

ICR Water Users Association
Special Meeting of Members Minutes
June 3, 2008
Approved August 26, 2008

Those Present:

Board Members

Earl Cummings, President
Hal Lobaugh, Vice President
Bill Meyer, Secretary/Treasurer
Shirley Lilien, Director
Hugh Pryor, Director

Contract Staff

Bob Busch, Manager
Recording Secretary
Harvey Roberts

1. Call to Order - The Special Meeting of the ICRWUA held at Abia Judd Elementary School was called to order at 7:05 PM. by Hugh Pryor.

2. Opening Remarks by Hugh Pryor

Hugh will act as Moderator during the Meeting

During the meeting there will be a review of some of the Company's background, an explanation of events since the initiation of the ACC mandated Rate Case and ramifications of the Letter of Understanding (LOU) negotiated with Talking Rock Golf Course and Harvard Investments.

The Board is aware that there are differing opinions of what should be done to resolve the issues raised during the Rate Case. This is the Board's opportunity to present its view.

It is the Board's responsibility to decide how this will be resolved.

Introduction of the Board, Tom Bourassa (Board's Rate Case Accountant), Robert Metli (Board Counsel), Craig Krumwiede (President of Harvard Investment the developer of Talking Rock Ranch), Dayne Taylor (Intervener in the Rate Case) and Bob Busch (Water Company Manager).

Rules of Order:

There will be Presentations by Bill Meyer for the Board and Dayne Taylor as the Intervener. After the Presentations written questions will be collected and addressed by the panel of Earl Cummings, Bob Busch, Bill Meyer, Tom Bourassa,. Robert Metli and Dayne Taylor. This Meeting must end at 9:30 PM. Questions not answered in the available time will be answered in writing and mailed to all members of the Association along with a copy of the Presentations. It is asked that at the conclusion of the Meeting a Survey form be completed and placed in a collection box.

3. Presentations

For the Board: Bill Meyer is a Board member since early 2007 and a resident of Inscription Canyon Ranch. He worked for 39 years as a hydrologist for the US Geological Survey.

The Intervener in the Rate Case Dayne Taylor will present his views.

4. Question and Answer Session

5. Wrap-Up by Earl Cummings

The Board and its predecessor have believed that the Well Agreement is the document that governs our relationship with Talking Rock Golf. The Well Agreement is not a perfect agreement and in some respects favors the Golf Course to the detriment of the Water Company. It is a priority of the Board to replace this agreement. The first step was the well field test accomplished in October of last year. In December the Board began discussions with Harvard management about well field issues - most notably the fact that well outputs do not achieve the numbers that are noted in the Well Agreement. The intervention of Mr. Taylor has in some respects helped greatly in moving discussions forward. On April 23rd the LOU was signed by Harvard. A final agreement now has to be acceptable to Talking Rock Golf, the ICRWUA Board, the Intervener and to the ACC. The Board believes the terms of the LOU are far superior to the request that the golf course be charged tariff rates and that certain wells be transferred to the Water Company. The LOU addresses long term issues of water adequacy at build-out and contamination as well as the short-term issue of cash infusion.

Meeting adjourned at 9:25 PM