

**CROOKED RIVER RANCH WATER COMPANY  
QUARTERLY MEETING OF BOARD OF DIRECTORS  
May 11, 2016 - CRRWC Boardroom**

Meeting was called to order at 6:00 PM by President, Dennis Kirk.

Roll was called and those present were: Archie McCawley; Dennis Kirk; Judy Lake; Sherry Loster; Nate Russell; and Frank Day, General Manager.

Dennis Kirk said that the notices of meetings are published in the Newsletter that is distributed with the water bills each month and also the website. He also indicated that the building and conference room are accessible to those with disabilities.

There were two guests present.

Dennis Kirk then called for approval of the minutes of the February 10, 2016 meeting. **Archie McCawley made the motion to approve the minutes of the February 10, 2016 meeting as submitted. Motion carried.**

Sherry Loster then presented the Financial Report for January through April 2016 as follows:

<b>Total Revenue:</b>	<b>\$ 275,892</b>
<b>Total Expenses:</b>	<b>\$ 275,108</b>

**Net Income:**

Total Revenue	\$ 275,892
Total Expenses	\$ 275,108
Net Income	\$ 784
<u>Backflow Payments Outstanding</u>	<u>\$ 8,570</u>
	<b>\$ 9,354</b>

<b>Year To Date:</b>	<b>Deposits</b>	<b>Balance</b>
<b>Contingency Fund Balance</b>	\$ 11,522	<b>\$ 249,211</b>
<b>Loan Payment Reserve Balance</b>	\$ 15,271	<b>\$ 103,952</b>
<b>To Date Expenses on Tower Project</b>		<b>\$ 390,408</b>

Dennis Kirk then asked for a motion to accept Treasurer's report. **Motion was made by Nate Russell and seconded by Archie McCawley to approve the Treasurer's Report. Motion carried.**

Frank Day indicated that he would have a change to report with regard to expenses on Tower Project to date and would report that during that segment of the meeting. Dennis Kirk also pointed out that the contingency fund balance is the highest it has been in many years. He went on to say that when the current Board took over from the prior administration of the Water Company, the contingency fund was \$150,000 which was the amount left in the treasury from the illegal assessment that was levied by the former General Manager. The current finances and rate structure have allowed the contingency fund to grow by over \$100,000 and the current budget calls for having a balance of over \$300,000 this year. This is good news as the contingency fund is what allows various future projects for maintenance and upkeep of the system and indicates that we are in good financial shape.

## OLD BUSINESS:

- a. Frank Day reported on the facility improvements completed in the last few months. He went on to say that the original budget had been \$34,500 for replacing siding on one side of the building; for redoing the ADA ramp and side steps; and for paving the front parking lot. Because the staff is capable of doing a lot of the work that would ordinarily be hired out, there were savings that allowed the siding on the one side and all of the front of the building to be replaced with hardiboard; to do the side steps and ADA ramp in concrete instead of decking, which will last a lot longer; and to pave the parking lot all the way over to the shop. Frank reported that when the project was finished the total cost was \$33,938. Dennis Kirk commented that the improvements will ensure that the building and surrounding area will last for years to come. He also said that he wanted to recognize that Bill and Barry are both great assets to the Water Company as they are able to do facility maintenance as well as water system maintenance.

Frank Day also said that the facility work done came out of the regular operating budget. He did indicate, however, that he would be requesting \$18,000 from the Contingency Fund to purchase back flow devices and that an A133 Audit, required by the USDA, will require another transfer of \$16,000. He said that the Contingency Fund would still have \$318,000 at the end of 2016.

## NEW BUSINESS:

- a. Dennis Kirk reported that one of the two heat pumps in the office building has failed and asked Frank Day to report on replacement. Frank reported that the old unit includes both furnace and cooling and that because of the age of the cooling unit and the freon unit that is now illegal, it cannot be repaired so the entire unit must be replaced. It was also noted that there have been continued issues that when trying to heat or cool one side of the building, the other side is either too hot or too cold. It was noted that an original bid for replacing the one old unit was about \$7,814. In doing further research, Frank indicated that one of the contractors suggested ductless units. He said that putting two units – one in the conference room and one in the office can be done for the same price as replacing the one combination unit. The old furnace would be left to act as a back-up if needed. Professional Heating put in a bid to put in two hyper heat ductless units (good to -13 degrees) and for an additional amount will rebuild the old furnace to be used as back-up. Frank indicated that he would need a motion to accept the bid in order to move forward. **Sherry Loster moved and Nate Russell seconded to accept the bid from Professional Heating for \$7,885.00. Motion carried.**

## GENERAL MANAGER'S REPORT

- a. Report on project financials – Frank Day went through the project financial report line by line with the balances to date as follows:

Project Budget: \$6,481,231; Project funding spent to date: \$3,876,699

- b. Report on change orders – Frank indicated that a \$13,105 change order had been approved last month for an increase in pricing for the following:
  - SCADA equipment.
  - Storm drain needed from the tank to the retention pond.
  - Additional security fencing needed around the retention pond for safety reasons.
  - Paving the driveway to the entrance of Well No. 1.

- A discharge bypass to the overflow drain for safety concerns so that emptying the tank in an emergency (such as contamination, etc.) would allow for the water to be drained into the retention pond rather than discharging the water into the system.
- Addition of a SCADA panel view inside base of tower for security purposes.
- Add wall mounted lighting in base of tower.

Frank then indicated that the new Contingency Balance is \$232,915. There was some additional discussion about the color of the tower which will be a sage green. The logo was discussed with the HOA Board with the original idea that the lettering on the tower would be Crooked River Ranch with the signature hat if they were interested in sharing the cost. The HOA Board was not interested in sharing cost of the logo so at this point the lettering will read Crooked River Ranch Water Company.

- c. Review of Water Tower Project – Frank Day reported on the new line added and shared a number of pictures on the various phases of the tank being built and explained how it will finally be lifted into place onto the pedestal when it is completed. Dennis Kirk commented that the new well pumps 1,200 gallons a minute and the other well pumps 800 gallons a minute which means that we will have the capacity to pump 2,000 gallons a minute.

### **OTHER BUSINESS:**

Dennis Kirk announced that Bill Hill was named Operator of the Year at the Oregon Water Users Conference at Sunriver this year. He went on to say that the Water Company has been able to reduce its payment to Avion by \$1,000 per month because most of the work necessary on the system can be accomplished by our own staff and only will use Avion as a back-up in emergency situations.

It was also noted by Frank Day that the new phone system has now been paid for.

There was one more issue brought up concerning the paving project. It was explained that prior to the paving of the parking lot, there had been a cement sidewalk along the edge of the lot allowing people to walk in front of the parked vehicles. The new paving project eliminated the sidewalks. There was some discussion of the possibility of putting concrete bumpers at the edge. Dennis Kirk also commented that having a yellow line painted all the way across the front, 6 feet back from the edge to be ADA compliant, could also be a consideration. After further discussion it was decided that the parking lot will be left as is for the time being assuming that people exiting their vehicles will self-regulate. If that seems not to be working, then other considerations can be discussed at a later date.

There being no further business, questions or comments from the audience, the meeting was adjourned at 7:14 PM.

\_\_\_\_\_/s/ **Sheridan Loster**\_\_\_\_\_  
Sheridan Loster, Secretary/Treasurer

**August 20, 2016**  
Date