

Timber Lakes Water Special Service District

Wasatch County Offices
25 North Main, Heber City, UT 84032
435-654-0125
September 16, 2014, 6:00 p.m.

Board Meeting Minutes

Chairperson: Neil Anderton

Board Attendees: Neil Anderton (2015), Reg Anderson (2017), Ralph Lewis (2016), Mike Wheelwright (2016), Steve Farrell (County Representative), Leno Franco (2016), and David Hansen (2017).

Other Attendees: Jody Defa, Timber Lakes Water Manager, Craig Hall, Timber Lakes Water Office Manager, Duane Moss (excused) and Jared Moss-Legal Counsel.

TLW Minutes: Craig Hall

The meeting began at 6:00 p.m.

Old Business:

L.D.S. Church due diligence filing:

Duane and Jared Moss are finalizing a letter to send the L.D.S. Church, explaining the District's position regarding their diligence water right claim. Particularly, how it affects Timber Lakes Water SSD. When the document is finished, it will be reviewed by the board and submitted to the Church's legal counsel.

Credit Card Policy:

Steve Farrell made the motion that a credit card purchase exceeding the purchasing limit of \$1,000 requires Jody to contact the Board Chairperson, or another board member for approval. Michael Wheelwright seconded the motion. **Motion Passed Unanimously**

Liens on properties

Wasatch County hires Atlas Title Company to do title searches for properties going to tax sale. Typically, title companies are. However, in May of 2014, Atlas Title failed to contact Timber Lakes Water S.S.D about the balance owed from September 2013 to May 2014 on lot 1189 Lake Pines Drive, which was purchased by Wesley Rigby at the May 2014 tax sale. The only time Timber Lakes Water is allowed to certify liens against properties in Timber Lakes is at the end of September each year. Wesley Rigby took ownership of the property at 1189 Lake Pines Drive in

Comment [DEH1]:

May of 2014, and believes that it is illegal to charge him for the assessment bond from September 2013 to May 2014 because someone else owned the property. Steve is going to see if the date the liens can be filed can be changed to December 31. Jared is going to investigate the possibility of attaching additional past due accounts as liens the day before a tax sale. David questioned why the Title Companies are not doing a thorough research before official tax sales. Ralph stated that the title company is responsible for finding out exactly what is owed on the property. Steve suggested that we go to the tax review meeting on October 15, 2014 and propose a change in the status of how often liens are filed.

Franson Engineering

Franson Engineering added a work order to analyze the possibility of using water flow to create electrical power. They plan to report in the October meeting. Franson Engineering charged four hours the day of the system tour. They are reviewing the water system model. In the future, we need to have them put the description of their activities on their invoices.

July and August Board Meeting Minutes

Revisions to the July and August minutes need to take place before board approval. Changes will be submitted to David, Steve, and other board members who will forward to Craig so that he can combine the revisions.

Wells Fargo presentation:

Neil found out that Shelly Hisler has moved from the Heber Wells Fargo to the Park City Wells Fargo Branch. Neil will follow through and see what can be done about excessive bank fees.

Warrant List:

The check register list shows voided checks: 11163, 11165, and 11166. **We need to start with check 11225 at the next meeting.**

Craig needs to show the mileage checks for the board members on the report for next month. Darren Davis, a property owner, requested a refund of the difference between \$ 9411.00 and \$94.11, which is \$9,316.89. This is because of a mistake made in online billing. Craig is authorized to make the adjustment.

Steve asked if we were using two fuel companies. Jody stated that we were using Fuelman and Sinclair Fleet Track and that they had competitive prices.

The motion to approve the warrant list with the previously listed voided checks was made by David Hansen and seconded by Steve. The vote was unanimous for approval.

Accounts Receivable:

Craig collected on some receivables that were scheduled for attachment as tax liens. There is a property owner, who owes the District a significant amount and there is a renter occupying the property. Neil feels that we should not turn the water off on the renter because she has health issues that could result in death if water service is terminated. Jared said that we made a wise choice by leaving water on. The board agreed.

Conan Muny, 1129 Ridgepine Drive, lets his bill go each year, which results in a yearly lien on his property that is paid by his mortgage company. In the future, he will need to pay his bill on time or have the water shut off.

