

**Timber Lakes Water
Special Service District**
Wasatch County Offices
25 North Main
Heber City, UT 84032
435-654-0125
04/17/2012
6:00 p.m.

Board Meeting Minutes

Chairperson: Neil Anderton

Note Takers: Carol Baker and Sherry Valdez

Board Attendees: Neil Anderton, Ralph Lewis, Mike Wheelwright, and David Hansen.

TLW Personnel and Legal Counsel Attendees: Jody Defa, Carol Baker, Sherry Valdez, and Jared Moss.

Meeting began at 6:05 p.m.

Old Business: The Board will continue review on the termination policy in Mays meeting. A review and approval of the cross connection agreement will be added to the May agenda as well.

Approval of March Board Meeting Minutes: The Board reviewed the March 2012 Board Meeting Minutes. **Michael Wheelwright made the motion to accept the minutes. Ralph Lewis seconded the motion. The motion passed unanimously.**

Warrant List: The Board reviewed the warrant list. The check numbers began at 10012 and ended at 10173. The Board questioned check number 10142 to Division of Water Rights. This check was issued for 2012 Provo River (LCD) Distribution System. **David Hansen made the motion to approve the warrant list. Michael Wheelwright seconded the motion. The motion passed unanimously.**

Audit Report: Lot 724 and 805 has large outstanding bills and Timber Lakes Water Special Service District had discussed writing these amounts off the books, but our legal counsel indicated last month that this would likely affect our bond rating. After some discussion, **David Hansen made the motion to eliminate the specified lots from the books while we don't have any currently planned projects, if the bond rating can be restored within 2-3 years. If it affects the ratings long term, we will request legal advice from our attorney before taking action. Ralph Lewis seconded the motion. Motion passed unanimously.**

Discussion regarding Water Rates: David Hansen presented various options based on information and a spreadsheet prepared by Matt Millis regarding a possible water rate increase projected for 2013. There are two alternatives; the first fee alternative is based on an initial block or allotment with fees for excess usage based on gallons used. The second alternative uses an increasing fee for blocks of water used per month. He included Matt Millis' elasticity factor which makes an attempt to adjust the projected income based on the fact that some customers will reduce their water usage with higher use rates. There were several scenarios discussed. The Board agreed that billing by the block deemed most favorable. David was asked to put together a brief summary of the suggested rate for Board review and approval during May since a public notice needs to be published by June or July of this year for the water rate hearing.

Water Manager Report: During a meeting held last month with Horrocks Engineers, Build Inc., and Timber Lakes Water, Horrocks stated they would pay \$3,500.00 and Build Inc. stated they would pay \$5,000.00 in regards to the Ip67/IP68 upgrade problem, which is currently under warranty. The meters installed were not water proof and were failing. One of the meters that is still working can be upgraded in-situ, or removed and shipped back to the factory for the upgrade. All the meters need new cable which costs \$7.00 per foot and will require 750 feet of cable. After discussing in detail, the options regarding payments from the two companies and TLW, it was suggested that we go ahead and pay the remaining cost and move on, rather than run up more costs in attorney fees. **David Hansen made the motion for Jody Defa to go to Horrocks and Build Inc. and discuss the final confirmation of the costs they are willing to pay. Ralph Lewis opposed this motion, stating he would like to go directly to Gil Horrocks, and request that they honor the warranty. David Hansen then amended the motion that Ralph Lewis meet face to face with Gil Horrocks and see if Horrocks will cover more of the cost. If not, TLW would go back with the original motion and pay the difference. Michael Wheelwright seconded the amended motion. Motion passed unanimously.**

There were three air vacs that blew out due to freezing. The telemetry worked properly and sent out a warning to the crew and the leak was located. The plan to prevent further problems is to encase the air vacs with insulation and foam.

Four meters froze at locations where the pipe burial depth is 7 feet. The crew will wait until spring to dig these meters up and insulate them to resolve this problem from occurring in the future.

Other: Neil gave the Board an update that as of April 17, 2012 Secure Instant Payments confirmed that we had collected \$2,500.00 in credit card payments. The board and staff all feel it was a good move to allow credit card payments.

We received the truck bed and magnet signs for the trucks. David recommended that we not use magnet signs as they will eventually cause rust to the truck doors and don't look

as professional. It was recommended we use stickers instead. They remove easily and usually do not cause damage to the vehicles during resale.

Greg McPhie has the administrative assistant's information, and will deliver this to David Rowley, with Wasatch County in regards to the office's pay raises.

David Hansen made the motion to adjourn the Board Meeting. Michael Wheelwright seconded the motion. Motion passed unanimously.

Meeting adjourned at 8:12 p.m.

Action Items:

- **Neil Anderton will follow up with Duane Moss regarding the specified lots with large amounts still showing in our accounts receivable, and the potential for impact to our bond rating.**
- **David Hansen will summarize fee options for the Board before the May meeting.**
- **Jody Defa will email all of the conversations that took place regarding the warranty on the IP67 meter failing.**
- **Jody Defa will email the consumer report with the cross connection report.**