

High Knob Utilities, Inc.

High Knob Utilities Annual Board Meeting

October 5, 2009

Call to Order:

Dave Henderson called the HKUI meeting to order at 7:06 P.M. Other HKUI Board members in attendance were, Keith Arnett, Josh Douglas, and Vic Jones. Members absent: Vince Bonzagni. Dave Henderson asked if there were additions to the agenda, there was no response.

Previous Minutes:

The minutes of the previous meeting were presented to the board for review. Several minor errors were noted and accepted by the secretary. Josh Douglas moved to accept the minutes with the corrections, Dave Henderson seconded, the motion passed.

Staff Reports:

Treasurer's Report- Written report available at the High Knob Office. ????? Dave Henderson indicated that \$8,000 should be moved to the Capital Improvements column and \$5,000 to Annual Payment. check should be written to HKUI. ????????? Deposits, accounts receivable \$21,000 is outstanding. Dan Althouse said we must follow tariff rules.. Liabilities, \$4,078 has not been paid, UI has not paid HKOA payroll for 6 weeks. HKUI received a bill for Warren County Property Tax of \$5,100. Dave Henderson indicated that HKUI has an exemption from Warren County Property Tax.

Cindy Kerns- There was a glitch in Quick Books software resulting in the loss of 10 days of work. The software has been corrected and the lost work has been redone. Two new liens have been completed. There are many new liens and foreclosures in the works.

Jerry Pomeroy- Installed 3,00 ft of C-900 water line on Windy Way. The installation included 12 house taps, 2 4" valves, 2 air bleed devices, 2 2" blow offs and 42 loads of gravel. The line crossed 6 driveways and under 4 crossroad culverts. Graded water line site and hauled away 20 loads of excess dirt A homeowner close to the site allowed us to dump 15 loads on his property. Took 2 loads of broken pipes and debris to the land fill.

Backhoe repairs were completed, in addition to Stupps lending us a bigger backhoe than ours; Stupps gave us a discount of \$1,900.

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The contractor for Todd Stewart of Happy Valley Homes rolled a big rock on a blow off valve on Split Rail and broke it. Jerry Pomeroy moved the rock and will bill the contractor for the repair.

Old Business: A meeting was held on July 27th to discuss raising water rates for the mountain. HKUI Board members present at that meeting were Dave Henderson, Josh Douglas, and Vic Jones, Dan Althouse also attended. The committee decided to raise the water rate 5% and the basic charge from \$81 to \$85. Josh Douglas moved to accept the ad hoc committee's recommendation whereas inflation has risen over 30% since the current rates were established. Keith Arnett proposed that the basic rate remain the same. Dave Henderson called for discussion on the motion and it was decided the motion would be changed to a 5% increase on the water rate only. Keith Arnett seconded, motion passed. It was noted that this was a proposal and must meet the approval of the SCC, after notification of the HKOA members.

Dave Henderson moved to expend monies required for 3,000 ft of piping to replace the existing line on Windy Way. No motion or vote was required as the amount required was already budgeted.

Dan Althouse brought up the fact that authorization is required to allow Cindy Kerns to obtain account balances from both United Bank and Rappahannock Bank.

Dave Henderson noted that we need to make application to The Department of Taxation , Commonwealth of Virginia. For granting sales tax exemption to HKUI ASAP

Dave Henderson noted that Chief Mabee should be asked to certify our hydrants. Dan Althouse was tasked with this item.

Adjournment: Next meeting is scheduled for Oct 5, at 7PM. Dave Henderson adjourned the meeting at 8:20PM.

Vic Jones
Secretary, HKUI Board