

**CROOKED RIVER RANCH WATER COMPANY**  
**2018 ANNUAL MEETING**  
**August 18, 2018 – McPherson Park**

- I. The meeting was called to order at 10:07 AM by Vice President, Nate Russell. Roll was called and those present were: Sherry Loster; Judy Lake; and Nate Russell. President Dennis Kirk and Archie McCawley were not present at this meeting. Aside from the Board of Directors and the General Manager Frank day and approximately 15 people were present at the meeting.
- II. **APPROVAL OF MINUTES:** Nate Russell then called for the approval of the minutes from the May 9, 2018 board meeting. **Sherry Loster made the motion, seconded by Judy Lake to approve the minutes from the May 9<sup>th</sup>, 2018 meeting as submitted. Motion carried.**
- III. **TREASURER’S REPORT** – Sherry Loster then presented the financial report for January through July 2018 as follows:

<b>Total Revenue:</b>	\$492,121.00
<b>Expenses:</b>	\$455,211.00
<b>Net Income:</b>	\$23,953.00
<b>Year to Date:</b>	<b><u>Balance</u></b>
<b>Contingency fund balance:</b>	\$359,229.00
<b>Loan Payment Reserve Balance:</b>	\$244,435.00

IV. **NEW BUSINESS**

**Board Candidate Statements**

-Sherry Loster

Sherry has been on the board since 2010, she fills the position of secretary treasurer. This will probably be her last run for the position because she would like to see somebody else get their feet wet. Sherry said that she was happy with what the water company has accomplished this far and that it’s been an experience that she will never forget. Sherry then thanked everyone for their continued support of the water company, its been greatly appreciated.

-Jim Hussey

Has lived here since 2014. Has been on the architectural committee for 2 years now. Jim and his wife thought it would be a good idea to get involved in the community a bit more. This seemed like a good opportunity to share his experience in construction and management to work on board to improve and maintain the standards of the water board.

## V. OLD BUSINESS

### **General Managers Report**

Frank Day started off his report by thanking the Water Company staff. There is a total of 5 people (including Frank) that work at the Water Company.

#### A. Parametrix System Study

Frank Day reported that Parametrix completed a study on what's left of the 20-year master plan to help the Water Company prioritize what projects need immediate attention. It included a report on the Cistern, which was built back in the early 1970's. The Parametrix study reported that the Cistern's concrete is deteriorating, there are cracks in the Cistern that show evidence of water leaking into the tank. If there was a natural disaster, the Cistern would not hold up, since it only has one layer or rebar and it is deteriorating. The Cistern has not been in use for almost two years. The cost of repairing the Cistern would be \$350,000 and there aren't a lot of benefits to repairing it. Frank said that there would still be only one way of getting water to the lower section of the Ranch. Frank then noted that the Water Company has not finalized anything yet, but one of the suggestions from Parametrix was to install a second water line to supply water to the lower section of the Ranch. Frank then said he wasn't prepared to get into the specifics about the second water line because we don't have the funds for it saved up yet, since the Water Company does not want to take out a second loan for the project. Frank did say that the Water Company is hoping to have the second water line project completed by the end of 2022.

Earlier in this year, the Board along with the General Manager, made the decision not to bring the Cistern back online. We have had Coliform issues in the past with the Cistern, and now that it is offline, we have been Coliform free for the past 18-19 months. The Cistern is to remain empty and offline indefinitely. Frank reported that the elimination of Well 2, the old water tank, and the Cistern within the past few years have greatly benefited the improvement of the water system. Well 2 is locked out and is never to be turned on again, the old water tank has been replaced with a new water tower, and the Cistern is offline indefinitely. Frank said

the water system is working great.

