

Mountain Mutual Water Company

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The annual meeting of Mountain Mutual Water Company was held at 10:00am on Saturday, March 15, 2014 at Rocky Mountain Chapel. The meeting was attended by 15 residents, 5 board members (Donna Brazill, Eric Cernyar, Jim Noble, Hope Christensen and Norm Lindstrom), and 3 employees (Don Hindman, Albert Snare and Kevin Karloske).

The meeting was called to order by President Donna Brazill at 10:04am. This was followed by the approval of the agenda, introduction of the Board members and staff and approval of last year's minutes.

Donna Brazill made a motion to declare the election, seconded by Jim Noble and Eric Cernyar and Hope Christensen were re-elected.

Treasurer Jim Noble reviewed the Financial Report. He explained our cash position has improved despite the purchase of new software and the rental of equipment for the summer project. He expressed a concern of keeping us ahead of expenses in case of unforeseen issues.

Jim went over our continuing collection efforts, collecting \$30,000.00 in delinquencies. He also indicated the continuation of filing liens and forfeitures as needed. Jim also reviewed that every account has received a new account number.

Donna Brazill reviewed the Strategic Plan focusing on the New Annex. She also thanked Barbara Riley-Cunningham for her assistance with the Strategic Plan.

Barbara Riley-Cunningham congratulated the Board for their excellent work on the Strategic Plan and that it was a pleasure to work with the Board.

Don Hindman discussed last year's progress on repairs. Kevin and Al are dedicated to replacing pipe during the summer, replacing 8,000' in 2013. They are able to get more done in areas without utilities in the road. With renting the larger machine, they are able to get more accomplished in a more efficient manner. The plan is to continue replacing problem areas.

Don also addressed the question of responsibility. If you have no water, call the office. 99 times out of 100, that type of issue is the property owner's equipment, however it's easier for the MMWC staff to troubleshoot. The home owner is responsible for everything past the meter pit. If repairs are needed, MMWC can repair most problems.

Don fielded many questions, including one regarding replacing the problem areas with HDPE which has a life span of 100 years. Also, he discussed MMWC staff completing customer repairs. Costs include no up-charge for parts plus labor for any job. This service started March 1st.

Norm Lindstrom went over the Vulnerability Report. He indicated the number 1 priority to the water company is to make sure when you turn the water on, water comes out and that the water is safe. He discussed the steps taken to secure the water system, i.e. locked facilities. There were 14 issues that needed to be addressed and the employees have eliminated 7 of them since June. Emergency Response Plan is the next step. Several questions were asked, including one on the quality of the water, which is published annually in June and listed in the paper and on the website. Another question was asked about the hydrants being used in case of fire. The hydrants are painted indicating they are not intended for fire.

Eric Cernyar gave a power point presentation on the PER (Preliminary Engineering Report) and transmission line project. He reviewed the different options if approved or not approved by the USDA. Total project as written would cost approximately 2.5 million, which even at a 40 year loan with a low interest rate may not be feasible. Hiring outside contractors more than doubles the cost. If not approved, the project could be divided into sections, replacing existing piping with HDPE, establishing pressure zones, replacing tanks and working in manageable, affordable sections. Eric answered a question on time frame to complete piece-meal, which could potentially take 20 years.

Guest speaker Leroy Cruz from Colorado reviewed what MMWC is up against with the USDA. He used to work for them. Several of the issues included fluctuating interest rate, extra staff to comply with USDA requirements, warranty issues, construction lending, specific requirements dictated by the USDA, with not forgetting the ability to pay for the project via the loan payments. Leroy did not sound encouraging where the USDA was concerned.

Several questions were asked and a motion was made to adjourn the meeting at 12:10pm by Jim Noble, seconded by Norm Lindstrom.