

High Knob Utilities, Inc.

High Knob Utilities Board Meeting

Dec 17th 2007

Call to Order: Dave Henderson called the HKUI meeting to order at 7:05 PM. Other HKUI Board members in attendance were Keith Arnett, Josh Douglas, Don Day and Vic Jones. Members absent, none.

Previous Minutes: The minutes from the following previous meetings were read by the board members:

- Annual Meeting Minutes of October 6, 2006
- Annual Meeting Minutes of October 8, 2007
- Regular Meeting Minutes of September 9, 2007
- Regular Meeting Minutes of October 8, 2007
- Special Meeting Minutes of October 24, 2007

Keith Arnett moved that the minutes listed above be approved, seconded by Vic Jones. Motion carried.

Staff Reports:

Jerry Pomeroy- Upgraded reservoirs to assure compliance with health inspection requirements. Installed 2" blow offs, Salt Lick Reservoir drained and coated. Spring Reservoir samples looked good, will take more tests. Installed new ¾ inch taps. Split wood to fire new shop heater.

Chase Ragsdale- Balances remain on some utility bills, 6-7 liens were started, 26 services were shut off, 15 were paid and service was restored. Chase is following up on a way to track homes on High Knob that are about to go into foreclosure so liens can be done in a timely manner. A discussion relative to posting of back and future issues of minutes and conversion of minutes from Word to PDF resulted in a motion by Keith Arnett that the purchase of Adobe Professional be authorized for this purpose. Seconded by Don Day and passed.

Dan Althouse – Presented an extensive spreadsheet outlining HKUI income/expenses from 2004-2007 actual compared to budgeted by year thru 12/13/07. This spreadsheet is available for review in the High Knob Office. Springs 4, 5, and 6 have not changed production levels over the past 5 years, Dan is concerned that if the area continues to see drought conditions that the springs will start to run out earlier each year and will put more strain on the wells. Good water management is essential. A final inspection was done on the Alpine Reservoir. Dwyer Instruments is having problems with their modules, Dan will try to get them to replace the modules that we have. Royal Oak Computers helped with our computers at a very reasonable price. The residents

should be thanked for a voluntary 1,000 gal per day drop in water consumption. Water testing was done at several (home) locations on High Knob; all tests were well within Federal and State guidelines. A budget for Virginia Resources Authority must be submitted. It was decided that a budget meeting would be convened on January 28th.

A motion was made by Keith Arnett that Dan Althouse provide trip levels and rules for water rationing, at voluntary and mandatory levels. The motion was seconded by Don Day and passed by the directors.

There followed a general discussion about preventing freezing/bursting of pipes due to inclement weather, Keith Arnett volunteered to write up an article to be included the upcoming utilities bill mailing.

Unfinished Business:

Keith Arnett presented a motion to allow the nomination and acceptance of a sixth director for the remainder of the term. The motion was seconded by Josh Douglas and approved by the members of the board. Dave Henderson proposed an Executive Session to select and vote on an additional director. Vince Bonzagni was selected at the executive session. . The HKUI Board then recessed so the HKOAI board could vote in Executive Session to complete the selection process. They approved Vince Bonzagni's selection.

New Business: Josh Douglas brought up the fact that our current bank does not have a good rating. Keith Arnett said it might be good idea to move our account to a different local bank. Keith Arnett made a motion that Josh Douglas research banks to find a bank that would suit us best regarding rating, fees and interest. Seconded by Don Day and passed.

Adjournment: Keith Arnett moved to adjourn. The meeting was adjourned by Dave Henderson at 7:58 PM.

Vic Jones
Secretary, HKUI Board