

FOUR CORNERS COUNTY WATER AND SEWER DISTRICT MINUTES
Special Board Meeting December 22, 2008

1. Call to Order: A quorum being present, the special meeting was called to order at 2:00 p.m. at the office of Susan B. Swimley, 1807 West Dickerson, Unit B, Bozeman, Montana by President Ben Zavora. Also Present: Don McHenry and Mike Pearson.

Also present: Susan Swimley, attorney for the District / acting as Secretary

Public: None

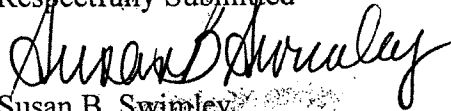
2. Closure of Meeting for litigation strategy discussion: The Board, having found that an open meeting would have a detrimental effect on the litigation position of the Four Corners County Water and Sewer District when discussing Lohmeier v. Four Corners County Water and Sewer District and Zoot v. Four Corners County Water and Sewer District DV07-944CX, closed the meeting pursuant to Section 2-3-203(4) MCA. Motion by Ben Zavora. Second by Mike Pearson. Findings and Motion passed unanimously.

Notes from the meeting are contained in the litigation file of the District's attorney and are protected by attorney client privilege.

3. Decisions: The District will accept the settlement proposal, with the changes suggested by Susan Swimley, in Lohmeier. The settlement reimburses the District for all of its attorney's fees. Those fees will be assigned to Utility Solutions to pay the principal on the amounts due under the contract. In the Zoot case, the Board will continue to seek settlement. Further appeal may be filed if settlement cannot be reached, the District will pursue filing the appeal in order to correct the issue of the Court's decision to reimbursement, at a minimum.

3. Adjourn Meeting Meeting adjourned at 2:43 p.m.

Respectfully Submitted



Susan B. Swimley
acting secretary and legal counsel