

Spanish Valley Water & Sewer Improvement District

Special Meeting August 28, 2003

The meeting was called to order at 4:00 p.m. at the Agency office, 3025 E Spanish Trail Road, Moab, Utah by Vice-Chairman Karla VanderZanden. Other Trustees present were Al McLeod, Neal Dalton, Barbara Morra and Dan Holyoak (arrived at 5:05 p.m.). Those in attendance established a quorum. None were absent.

Others present were Dan Pyatt, Kyle Bailey, Rex Tanner, James Walker, Gary Wilson, Jerry McNeely, Sena & John Hauer, Norma Nunn, Bill Love, Rick & Ed McElhaney, Lisa Church, Norma Nunn, Judy Bane, Geoff Freethey, John Chartier, Brent Rose, Sue Dalton, Stacey Boender, Marsha Modine, and Dale Pierson.

Strategy Session – Executive Session if Required

Brent Rose addressed the criteria for an Executive Session. Mr. Rose also recommended staying in open public session.

Strategy session, invoking attorney-client privilege, regarding: (i) property acquisition in the form of capacity in the Moab City Wastewater Treatment Plant and related facilities; and (ii) prospective litigation over the legal interpretation of certain provisions contained in the November 10, 1982 agreement between Spanish Valley Water & Sewer Improvement District and the City of Moab.

After discussion, Brent Rose briefly went through each line item in the agreement and pointed out which clauses need further clarification. Items that require substantial change and discussion are the service area covered, capacity, and termination of agreement clauses. Dale informed the Board that there would be a financial impact due to the increase in cost for treatment, resulting in roughly an additional charge of \$1.94 per connection per month. The purchase of additional capacity would be paid for with Impact Fees. Karla VanderZanden suggested the Improvement District Board meet for a work session with both Brent Rose and John Chartier present, to further discuss the details of the agreement. A work session meeting was set for September 15, 2003 at 4:00 pm.

Sena Hauer asked if the Gilmore property decision would be postponed until the sewer contract is finalized. Brent Rose said until the agreement is resolved the Board cannot promise sewer service to San Juan County. Dale Pierson said water service could be provided in San Juan County, however the Improvement District board could not make any decisions regarding service commitment to the Gilmore property at this meeting because it was not on the agenda. An agenda item to discuss water service to the Gilmore property was added to the agenda for the September 15, 2003 meeting.

Vice-Chairman VanderZanden declared the meeting adjourned at 5:25 p.m.

ATTEST:

A. Dan Holyoak, Chairman

Neal Dalton, Clerk