

**RIDGE UTILITIES, INC.
REGULAR MEETING
OF THE BOARD OF DIRECTORS
March 15, 2008**

The regular meeting of the Board of Directors of Ridge Utilities, Inc., (hereinafter "RU") was held in the Blue Ridge Shores office building on March 15, 2008.

Board members present were Molli Ellis, Adam Fazackerley, Alex MacCormack, Steve Markovits, Claude Morissette and William Munday. Also present were Delton Hanson, General Manager and Amy Evans-Boyd, Office Manager.

CALL TO ORDER: Alex MacCormack, President, called the meeting to order at 9:00 a.m.

MEMBERSHIP INPUT: There were two members present but no input was given at this time.

ADOPTION OF AGENDA:

Alex MacCormack added under New Business a discussion on road repairs and Ridge's accountant.

MOTION: Molli Ellis made a motion, seconded by Adam Fazackerley, to adopt the agenda as amended. The motion was approved unanimously.

APPROVAL OF THE MINUTES:

MOTION: Claude Morissette made a motion, seconded by William Munday, to approve the minutes, as presented, for January 19, 2008. The motion was approved unanimously.

REVIEW CORRESPONDENCE:

Molli Ellis reviewed the correspondence folder with the Board members.

TREASURER'S REPORT:

Alex MacCormack reviewed the January 2008 and February 2008 Treasurer's Reports with the Board members. Mr. MacCormack stated that Ridge's finances are on target for the year.

MOTION: William Munday made a motion, seconded by Adam Fazackerley to accept the Treasurer's Reports. The motion was approved unanimously.

GENERAL MANAGER'S REPORT:

Delton Hanson presented the General Manager's Report. See attached copy.

BRPOA LIASION:

Delton Hanson informed the Board that BRPOA Office Manager, Yvonne Camp has submitted her resignation. Mr. Hanson stated that he was in the process of finalizing the hiring of a new Office Manager for BRPOA.

COMMITTEE REPORTS:

Personnel: William Munday stated that the Personnel Committee would be meeting in the next week or so.

Well and Storage Projects: Alex MacCormack informed the Board that the maintenance department has been busy putting in the 4 inch main at Honeysuckle. He stated that approximately of 900 feet of pipe had been laid. Mr. MacCormack informed the Board that several trees were removed from the well site at Well Road to allow for easier access to the site.

Steve Markovits asked if there was an onsite coordinator overseeing the project. Mr. MacCormack stated that in addition to the Waterworks Supervisor, George Allen Kail and Delton Hanson, General Manager, he is onsite at least once a week. Mr. Markovits stated that for \$77,000 someone should be overseeing the site on a regular basis and perhaps someone from the Board should be appointed to do so. William Munday stated that he also goes to the site on a regular basis to check the progress. Molli Ellis stated that she is confident in George Allen Kail's ability to oversee the site.

NEW BUSINESS:

Road Repair: Alex MacCormack informed the Board that BRPOA requested that RU contribute towards the road repairs for 2008. Mr. MacCormack stated that he felt \$5,000 was a reasonable amount to contribute towards the road repairs. Adam Fazackerley asked if RU had contributed towards road repairs in the past. Mr. MacCormack stated that two years ago RU contributed \$15,000. BRPOA President, Herb Bauer, stated that RU is only being asked to contribute towards the resurfacing of areas that were torn up due to fixing water leaks and/or installing new water connections.

MOTION: William Munday made a motion, seconded by Molli Ellis to contribute \$5,000.00 to BRPOA for road repairs. The motion was unanimous.

Accountant: Delton Hanson stated to the Board that Ridge's accounting firm, Robinson, Farmer and Cox informed us that there would be an increase in the cost of

the audit for 2007 due to more extensive governmental regulations that recently went into effect. Mr. Hanson stated there were two types of audits that could be conducted. One being a general review statement and the other one being an audit review statement which is more extensive. It was the consensus of the Board to continue having the audit review statement as has been done in the past. Claude Morissette suggested requesting a letter from our accounting firm and asking for an explanation on the new government regulations and the increase due to the regulations.

OLD BUSINESS:

Storage Tank: Alex MacCormack informed the Board that the estimate received from Mid-Atlantic Storage Tank has increased since the January 2008 board meeting when the Board approved the purchase of the tank from Mid-Atlantic for \$77,000.00. He stated that the price received in January was only an estimate not a firm proposal price and due to an increase in steel, overhead for fuel and diesel the proposal cost is \$80,588.00. Mr. MacCormack stated that he did check with Columbian TecTank to see if their prices had increased and their increase was comparable to Mid-Atlantic Tank.

The Board took several minutes to review the proposal from Mid-Atlantic tank.

Adam Fazackerley asked for clarification on whether we were getting a tank that was disinfected or would Ridge conduct the disinfection. Mr. MacCormack stated that Mid-Atlantic would not disinfect the surrounding pipe. He added that Ridge will have to fill the tank with water and Mid-Atlantic will disinfect it.

MOTION: Claude Morissette made a motion, seconded by William Munday to approve the revised proposal dated March 12, 2008 from Mid-Atlantic Storage Systems, Inc. The revised proposal has a price increase due to the increase in steel pricing. The price is \$80,588.00 for installation of the water storage tank. The motion was unanimous.

MOTION: Claude Morissette made a motion, seconded by Steve Markovits to adjourn the meeting. The motion was unanimous.

ADOURNMENT took place at 10:10 a.m.

President

Date

Secretary

Date