported on a homeowner who said he had received a water letter and had started building. Mr. Anderson stated that a specific procedure is followed when a water letter is issued. He did not think Carol would send a water letter to Brody to approve an install without following that procedure. Mr. Heath pointed out that this gentleman did not have documentation or a copy of the water letter. Mr. Anderson stated that if he was already building, he had to receive approval from the County and he would have needed the water letter to obtain that approval. Mr. Anderson asked Carol find out if the water letter had been issued or if something had slipped through the cracks.

Mr. Anderson stated that a gentleman on Canyon Road is building a log cabin and a number of property owners had contacted him to express their concerns about outside watering. He and Eric Cylvick had contacted this gentleman to let him know that the rules prohibit outside watering with Water Company water. Mr. Anderson would send Carol an email regarding this matter and ask her to send a letter to this gentlemen informing him of the policy.

Dan Heath understood that the tanks at Plat I were supposed to be filled at night, but it is still being done during the day. Mr. Anderson recalled that the filling would take place at night once they started filling the big tank.

Mr. Anderson reported that Mr. Blonquist had requested pay increases for two employees he had originally started at a low rate to see how they worked out. He is very pleased with their work and would like to increase Jason Addis from \$12.50 to \$14.00. Mr. Addis is running the backhoe and knows the system. He would also like to increase Jed Addis to \$13.00. Mr. Blonquist had indicated that these employees are working incredibly hard and making good progress.

MOTION: Eric Anderson moved to increase Jason Addis to \$14.00 per hour and Jed

Pine Meadow Mutual Water Company  
Board of Trustees Regular Meeting  
June 28, 2007

Page 1

Addis to \$13.00 per hour, effective the next pay period. Dan Heath seconded the motion.

VOTE: The motion passed unanimously.

Eric Anderson stated that he would inform Eric Cylvick of this decision and get his approval as well.

The regular meeting of the Pine Meadow Mutual Water Company Board of Trustees adjourned at 7:18 p.m.

---

Minutes Approved

---

Date