

**FOUR CORNERS COUNTY WATER AND SEWER DISTRICT
MINUTES FOR
June 30, 2003 Board Meeting**

Meeting was held at the cafeteria at the Zoot Enterprises building located at Four Corners at 555 Zoot Enterprises Lane. Present at the meeting were board members: Chris Nelson, John Hulme, Trina Kallenbach and Dennis Simpson. Board member Duane Sands was not present. The four board members present constituted a quorum. Members of the public were also present. Attorney John C. Brown arrived late.

Due to Mr. Brown's late arrival, the Board amended the Agenda and moved Item 3, Public Input on Non-Agenda Items, to the first position. Public input was heard and discussed by the Board amongst themselves and with the public until Mr. Brown arrived at approximately 5:45 p.m. Mr. Brown apologized for his late arrival. The meeting was then called to order by President Chris Nelson at 5:45 p.m. Mr. Brown acted as secretary of the meeting, though the Board discussed hiring a separate individual to take notes and prepare minutes. The Board approved the Minutes of the June 3, 2003 meeting by unanimous vote.

Regarding old business, Mr. Brown provided the Board with an update of the status of the ongoing litigation against the District. Mr. Brown stated that both Gallatin County actions were still pending and that it was his understanding that counsel for Gallatin County was going to move to consolidate those actions.

Regarding the ownership of the Morrison Maierle plans, Mr. Brown stated that he had attempted to contact Jack Schunke at Morrison Maierle but was unsuccessful.

The Board then moved on to new business. The Board briefly discussed the Dunlap proposal. The Board decided that before it could render its opinion on the Dunlap proposal it would need to hire an expert consultant to help it review the viability of Mr. Dunlap's plans. Mr. Brown was asked by the Board to determine how the District could begin generating cash flow so that could raise funds to hire an expert consultant and pay other expenses.

With regard to the Metcalfe letter dated June 3, 2003, the Board advised Mr. Brown to wait to see if Mr. Brown is contacted by Mr. Wittich who represents the plaintiffs in the two law suits challenging the existence of the District.

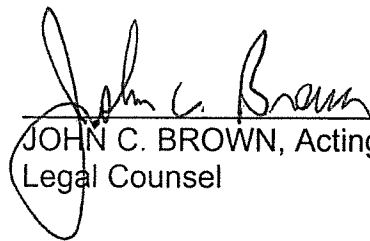
Finally, the Board asked Mr. Brown to review the December 2002 Memorandum of Understanding in light of Mr. Walker's request to have his real property annexed into the District pursuant to the Memorandum of Understanding.

The Board decided that the next Board meeting would be held at 5:00 p.m. at Zoot on July 14, 2003. Mr. Brown was instructed to prepare an Agenda for the meeting.

Barb Campbell, a member of the public who was present at the Board meeting, advised the Board that she may be making a proposal to the District regarding the North Star Project at the July 14, 2003 meeting.

The meeting was then adjourned at 7:03 p.m.

DATED June 30, 2003.



JOHN C. BROWN, Acting Secretary and
Legal Counsel