

**LAKE HIWASSEE IMPROVEMENT COMPANY
BOARD OF DIRECTORS MEETING
DECEMBER 3, 2014**

Officers and directors present were Guy Boyer, John Frick, Rob Lewis, Cindy McCaleb, and Brett Tucker.

Stockholders and others present were Karen Arbogast, Andy Archbald, Betsy Telowicz, Terry Tippins, and Rene Tyler.

President John Frick called the meeting to order at 7:30 p.m. John apologized for short notice on the change of meeting day to accommodate Terry Tippins who we needed to hear from before we started spending money on Well #3. John said we would have our meeting with attorney Terry Tippins speaking first to accommodate his schedule.

GUEST SPEAKER -Our Water rights

Terry Tippins thanked the Board for the opportunity to help us. He has practiced law for 43 years. He said he primarily assessed our rights for upstream property owners and what we can do in regard to future dams. The water problem we have is not new to this lake or the 3 wells would not have been drilled in the past. By State law any upstream landowners above us have the right to capture 100% of the water that falls on their property and water that is right above them that runs on their property if it is not running in a definite stream. There is confusion about what is a definite stream, it doesn't have to be a creek that runs year round and there aren't many of those in Oklahoma. Some draws and gullies that have been cut by historical rainfall meet the definition of a stream. Last year since 1898 was the first year the Washita River was dry as a bone, which is an indicator to our situation here. It is good that we have 3 wells and a permit to pull water from the Deep Fork River. Terry believes that drawing water from the Deep Fork River is probably our long-term cheapest, best and permanent solution. It is hard to know if a landowner is going to build a dam. Most people don't go to the Water Resources Board to get a permit they just get a bulldozer and start. Google satellites may be too late to find this out.

John Frick asked if we were vigilant and identified someone who is building and didn't get a permit and meets the definition of a definite stream what kind of time and cost would it be to pursue this? Terry said the first thing to do is to get a temporary restraining order. Then you have to set a temporary junction within about 10 days. A civil engineer might be needed to testify about the hydrological area or the Water Resources Board could help you. You could spend 10,000 – 15,000 dollars in the first few days of this and win the temporary junction. When a dam has already been built it is expensive to try to get the Courts to order that the dam be removed. We need to educate people upstream and watch for new homes and people who apply for a permit.

Discussion followed about our wells and permits. Terry suggested we come up with a plan to notify property owners (outside the Lake) that they need to seek a permit from the Oklahoma Water Resources Board. We need to remember big landowners have a right to build ponds to feed their livestock.

John Frick thanked Terry for his time and information for us. John also thanked Linda Simonton for the money to get this work done. Any shareholder that would like a copy of Terry Tippins written report may have one.

WATER RIGHTS AND WELLS

Rob Lewis said that we need to update our permit, show easement and a pull point. Once we did that we have to construct the well within a year or less. Guy Boyer said we need to have County and City permits. Rob continued to discuss what all is needed to pump from the Deep Fork.

WELL #3

The old well has been pulled and 340 feet of pipe has been pulled out. Discussion followed. The pump will be set when the electric is there. CREC will get the pole in for about \$4100. We will try to do the trenching next week.

ROADS

Rob Lewis said there is a plan to clean out drainage ditches and put rip- rap rock in seven main areas. The major area is by Clint Howard's house. There is a bid for \$75 / hour. We will have a representative monitor the process and our budget is \$25,000. Rob Lewis made a motion to do this and Brett Tucker seconded. Motion passed.

Rob said Burke Lucas has identified about 10,000 square feet of road that needs to be patched at about \$6/ sq. ft, or \$60,000. A map was shown for the worst areas and they would be replaced with concrete. Andy Archbald said drainage under the road is the main thing to repair and it doesn't matter if the patch is asphalt or concrete. It would be cheaper to put in the asphalt but it doesn't last as long as concrete. Discussion followed. 2,000 square feet of road repair is at the south end. Patch work for 2/3 of the road repair should be for the whole road and done with concrete. Andy will call and find out about repairs. Brett Tucker suggested for road repair areas the road should be at least a foot or 18 inches wider on each side where possible.

John Frick said there is \$117, 000 in the road fund. It was agreed that all seven areas need to be fixed. Brett Tucker made a motion and Rob Lewis seconded for 8,000 square feet identified, the whole width of the road repaired with concrete and add up to 18 inches to the road where possible. Motion passed. Work will not start until the bid is looked at.

MINUTES

John Frick requested the Minutes of the November 13, 2014 be presented for corrections and additions. Rob Lewis made a motion and Guy Boyer seconded to approve the Minutes as presented. Motion passed.

TREASURER'S REPORT

Karen Arbogast reported the \$2500 given by Linda Simonton is included in this report. Cindy McCaleb made a motion and Rob Lewis seconded to approve the Treasurer's report. Motion passed.

SECRETARY'S REPORT

Rene Tyler reported no new houses on the market. The only change was the completion of Guy Boyer's dead tree removal.

BUILDING PERMITS

Nothing to report

GREENBELT PERMITS

Nothing to report

BOAT DOCK PERMITS

Nothing to report

BOATS

Nothing to report

NEW BUSINESS

Rene Tyler reported Bill Peterson and Olga Pellows have passed away. We need to send \$100 donation to charity of their choice. This was approved.

EXIT GATE

Guy Boyer reported the welder has been contracted to repair the exit gate.

NEWSLETTER

John Frick requested Rene Tyler wait for him to write up something about what the attorney Terry said tonight.

ADJOURNMENT

There being no further business, motion was made by Guy Boyer and seconded by Rob Lewis to adjourn. Motion passed.

APPROVED BY THE BOARD, and respectfully submitted by the Business Secretary

Betsy Telowicz