

Mountain Mutual Water Company
2021 Annual Meeting
4338 County Road 1, Cripple Creek, CO 80813
(719) 689-2527 Fax (719) 689-2530
April 17, 2021

The 2021 annual meeting of Mountain Mutual Water Company was held at 10:00 am on Saturday, April 17, 2021 via Zoom due to the Covid-19 stay at home restrictions.

The meeting was attended by two residents and four Board members (Ed Dunn, Jim Noble, Mike Bonar and Bill Martin) and MMWC General Manager Louise Noble.

The meeting was called to order by President Ed Dunn at 10:00 am. A motion was made by Bill to approve the agenda, Jim seconded the motion and all approved the agenda. The 2019 meeting minutes were approved by the Board last year at a regular monthly meeting due to the Covid-19 stay at home orders. The minutes for this years meeting will be approved at the 2022 annual meeting.

Ed stated that one Board member, Bill Martin, was up for re-election. As was reported, a total of 95 votes were received and Bill was unanimously re-elected. Bill will continue as a Board member. Twenty-two ballots were residents and the rest were vacant land owners. Ed asked for a motion to declare the election of Board member as valid, Mike made the motion, and Jim seconded and all approved.

Financial Report – Jim provided the 2019 and 2020 financial report. As in the past years the report is a year-over-year statement. As of December 31, 2020, user fees increased and availability fees decreased. 2020 was the last year for the special assessment for the infrastructure project, the revenues have been fairly flat, and the fee structure has been revised. Voluntary turn on and turn off fees are also flat from last year. The water transfer fee, which has been valuable for the Company, has increased over the year and more accurately reflects the amount of time spent on tasks such as meter reading, changing accounts in the system and lien research. Repair parts costs were lower than last year and repair labor was up from last year. Line item 13 was encouraging with the forfeiture fees paid increasing with customers reinstating their membership. The forfeiture fees take time for the research. It is encouraging to see so many people bringing their lots current. Connection fees are anticipated to increase in 2021 due to the new builds in the subdivision. Hopefully with the new water policy, it will help owners understand the fees that need to be paid. Meters and meter pit figures will reflect differently with the new water policy, as the components will be available through the Company. Augmentation is ongoing with Deer Mountain and Lakemoor West. Lakemoor West has an outstanding balance that is an ongoing issue being addressed by the Board. The newsletter ad and miscellaneous income were both up slightly this year. Water delivery was minor and there were no tampering fees this past year. Net revenue is up from the previous year even without the special assessment. Operating expenses are those that are above what are completed as special projects. Operating expenses do not include new pipe in the ground, new valves, or pumps. Operating expenses do include repairs on the existing infrastructure, salaries, and taxes, and are down from the previous year. The operating budget is down from 2019. Project costs are down

a little from 2019 when the Board put a down payment on the excavator. The budget is attached. The outlook for 2021 is good and we have been able to increase our reserves in case of unexpected expenses. Jim concluded the report and opened the discussion to questions.

Mike Galvin – Asked several questions, stating they were on behalf of the POA Board. Responses were provided by the MMWC Board and GM. Reference was made to the MMWC Water Policy. The GM will address his property questions personally.

Operational Update – Louise – It has been very busy last two years. Many improvements in 2019. Both new tanks were placed in service. Installed a new monitoring system, installed surge protection, purchased excavator, new line on Yorktown, Rattler Way, Princess Road, around tank 17, Anger to Wellington and digitalizing most of the office records. Al celebrated 25 years of service with the company. Overall, installed two miles of new pipe in 2019.

In 2020, we got off to a slow start due to Covid and the weather. Installed a valve on Vivenda. Replaced shortcut road line, added new line to MMWC office building. Installed new line on Vivenda, repaired the line on Isabella Circle, new line on Grey Eagle and on Gold King. A new pressure reducing valve was installed. All the assets have been mapped for wildland fire issues. Office staff respond to customer requests, monthly billing, and many other duties all made possible by the dedicated staff, both in the office and in the field.

Jim – The new monitoring system has resulted in a huge cost savings due to the remote monitoring of the system. It helps determine when there is an issue in the system. This has also resulted in significant fuel savings.

Judy Andersen – Thanked the board and staff for all their hard work to keep the system running.

Ed – Credit to Louise and Cheryl who put the water policy together to consolidate the terminology and policy to see what the company requires. This information is available on our website and can be accessed on the website under the rules tab. Also, on the website there is a new privacy policy which has been implemented. Staff has been working hard to implement these changes. Thank you Judy for appreciating what the staff does.

Jim – Appreciates the work Ed has put into developing the new website from what it had been.

Strategic Plan Update – Bill – This is a living document that is updated periodically, and is the guiding document for future planning, budget, and workforce and future implementations, keeping the best interest of the community in mind.

Outlooks

- To date we have exceeded many of the goals in the strategic plan, and we will continue to update the plan as goals are met and new issues arise.
- One of the largest upcoming issues is the construction of a new office building. The current building is not functional and is rapidly deteriorating. There are ongoing electrical problems and water issues. But replacement of the building is a large expense.

Discussion of new office building – Ed – The current office building was the original construction shack from when the subdivision was built. The last year has been spent designing and getting cost estimates. The Board has the estimated costs and is now looking at financing and schedule. The new building will need to be up to commercial standards as per Teller County regulations. The plan is for the building to last a minimum of 50 years, be relatively maintenance free and address any future staff increases. Currently the cost of materials has increased due to Covid.

Jim – Completion of the building is a significant undertaking for the company. The Board will meet in the next couple of weeks to discuss funding.

Members in attendance asked several questions, regarding the cost and size of the new building and issues with the existing building. All were addressed by the Board and GM.

Ed opened the floor to General Questions:

Ed reiterated that MMWC is required in the bylaws to have an annual meeting and that all minutes are posted on the website. He also expressed a disappointment that not more people attend the annual meeting.

Judy Anderson commented that maybe people are not comfortable with the virtual meetings. Maybe in person meetings will increase the attendance.

Mike Galvin commented that he appreciated the Zoom meeting. Some people are not concerned until the system does not work, which may lead to the decreased attendance in the meetings. Thanks for making the meeting available.

Ed commented that it is important to make what the company does transparent, this includes the website. The Board tries to keep the members informed.

Mike Galvin also commented that with building costs increasing, with a fall build time MMWC may realize cost savings as costs hopefully return to normal. Hopefully by the end of the summer, costs will come down. Willing to help with excavation if needed.

Ed – The Board appreciated the offer.

Ed asked for a motion to adjourn at 11:10 am. Jim moved and Bill seconded.