

**CROOKED RIVER RANCH WATER COMPANY
QUARTERLY MEETING OF BOARD OF DIRECTORS
FEBRUARY 14, 2018 – CRRWC BOARDROOM
MINUTES**

- I.** Meeting was called to order at 6:00 PM by Vice president Nathan Russell. Roll was called and those present were: Judy Lake; Sherry Loster; Archie McCawley; Nate Russel; and Frank Day, General Manager. President Dennis Kirk was not present because he was out of the country. There was one guest present.
- II. APPROVAL OF MINUTES:** Nathan Russell then called for approval of the minutes from the November 15, 2017 Board Meeting. **Archie McCawley made the motion, seconded by Sherry Loster to approve the minutes of the November 15, 2017 meeting as submitted. Motion Carried.**
- III. TREASURER’S REPORT** – Sherry Loster then presented the Financial Report for January through October 2017 as follows:

Total Revenue:	\$ 979,211
Expenses:	\$ 854,395
Net Income:	\$ 124,817
Year to Date:	<u>Balance</u>
Contingency Fund Balance:	\$ 380,262
Loan Payment Reserve Balance:	\$ 325,789

IV. OLD BUSINESS:

A. New Work Truck

Frank informed us that the new work truck is down in Central Point getting the truck bed attached. The truck should be completed within the next week and returned to us just in time for backflow season.

B. Front Office Remodel

Frank reported that the front office remodel has been completed. It included new flooring, electrical work, desks, networking, a computer monitor, and computer racks. The total cost of the remodel was: \$11,641, all of which was in the budget.

C. Approval of 2018 Budget

In November 2017 a draft budget was approved. Frank Day noted that the draft budget helps us get through the first few months of the year and then we do a final budget in

February. This is done because the cost/numbers can change. Frank Day then called for a motion to be made to approve the final draft budget for 2018. **Judy Lake made the motion, seconded by Archie McCawley to approve the final draft of the 2018 budget. Motion Carried.**

V. NEW BUSINESS

A. Bend Mailing to Print and Mail Out Statements

Frank Day reported that there was a discussion during the board work shop regarding the current billing process; from the way we create, envelope, stamp, and mail the statements. The board discussed it and agreed that it would be a good idea to switch to a company that handles the mailing process. The process would be completed by Bend Mailing, which is a company out of Bend, Oregon. Bend Mailing will complete the whole process of printing, enveloping, stamping, and mailing the statements each month. They also will provide us with online bill pay service, so our customers will be able to go online and pay their bills. Paperless billing will also be available to customers. The cost of switching over would be an estimated \$150.00-\$225.00 more per month than what we are paying right now, and that is because there is still a lease on the Pitney Bowes folding machine in the office. A lot of our customers have been requesting online bill pay and paperless billing, so it will be nice to finally have that available to them. Frank then called for a motion to be made to approve the switch over to Bend Mailing to print and mail out our statements. **Sherry Loster made the motion to move mailing and printing statements to Bend Mailing and give the General Manager the authority to take all necessary action to do so, Judy Lake seconded. Motion Carried.**

B. Status of 2018 DCVA Program

This year, the Water Company is requiring one hundred residents to have backflows installed. The letters have already been mailed out to the residents. The letters explain that they have been selected and what month the backflow will be installed. The letter also informs the residents that they will be billed \$395.00 for the backflow, unless they request to be put on the 12-month payment plan. Frank said there have already been residents calling and requesting to be put on the payment plan. Frank noted that 52 of the people selected did not return their survey, and 48 of them were selected by their survey question point total. Currently, we have 350 residents that do not have backflows and after this year there should be less than 250 that do not have backflows. Residents that are on the required install list will receive a 30-day notice prior to the installation of the backflow.

C. Cost Increase for Backflow Installation

The cost of the backflow for a ¾" service has been \$385.00 for the past 4 years, and this year the cost is going up to \$395.00. The cost of parts has gone up for the ¾" service, the pricing on the 1" service has not gone up. **Archie McCawley made the motion to increase the cost of the DCVA (backflow) installs on a ¾" service to \$395.00. Sherri Loster seconded. Motion Carried.**

D. T-Mobile Lease Update

Frank Day reported that T-Mobile is almost finished with installing the cell tower on top of the water tower, they should be finished by the middle of next week. Payments for the new lease started a week ago. Frank Day said that in the past there was an MOU (Memorandum of Understanding) with the HOA, which stated that 50% of the revenue from the lease agreement on the old water tower would be shared with the HOA. Since there is no longer an “old water tower”, the Water Company sent the HOA a letter. The letter stated that the old water tower agreement is no longer in effect, and that the check included would be the final payment for revenue sharing with them. Frank then noted that he sent the suggested MOU back in June of 2017 and have yet to hear back from anyone at the HOA.

E. Development of Capital Improvement Plan

Frank Day informed us that he and a committee made up of Sherri Loster and Nathan Russell are working on developing a capital improvement plan. They are looking at what improvements need to be made to the water system in the next 25 years and when they will be completed. They are considering the balance of the contingency fund and how much is being deposited into it each year to help determine how the improvements will be paid for. The CIP report will be released sometime in June. Sherri Loster noted that when the current board took over there was already a 20-year plan in place. The new CIP will take into account the old plan and some new items that were not previously looked at before.

VI. Member Comment Period

None

VII. ADJOURNMENT

There being no further business, the meeting was adjourned by Nathan Russell at 6:33

/s/ Sheridan Loster

Sheridan Loster, Secretary/Treasurer

May 9, 2018

Date