Joey Haught, US Bank and Randy Cottle have each owned lot 906 Spurwood, respectively from the earliest to the current owner. US Bank and Randy Cottle agree to pay their portion of the bill, which is the part of the bill accrued during the time each of them owned the property. Once the bank and Randy Cottle have paid, the board will decide on how to proceed collecting from Joey Haught. Craig, Jared, and Jody will meet to decide what can be done and report to the board.

Brock Milton had a water meter installed at his property on lot 858 Tree Top Circle. He called about the increase in his bill, but did not realize the increased bill was for the cost to install a meter. Now that he knows, he intends to pay for it.

Lisa Ashby came into the office and requested that the District waive her late fees due to personal and financial hardship. The board decided that they could not waive the late fees. Craig will inform her of the board's decision and request that she make a payment plan, which brings her current in the next few months.

David requested that totals from the previous month be shown on the Accounts Receivable Report. Jody will take care of this.

Reg questioned why Mr. Mierhoffer is on the list a number of times. This is because he owns multiple properties.

Craig needs to show the mileage checks for the board members on next month's report.

Water Report:

Jody made a preliminary budget based on prorated costs through August 2014. Supposedly, there will be an increase in the medical insurance, approximately 9%, per Steve. The Utah

Retirement System rates change 6 months into 2015. There needs to be a public hearing about the budget. Jared will make sure that we advertise correctly for the budget hearing.

Timber Lakes HOA

Cassandra Smith addressed the board about Timber Moose Lodge and wanted to know if they are on the assessment bond and if they are being charged a commercial rate. They get charged for the amount of water that they use. Jody is pretty sure they are on the bond. They do not pay anything to the HOA. The HOA spends many resources on this property and there are many records. They do not fall under the CCR of the subdivision, so are they are legal. The HOA feels that they should be held accountable for the challenges their guests are causing. Jody stated that it is kind of a double edge sword because the Sales Office and the Club House are among the connections to the water system, but water rights for the Club House and Sales Office have not been transferred to the District. If an issue is made about the Clubhouse water right, it could lead to problems for the HOA and the Sales Office. The HOA is thinking of changing the gate structure. Steve asked that we check where the water right is for the Club House parcel and if it is our line running to the building. If the answer is yes, then we can charge a higher rate because of maintenance on more line and fire hydrant on Club House property.

Further, Cassadra asked about whether Timber Moose (the Club House) was included in the 2011 Assessment Bond. Jody stated that he was reasonably sure that it was, but he would check and let her know. She asked if they are charged for a larger pipe. They are not being charged for a bigger pipe, but they do pay for the larger meter and any monthly usage above 4,000 gallons. The Timber Moose representatives met with the HOA and are under the assumption that they have rights to the common areas.

Jody maintains the fire hydrant at the Club House so that we do not have an issue if there is a fire. Timber Moose Lodge (the Club House) has a 6-inch line to the hydrant in front of the Club House, and then they have a 2-inch water supply line that extends from the 6" line to the building.

Jody suggested that if we are responsible for the water line and fire hydrant, both need to be updated. Anything out of compliance will have to be brought to code. We should contact the fire marshal about this issue. Cassandra mentioned that there have also been some drug and trespassing issues. In addition, the HOA has an issue with short-term rentals, which the Clubhouse sponsors. Jared suggested that we amend our policies to accommodate the Clubhouse.

Jody spoke to Gary Hume about the properties that the HOA is about to foreclose on. Originally, Gary was going to write an agreement that relieved fees between the HOA and the District, but it became too complicated and he decided against finishing.

Customer issues

Mrs. Call, 2120 and 2121 Falcon Circle had late charges due to misapplied payments. The board agreed to remove her late charges.

Mr. Verlin Peck, 1169 Lake Pines Drive, paid a \$ 50.16 payment made in cash and it was never applied to his account. The Board decided to adjust this off his account.

Mr. Wesley Rigby is responsible for the assessment fees of \$451.00. Craig is authorized to make a separate entry to adjust off the difference.

Make sure that the cash receipts are all accounted for in the book.

There was a motion made by Reg Anderson on the aforementioned adjustments, which was and was seconded by Steve. All agreed

Motion to adjourn the meeting was given by Reg. Seconded by Reg and all agreed.