

**Timber Lakes Water
Special Service District**
Wasatch County Offices
25 North Main
Heber City, UT 84032
435-654-0125
05/17/2012
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 (excused), Greg McPhie, David Hansen and Leno Franco.

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

GUEST: Shelly Hisler, Scott Rifle and Guillermo Zelaya with Wells Fargo Bank.

Meeting began at 6:00 p.m.

Old Business: The Board discussed the final copy of the termination policy and water cross connection control policies. **Greg McPhie made the motion to approve with amended changes. Ralph Lewis seconded the motion. The motion passed unanimously.**

Q&A from Public: None

Approval of April Board Meeting Minutes: The Board reviewed the April Board Meeting Minutes and made some recommended changes. **David Hansen made the motion to approve the minutes as revised with provision that the office contact Mike Wheelwright by email to get his approval. Greg McPhie seconded the motion. The motion passed unanimously.**

Warrant List: The Board reviewed the warrant list. The check numbers began at 10217 and ended at 10239. **Greg McPhie made the motion to approve the warrant list as is. Ralph Lewis seconded the motion. The motion passed unanimously.**

Wells Fargo Bank: Guillermo Zelaya presented to the Board Timber Lakes Water current charges, proposed charges and projected charges and recommended that we close the savings account and open up another checking account. One of our accounts will serve as a merchant account and the other as a savings account. The new services proposed would include a desktop check deposit scanner. There would be no charge for the scanner, but we would be charged .06 cents per check items-scanned versus our current charge of .08 cents. There would be no charge for smart checks, but wire-ceo would charge \$25.00 per month, and fraud filter \$5.00 per account. This would also include an automatic sweep to cover-any overdrafts. **David Hansen made the motion to approve Wells Fargo's proposal for three months with the recommendation that and have Greg McPhie be added ~~on~~ as a signatory on the account. Leno Franco seconded the motion. The motion passed unanimously.**

Discussion regarding Water Rates: David Hansen presented a summary to the Board, which he had emailed on April 27, 21012 showing the prime suggested billing rate structure. After reviewing the data the board had no further input. David Hansen emailed the Board ~~with options for~~ comments, ~~and there were none.~~ A comparison of the existing and proposed rate structures are as follows:

Proposed Rate Structure – Block Based

<u>USAGE (gallons/mo)</u>		<u>Base Rate = \$19.50</u>	
<u>From</u>	<u>To</u>	<u>\$ per Block</u>	<u>Rate Above Prior Category</u>
=	=	=	=
=	=	=	=
=	=	=	=
=	=	=	=
=	=	=	=
=	<u>2,000</u>	=	=
<u>2,001</u>	<u>4,000</u>	=	=
<u>4,001</u>	<u>6,000</u>	<u>12.00</u>	<u>12.00</u>
<u>6,001</u>	<u>8,000</u>	<u>16.00</u>	<u>4.00</u>
<u>8,001</u>	<u>10,000</u>	<u>20.00</u>	<u>4.00</u>
<u>10,001</u>	<u>±</u>	<u>24.00</u>	<u>4.00</u>

This rate structure of \$15.00 was compiled using data provided from Matt Millis' recent study and recommendations, suggesting that we needed to increase revenues by approximately \$50,000 to cover near future expenses, projected increase, assuming base rate of \$4500.00 dollars. The Board needs to decide upon the rate and get Greg McPhie's input at the next Board Meeting (Greg McPhie had to leave early due to a meeting on the second floor). The Board recommended hiring Matt Millis at an hourly rate to present this information to the Timber Lakes property owners during a future water rate increase hearing. **David Hansen made the motion to approve the rate structure changes as proposed. Included was a requirement to get a copy of the fee structure policy and to get to Greg McPhie' for his concurrence and input at the next Board meeting. Approval of the new Rate Structure would then be finalized at our next Board meeting in June 2012. Ralph Lewis seconded the motion. The Board approved unanimously.**

Water Manager Report: Horrocks Engineering stated that they would pay 25% on the IP67-IP68 mag meter upgrade problem, if TLWSSD will pay 25% which is currently under warranty.

We owe Build Inc. \$5000.00 retainage fee, plus the difference of the upgrade of the IP67-IP68. Dave Dillman has signed off on the change order. David Hansen recommended that we move forward and accept the offers by Horrocks and the Contractor to get the meter issue resolved.

A discussion was held regarding potential development of new spring areas by the LDS Church without the involvement of TLWSSD. It was recommended that Jody Defa, ~~Water Manager~~ set-up a meeting with Grant Cooper of The Church of Jesus Christ of Latter-Day Saints, to investigate the intent. TLWSSD should be involved in any new spring development for any common water sources.

Other: Quinn Davis will pay us an hourly wage to hook-up sewer and water to The Fire Station Building. The board agreed to provide these services on an hourly reimbursable basis.

Jody commented that Kierstan Smith, CPA, recommended that our 1998 and 2004 bonds be moved to a PTIF account.

Neil Anderton made the motion to adjourn the regular Board Meeting session and go into an Executive Board Meeting. David Hansen seconded the motion. The motion passed unanimously.

Meeting adjourned at 8:15 p.m.