

BLUE MOUNTAIN DISTRIBUTION SYSTEM ANNUAL MEETING

MARCH 17, 1997

The annual meeting of the Blue Mountain Distribution System was called to order at 7:07 p.m. by Chairman Max Dalton. Mr. Dalton asked Mark Page from the Price Regional Office of the Division of Water Rights to conduct the meeting. The first item of business was the reading of the minutes of the 1996 annual meeting, which were read by Rick Wilde, also of the Price Regional Office. Following the reading of the minutes, there was one correction to be made. Storage in Lloyd's Lake peaked at 3450 acre-feet not 34500 acre-feet. A motion was made by Gary Halls, and seconded by Lynn Adams to accept the minutes as corrected. The motion passed.

The next item of business was to review the 1996 Financial Statement. Mr. Page indicated that as of January 1, 1996 there was \$880.23 in the trust account. Receipts during 1996 amounted to \$44.25 in interest. There were no regular assessments, and no expenditures for 1996. As of December 31, 1996, there was \$924.88 in the trust account. There are currently no delinquent accounts. A motion was made by Gary Halls, and seconded by Lynn Adams to accept the Financial Statement. The vote was unanimous.

Chairman Max Dalton's report was next read by Mark Page. It stated that 1996 was the worst water year for the Blue Mountain area on record. Montezuma Creek ran about 1.0 cfs until April. Verdure Creek produced approximately one-half of its normal flow. There was a good rain on July 9, 1996, which put 40 acre-feet of water and mud into Lloyd's Lake.

The next item of business before the group was the appointment of a Commissioner for 1996. Guy Tracy made a motion to have the system recommend to the State Engineer, that Michelle Halls be retained for another year of service. The motion was seconded by Val Dalton, and passed by unanimous consent of those in attendance.

Mr. Page indicated that the next item of business was the preparation of the budget for 1996. There was general agreement to keep the Commissioner's salary at \$25.00/day, and because of the good outlook for this coming water year, have the Commissioner's service start April 1, 1997 and continue to at least June 15, 1997. After a brief discussion, the following budget was set:

Salary	\$1000.00
Bonding Expense	\$100.00
Annual Report	\$50.00
Total:	\$1150.00

The assessment percentages are as follows:

60%	San Juan County Conservancy District
10%	Blue Mountain Irrigation Company
10%	Gary Halls
10%	Monticello City
10%	Pioneer Ditch c/o Monticello City

Ernest Sonderegger made a motion to accept the budget, and set the assessment at \$650.00. The motion was seconded by John Scorup, and the vote was unanimous.

Mark Page indicated that a committee of system directors should be appointed for 1997, and asked for nominations. A motion was made by John Scorup to reappoint the same committee that served in 1996. Don Barton seconded the motion, and the vote was unanimous. The committee will consist of the following individuals:

Max Dalton	Chairman
Gary Halls	Vice Chairman
Karl Barton	Pioneer Ditch
Ernest Sonderegger	Pioneer Ditch
David Adams	Spring Creek
Jack Redd	Spring Creek
Joseph Barton	Verdure Creek

The meeting adjourned at 7:34 p.m.

Those present at the meeting included the following:

Mark Page	Division of Water Rights - Price
Rick Wilde	Division of Water Rights - Price
E.J. Sonderegger	Pioneer Ditch
Lynn Adams	Pioneer Ditch
Gary Halls	High Water Rights
Max Dalton	Blue Mountain Irrigation Company
Don Barton	Verdure Creek
John Scorup	North Creek
Guy Tracy	Montezuma Creek
Clarence Pehrson	Pioneer Ditch
Clyde M. Barton	Pioneer Ditch/Verdure
Karl S. Barton	Pioneer Ditch/Verdure
Francis Barton	Verdure Creek
M. Val Dalton	Bar MK Ranches