**B. AMR Meter Program**

This year, the Board also approved of an Automatic Meter Reading (AMR) program. The AMR system that the Water Company opted for was the Drive By system. With the Drive By system, a radio will be attached to a work truck and it will drive down the road and collect data from the meters. Frank indicated that this program is not designed to be completed all at once, it will be completed over a 6-8-year period. The benefits of this program include; being able to read meters when there is snow on the ground, the AMR meters collect data for the past 70 days-so if a customer has a leak we can collect the data and see when the leak started and how long its been going on for, it will also cut down on meter reading costs. The Water Company will be installing 207 AMRs this year (2018), and in the following years 100 will be installed each year. In the last two years of the program the Water Company hopes to knock off 200 AMRs each year, to complete the program depending on funding. A member of the audience then asked Frank how much the program cost, and Frank said the initial package buy was for \$40,000. Which included the purchase of 207 AMR meters, a radio for the truck, a hand-held unit, a software package, and 1 year of tech support. There is also a maintenance fee which costs \$1,000 a year. Frank said that the Water Company received a good deal on the package from Mueller, and that if we were to go out for bid it would have been very expensive. Frank pointed out that just the radio and software packake alone is \$6,000. Another member of the audience inquired if the program will increase the rates for Ranch residents, and Frank said that the Water Company does not expect an increase in rates to pay for the AMR program. The funds for the AMR program are coming out of the Capital Improvement plan. Frank also noted that new property owners that are connecting to the water system are required to pay for the meter and backflow. Since May 2018, the Water Company has been charging new customers for the price of the new AMR meter and the backflow. This way, the cost of the new AMR meters is not being passed on to current customers. The cost of a ¾” connection with AMR is \$560.00 and a 1” connection is \$778.00.

**C. Backflow Program Update**

The Water Company started the backflow program back in 2013. Where the property owner is required to pay for and have the Water Company install a backflow in the meter box, and from then on it becomes a Water Company owned backflow assembly. The backflow is then maintained, tested, repaired, or replaced by the Water Company at no cost to the property owner. Sherry Loster noted that if a property sells and it doesn't have a backflow installed, the new owner of the property is required to have a backflow installed in the meter box by the water company. Frank then added that even if your backflow assembly has been gifted to the water company in the past, the new property owner is still required to have

one installed and the old backflow will be removed by a plumber. The reason a plumber is needed is because Oregon plumbers code says that we can only do work up to the point of delivery, which is the meter. So, if a backflow assembly is installed past the meter, then the water company can't do any repairs to it or pull out the assembly. When we do an install, the backflow is installed before the meter in the meter box.

At the beginning of this year there were 350 properties left that did not have a backflow assembly installed in the meter box. This was the first year that the Water Company required 100 of those property owners to have a backflow assembly installed. There will be a little over 200 properties left at the end of this year that will be required to have a backflow installed within the next two years. In the following two years, the Water Company will require 100 property owners each year to have the backflow assembly installed. In doing this, the Water Company plans to be 100% backflow protected on the Ranch by the end of 2020. The backflow program hasn't been without it bumps Frank mentioned, but most customers understand why. The Water Company does its best to work with the customers, and we still have the 12-month interest free payment plan that is available to customers. Frank then mentioned that the Water Company recently had a Sanitary survey, where the state comes out and inspects company paperwork and facilities. The Water Company received an A+ on the survey from the State. The state also said that they were very impressed with the backflow program, with 96% of backflows tested each year. The remaining 4% do not have any water running to the property.

Frank said that there aren't any big infrastructure projects planned in the next couple of years, he said it will just be business as usual with backflow installs and meter changeouts.

**VI. MEMBER COMMENT PERIOD:**

-A member asked how the water is getting to the lower part of the ranch now?

Frank said that water comes from the concrete structure at the top of the hill (Chinook Dr) and comes down through the golf course and RV park, and then down through Horny Hollow Trail.

-Where is the Cistern located at?

It is located up on the corner of Chinook and Rim Rd.

-How many water company water customers are there?

1606

-What companies are accessing the tower?

Currently there is Webformix and T-Mobile leasing space up on the tower. The fire department has a repeater up on the tower.

