

MOUNTAIN MUTUAL WATER COMPANY
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NOTICE OF ONE-TIME SPECIAL ASSESSMENT TO ALL CUSTOMERS,
NEW METERING REQUIREMENTS, AND 2010 RATE INCREASE

To all our members and customers,

Many of you are aware of the difficult challenges Mountain Mutual Water Company (MMWC) faced with its aging, overburdened infrastructure during the winter of 2008. Since that time, MMWC's Board of Directors performed a detailed analysis of its immediate and long-term infrastructure and budget needs. The Directors presented that analysis – much of which is detailed on MMWC's new website, www.mountainmutual.com – to the membership at our March 21, 2009 Annual Meeting. With the unanimous approval of those in attendance, MMWC is implementing the following initiatives.

With this letter you are receiving an invoice for \$80.00. This is a one-time special assessment that will enable MMWC to immediately begin repairing and upgrading our aging infrastructure. This one-time special assessment of \$80.00 – which MMWC's voting membership unanimously approved at the Annual Meeting – is being invoiced to each membership and non-member customer, including memberships with vacant lots.

Effective immediately, all new construction must be metered at the time of construction. Existing MMWC customers have until December 2011 to install a meter and comply with metering regulations. MMWC is currently evaluating meters and will select an appropriate meter in the very near future. Installation will be performed by MMWC employees or a MMWC-approved licensed contractor.

MMWC's membership also ratified the following rate increase, which will become effective next year:

- "Availability" fees (for members who own vacant lots) will be increasing from \$90/year to \$150/year.
- "User" fees (for our monthly customers) will be subject to a transitional new rate structure starting next year. To encourage metering, users who are metered will pay \$25/month plus \$.005/gallon, capped at a maximum of \$50.00/month. Users who are not metered will pay a flat \$50.00/month¹

Mountain Mutual Water Company now has a website at www.mountainmutual.com. The website provides a wealth of information on a variety of topics. It also provides an abbreviated version of the PowerPoint presentation that the Board presented to the membership at the Annual Meeting. MMWC encourages its members and customers to review, in particular, the "Budget" section of the website for more background on MMWC's latest budget initiatives.

¹ MMWC is also raising its "Forfeiture" fees: Several memberships for which fees have not been kept current have become forfeited. MMWC currently allows CCME lot owners with forfeited memberships to reinstate that membership for \$3000.00. This fee is increasing to \$8000.00 effective January 2010.