

April 2016 Newsletter

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Next Scheduled Board Meeting
May 11th, 2016

Located in the Water Company
conference room.

Meeting locations are accessible to persons with disabilities

Please check out the project webcam at www.crrwater.com

See Project Update on Next Page

Maintaining Water Company facilities.

Since 2011 your water company team and board has worked to improve the companies facilities. We want ensure our facilities are safe and dependable for your water company staff and for the members for many years to come. We have performed much needed repairs on the water system and on our wells. Over the past 5 years CRRWC has invested over \$130,000 into the water system for maintenance, repairs, and upgrades.

Although there are some small improvements that will be done in 2016 the bulk of the improvements this year will be in two places. The Basalt Well (Well #1) will receive an upgrade to the startup lube line and the production meter will be replaced. Because of the design of the new system the old source of water for the lube line will not be available therefore it needs to be brought in from outside the building. The production meter at this well is an older style that loses accuracy over time and can not be tested. The bulk of this work will be done by our field staff.

We also put some focus on our office facilities. Investing in our building and parking lot. Replacing siding on the building that was being damaged by the sun and wood peckers. The building was painted, it had many locations where the paint was peeling on the east and south sides of the building. We replaced the porch and ADA ramp. The porch was starting to show areas of rot and the ADA ramp was starting to lift in some locations from the frost. Our goal was to replace this with something that would last for a very long time and require no maintenance. We also invested in paving the parking lot to help with seasonal maintenance and water drainage.

These expenses came out of the companies annual operating budget and were not from any money allotted for the Water Tower project. We continue to put money in our contingency account and the required loan payment reserve account each year. Each year we continue to improve our facilities and system to lower maintenance costs, safety for our staff and clean dependable drinking water.

Contingency Account Balance: \$246,503

USDA Loan Payment Reserve Account Balance: \$100,362



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Business Hour: Monday–Friday 8:00 to 4:30 | We are closed for all federal holidays

Crooked River Ranch Water Company is an equal opportunity provider and employer

Crooked River Ranch Water Company

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Water Tower Project Update

Landmark has started construction of the steel water tank that will sit on top of the pedestal. This part of the tank construction takes about 45 days and is scheduled to be completed the first part of June. After that Landmark will send in a team to start painting the tank while still on the ground. They are still on schedule to complete the water tower by the first part of October.

The pump test for the new well was completed on March 30th. Contractors successfully pumped 1200 gallons per minute for 10 hours and the well had a drawdown of 4 feet. All the water from this test was confined to the retention pond just west of the pedestal. This test shows that we have a very reliable well that will serve the Ranch for many years.

Jack Robinson & Sons will continue to do ground work on the site and will soon start construction of the well house and electrical room.

Applications for your Crooked River Ranch Water Company Board are available from now till May 23th.

This year we have one board position that is up for election. If you would like to become a member of the Crooked River Ranch Water Company Board of Directors now is the time to turn in your application. Applications are available at our website at www.crrwater.com under current events on the left hand side of the page. All applications are due into the water company office by 4:30pm on May 23rd

Board Member Requirements: Board members may miss no more than two consecutive, regular quarterly scheduled board meetings. Board members must own property that is serviced by Crooked River Ranch Water Company or is designated as a joint member of the same property.

How are USDA funds allotted for the Water Tower Project?

As many of you know we have worked with USDA Rural Development to fund the project. CRRWC was awarded \$6,481,231 for this project from the USDA in the form of a loan and a grant. The loan amount is \$4.9 million. The grant amount is \$1,515,046. So what money is spent first, grant money or the loan money? In order to get any of the grant money we have to spend all of our loan money first. Since the project budget is \$6,208,597 it is certain that CRRWC will spend all \$4.9 million of loan money on this project. But there is a chance that we could not spend all of the grant money. In that case the loan amount would stay the same and the grant dollars would be lowered.

Out of the total dollars allotted to CRRWC by the USDA there is \$272,634 in contingency that is available when needed. What we don't spend from this contingency the USDA will keep and lower the grant amount and not the loan amount. That being said the USDA will not allow CRRWC to spend any USDA funds on projects not in the original project scope.

We have completed the parts of the project that could eat away at that contingency money quickly with out any large additional expenses. The current balance of the contingency fund is \$246,000 after some recent change orders.

At the end of the day CRRWC will have a 40 year loan with the USDA for \$4.9 million regardless. The question is how much of the grant money do we want to leave on the table.

The total project expenses through the month of March is \$2,765,349

We are looking for Nominating Committee Members for the 2016 board elections

Members of the nominating committee will assist in the recruitment of qualified candidates for the board, they will also verify the eligibility of each candidate according to the company By-laws. The board will make the final decision of the 4 members that will be on the committee and they will be announced at the May 13th board meeting. If you are interested in becoming a committee member please send an email to:

2016boardelections@crrwater.com

If you would like to apply to be on the CRRWC board we will start taking applications in April.