

MOUNTAIN MUTUAL WATER COMPANY
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The annual meeting of Mountain Mutual Water Company Board of Directors was held Saturday, March 8, 2008 at the Rocky Mountain Chapel. The board of directors (Donna Brazill, Jim Sandmore, Jan North, Mary Simpson & Bob Skubas) were all present. Don & Bev Hindman and 7 residents were also present.

The meeting was called to order @ 1:35 PM by President Donna Brazill. The agenda was reviewed by all directors and approved as presented.

Last year's annual meeting minutes were read by Bob Skubas. A motion was made by Mary Simpson, 2nd by Bob and unanimously passed to accept the minutes as presented.

The purpose of the annual meeting is to elect 2 officers to the Board and to conduct any other business as may be brought before the board.

The Treasurer's report was read by Mary Simpson. There was some discussion of the \$931.00 invoice still outstanding from the CCME POA for legal fees but it was not fully addressed or resolved at this annual meeting. Questions were asked of Mary about monies in Cds and plans for expenditures. A motion was made by Bob "Skubas, 2nd by Jim Sandmore and unanimously passed to accept the Treasurer's report as presented.

The Water Manager's report was presented by Don Hindman. Don started by talking about some of the challenges the Water Company has been met with in the past year. One was a Wolf Rescue Reserve that wanted to start operation very close to the area of our wells at Gillette. Not knowing what type of ramifications or impact the reserve could have on the immediate area of our wells, MMWC and Don & Donna Brazill, closely monitored the progress of the permitting for the Wolf Reserve. The reserve did not fully complete the permitting process and therefore, will not open. Also, there was a "Call out for Water" by the Beaver Park Water Association this year that was closely monitored by MMWC. Though the "call out for water" could affect Victor and Cripple Creek, Mountain Mutual Water Co. has very senior water rights and was not affected by the potential Call-out.

Don then talked about some of the challenges facing MMWC in terms of increasing water production and getting that water into the subdivision. MMWC has had a drop in production of water. It used to be about 100 GPM (gallons per minute) and had dropped to 90 GPM. In an attempt to increase production, MMWC tried "rehab" techniques on the main well and has worked to increase production on the back-up well. Some of the techniques for both procedures were cleaning the screen which is a big industrial well type screen. The process involves forcing air & water through the screen at a high rate. Also, we got a new pump, a larger capacity pump. Don explained to everyone that this did increase production some but not as much as we had hoped. We are producing about what we are using. Don further explained that once we convert to a 6" main, this will allow us to get more water flow through our lines and therefore, to the large storage tank and into the subdivision. Also, it is very important that we increase production because if we don't use what we are allocated, the state could decrease our "shares". This winter has been very difficult for MMWC due to a multitude of problems and it has created quite a challenge. Don talked about the potential need to raise water rates, partly due to increased costs of operation but also to provide monies to upgrade the water system as we move toward the future.

The 2008 Budget was handed out to all in attendance. Eric Cernyar asked in the line item of \$40,000 for Maintenance of Transmission lines was enough for the proposed projects. Eric Cernyar then went on to say MMWC operates on a very small budget and maybe should increase rates. He further added that he as a homeowner would have no problem paying more than \$25.00 a month for water. Election of Officers was held next. While ballots were being counted, a small intermission was held. Ballots were counted by Donna Brazill (Pres), Mary Simpson (Treas.) and Donna Dunn (property owner). The results of the election are as follows:

Jim Sandmore - 247 votes, Carol Scherling - 253 votes and Steve Kunstle - 1 write-in vote.

Congratulations to Jim Sandmore for being re-elected and Congratulations to Carol Scherling for being elected. Both Jim & Carol are elected for 3 year terms.

Other Business: Donna Brazill took time to thank Jan North for her time as a board member and to praise the MMWC staff. The guys do so much for the company and work really hard to keep things smooth.

Public Session: A question was asked by one resident about how specifically the system works. Don stated that it is a gravity fed system, starts at over 10,000 ft and is mostly downhill from there with a few exceptions such as the top of May Queen. Don explained the system in detail.

ADJOURNMENT: There being no further business brought before the board, a motion was made, 2nd and passed to adjourn. The meeting adjourned @ approx. 3:05 PM