

Timber Lakes Water  
Special Service District  
Wasatch County Offices  
25 North Main  
Heber City, UT 84032

435-654-0125  
6:00 p.m. on 01/18/2011

Board Meeting Minutes

**Facilitator:** Adam Hagan

**Note Taker:** Raquel Ferguson and Carol Baker

**Board Attendees:** Adam Hagan, Leno Franco, Mike Wheelwright, Ralph Lewis, and Steve Farrell.

**TLW Personnel and Legal Council Attendees:** Jody Defa, Raquel Ferguson, Carol Baker and Duane Moss

**Guests:** Richard Webb <sup>1602 Blue Spruce - Part-time</sup> and Councilman McFee, who may be replacing Steve Farrell on our Board as the County Council representative

Meeting began at 6:00 p.m.

**Approval of December Board Meeting Minutes:** The minutes were reviewed. **Steve Farrell made a motion to approve the minutes as presented. Ralph Lewis seconded the motion. Motion passed unanimously.**

Ralph reminded the Board that last year we had one employee who's pay was significantly lower than his co-worker that has the same responsibilities. Due to the unfair difference the Board approved a pay raise for the lesser paid employee last year with an increase each year until the pay was considered equal. **Ralph Lewis made a motion that the employee receive this year's pay increase of \$1.00 per hour.** The Board felt Jody should document what the employees wage was prior to last year's increase as well as the co-workers rate of pay and what the employee's increase was last year so we can document and record all the facts prior to approving an additional raise. The motion was tabled until next month.

**Warrant List:** The warrant list was reviewed. The checks began at 9252 and went through 9287. **Steve Farrell made a motion to approve the warrant list. Mike Wheelwright seconded the motion. The motion passed unanimously.**

**Owner Issues:** A letter from Cindy Day was presented. In that letter she expressed her disappointment in the way the payment of the Assessment was handled. The Board discussed the issue and felt we did the best we could in the circumstances that were given. Adam will prepare a response letter to her.

There were discussions regarding the fact that there will be issues come up regarding the inability of some people to pay the increased bills and how we will handle those hardship situations. The Board agreed this will be an issue and it is something the Board needs to discuss within the next two months. Everyone needs to be thinking of ideas that can be presented for discussion.

Jody asked about a customer who utilized the leak relief policy a couple months ago and was relieved of \$48. He had another leak last month resulting in a \$14,000 bill and would like to utilize the leak relief policy a second time. The board reconfirmed that per policy they can approve a leak relief a second time, and possibly a third based on the circumstances and it is evaluated on a case by case basis. In this situation, the Board approved the leak relief for the second time. This issue created discussion as to how we can track these types of leaks and why the new system doesn't detect it. Jody explained that the new system will alert them to water flowing at 88gpm, this leak was only 28 gpm. There was discussion about installing some mag meters so we can detect these smaller leaks since even these smaller leaks could cause problems in higher usage months. Jody felt about six mag meters would be sufficient to fulfill the need we have and that would cost about \$5-6,000.

**Board Nominations:** Since it is a new year we need to nominate Board positions. However, Adam's position on the Board has expired and he does not intend to continue serving, however, he will continue to serve another month, possibly two, until his position can be replaced. Lew Chappell's position has also expired and he no longer qualifies to serve on the Board. The positions will need to be advertised and filled per County procedure with the County manager reviewing the applications and making

recommendations. Steve will handle getting this taken care of. **Steve Farrell made a motion to hold off making Board Nominations until the vacant positions are filled. Leno Franco seconded the motion. Motion passed unanimously.**

**Coordination with TLPOA:** No one from the TLPOA was present and there are no known issues to discuss.

**Water System Bond:** Over the past several weeks Duane has been working with Bond Council to finalize the numbers in preparation for bond closing that must close by January 31st. The interest rate still has not gone down and could likely go up. They are currently at 7 1/2 - 8%. About three weeks ago some problems were identified. Some of those problems include approximately \$370,000 in costs that were not accounted for when we tied down numbers last fall, second, an increase in the percentage being charged by Peiper Jaffrey, and third the number of people who prepaid the assessment was more than double what they had estimated and anticipated. All of these factors caused the principle amount per lot to be much higher than we original expected and more than what we disclosed. We cannot alter the amount of the assessment bond, it has to close at the amount we quoted at the Board of Equalization, which was \$5.3 million. Zions will do a revenue bond for the remaining \$600,000 due. This additional \$600,000 will cost about \$2.00 per month per lot. The revenue bond has to go through a notice procedure and a public hearing has to be held. The monthly rate for those customers who did not prepay will stay about the same but those customers who prepaid owe us additional money that will need to be collected. Raquel expressed concerns for handling this including the fact that due to overwhelming phone calls over the past several months due to the assessment the office is already several weeks behind on their regular office work, in addition to that they are now working on year end procedures and the annual audit so they simply don't have time to answer the calls that this will generate. Secondly, the office is not qualified to answer questions stemming from this issue as it is a complicated one and third, the anger and frustration the office feels from the customers is overwhelming and the office staff is not sure they are up for another, and possibly worse round of calls. The Board agreed that in order for the office to carry on with regular duties someone else needed to answer the calls and it would be best to have someone who is not emotionally involved in the issues. The Board felt we should hire some temporary help to answer the calls for a month or two after the issue is presented.

**Water System Report:** There are no issues to report.

**Adjourn:** Steve Farrell made a motion to adjourn the meeting. Mike Wheelwright seconded the motion.

**Meeting adjourned at 7:43pm .**

**Action Items:**

- Jody will research and provide information for next month's meeting regarding an employees pay raise to equalize his rate of pay with co-worker
- Adam will prepare a response letter to Cindy Day.
- Everyone needs to be thinking of ideas how to handle hardship situations and those customers who are unable to pay the increased water bill.
- Steve Farrell will take care of getting the two vacant Board positions filled.
- The office needs to provide a list of customers who may need to be contacted directly to discuss the new bonding issues.
- Temporary help needs to be hired for answering calls