

SPANISH VALLEY WATER & SEWER IMPROVEMENT DISTRICT

Special Meeting
September 16, 2004

The meeting was called to order by Chairman VanderZanden at 7:00 p.m. at the Agency office, 3025 E Spanish Trail Road, Moab, Utah. Other SVW&SID members present were Dan Holyoak, Dan Pyatt and Barbara Morra. Absent was Al McLeod. Those in attendance established a quorum.

Others present were Gary Wilson, Tom Stengel, Brian Backus, James Walker, Michelle Wiley, Deputy Grand County Attorney Scott Barrett, Stacey Boender, Marsha Modine and Dale Pierson.

Minutes Motion to approve the minutes of the meeting of August 19, 2004 by Dan Pyatt. Second by Dan Holyoak. Karla VanderZanden-Aye, Dan Holyoak-Aye, Dan Pyatt-Aye, Barbara Morra-Aye. MOTION CARRIED.

Resolution Ratifying Execution of Bond Documents Dale explained this resolution was necessary because Barbara Morra had filed complaint with the Grand County Attorney's office regarding how the Parity Water Revenue Bond signing occurred. She claimed she was available for travel to Richfield on March 27, 2002 to sign the bond documents. Being that the incident in question occurred over 30 months ago, staff could not exactly remember how it was determined that Barb could not attend. However, staff informed the board of the normal procedure in these instances, which is making phone calls to board members. Mr. Barrett said "the reason Barbara was not there is immaterial. The {documents} were signed and issued by two lawyers and bond council. What she is telling us is that if she went she would not have signed {the document}."

Barbara also interpreted that water rights listed in the bond documents held by the Grand County Water Conservancy District were represented as being owned by the Spanish Valley Water & Sewer Improvement District. Dale said all water rights that were available for use to the Spanish Valley water system as well as all other water rights held by the three Districts were listed in the Bond documents. More importantly, a final paragraph from Sunrise Engineering states that sufficient water is available for use; ultimately who owns the water was not an issue. Dan Pyatt asked how many lawyers had reviewed the Bond documents. Scott Barrett replied that he reviewed the document along with Happy Morgan, the County Attorney, Brent Rose, who is recognized as a Utah water law expert, and Ken Chamberlain, the Bonding attorney. None of the lawyers had a problem with the legality of the Bond. In fact, Mr. Barrett recommended and wrote the resolution that ratifies Dale's action of signing the Bonds. Dan Pyatt stated that he was outraged that hiring three attorney's to review this has cost tax and rate payers over \$2,000 and at least sixteen hours of Dale's time for something that is totally unnecessary. Barbara asked Dan Pyatt "So it is ok to lie?" Chairman VanderZanden told Barbara she was out of order. Dan Holyoak motioned to approve the resolution ratifying execution of bond documents. Second by Dan Pyatt. Karla VanderZanden-Aye, Dan Pyatt-Aye, Dan Holyoak-Aye, Barbara Morra-Nay. MOTION CARRIED

Chairman VanderZanden declared the meeting adjourned. Hearing no objections the meeting adjourned at 7:25 pm.

ATTEST:

Karla VanderZanden, Chairman

Al McLeod, Clerk