

CROOKED RIVER RANCH WATER COMPANY

November Board Meeting

November 15, 2023

CRRWC Board Room

Frank Day gave recognition of service to Nate Russell for 9 years on the Water Board.
Beth Gatchell for her 8-9 months service to the Water board.

Jim Hussey Called the meeting to Order

Roll Call

Jim Hussey	Mark Schneider
Carina Soubiea	Frank Day (General Manager)
Kent Inman	Dale Wiley (Not in attendance)

No Additions to the agenda have been submitted.

Jim Hussey read aloud The Rules for the meeting put together by the board members.

We are going to have some basic rules for this meeting. No talking over each other or interrupting someone else who is talking. If a question has been asked and answered, please don't ask the question again and give someone else time to ask a question. Comments will only be taken during the public comment period unless otherwise decided by the Board President. We will show each other respect.

Attendee's

John Stevens w/Ranch Matters	Dave Stangland w/Ranch Matters
Cathy Schroth	Brad Pahl
Bill Burt	Lee House
Herb Parker	Beth Gatchell
Todd Hill	Dave K
Carol Orr	Archie McCawley
Liz Hagn	Laura Copeland
Julie Inman	Nate Russell

Jim asked for a motion on the August 2023 Board Meeting minutes.

Carina motioned to approve Minutes from the August 2023 Board Meeting, and Kent seconded, the motion approved.

Carina read the Treasurer's Report

Financial Report by Quarter for 2023

Crooked River Ranch Water Company

Q3 2023

Q2 2023

Q1 2023

	Q3 2023	Q2 2023	Q1 2023
REVENUE			
Water Sales:	\$ 307,201	\$ 211,646	\$ 209,628
Misc. Service Revenue:	\$ 5,902	\$ 4,156	\$ 4,447
Cross Connection:	\$ 1,146	\$ 1,804	\$ 681
Lease Revenue:	\$ 10,200	\$ 10,200	\$ 9,929
Total Revenue	\$ 324,449	\$ 227,806	\$ 224,686
EXPENSES			
Total Operating Expenses	\$ (293,970)	\$ (197,105)	\$ (214,548)
Net Operating Income	\$ 30,479	\$ 30,701	\$ 10,138
Other Income & Expense	\$ 0	\$ 0	\$ (27)
Net Income	\$ 30,479	\$ 30,701	\$ 10,111
Deposits to USDA Loan	\$ 47,000	\$ 31,500	\$ -
Deposits to USDA Replacement Reserve	\$ 23,042		
Deposits to Asset Inv Fund	\$ 49,108		
Deposits to Contingency	\$ 15,000		
Funds Transferred from Old Contingency fund (discontinued)	\$ (87,150)		
2023 Asset Investment Expenses (fr Asset Inv Fund)	\$ (3,414)	\$ (31,327)	\$ (210,336)
2023 Replacement Expense (fr USDA Repl Reserve)	\$ (52,378)		
Net after Investment and Transfers:	\$ (72,313)	\$ (32,126)	\$ (200,225)
Fund Balances - Year to Date			
131.10 USDA Loan Reserve Balance	\$ 253,724	\$ 206,724	\$ 175,224
131.5 Contingency Fund	\$ 52,378	\$ 139,528	\$ 151,204
131.52 Contingency	\$ 15,000		
131.51 Asset Investment Fund	\$ 49,108		
131.53 USDA Replacement Reserve	\$ (29,336)		
Total Fund balance 9/30/23	\$ 87,150		

Kent motioned to approve the Treasurer’s report; Mark seconded, and the motion was approved.

Nomination/Election of Officers

Nomination for President - Carina nominated Jim Hussey – all were in favor and passed.

Nominations for Vice President – Kent nominated Mark Schneider, Jim nominated Dale Wiley

Kent and Mark voted for Mark

Jim and Carina voted for Dale

Vote is tied - Jim asked to postpone this until Dale can be present.

Secretary/Treasurer – Kent nominated Carina; she accepted and is all in favor and approved.

Oath of Office - All board members repeated the Oath of office as Jim read aloud, to be signed later on a clean piece of paper.

A Non-Disclosure Agreement has been signed by all the Board Members here, as well as the supporting resolution to go with it. Changes were made In Section F of the NDA, and the Letter of Resignation has been removed. There’s new verbiage in the non-disclosure agreement to support the consequences; Frank thanked the board members for working well together to get a good solution.

Unfinished Business

Approved election results "Yes" for Bylaw change Section 4.3
1611 ballots mailed – 265 Yes Vote – 66 No Vote – 117 Under Votes
PASSED the Membership

Carina motioned to accept the new bylaw change; Mark seconded, and all were in favor.
Accepted

Questions from the Annual Meeting (Frank)

Question regarding Section 4.6 and Section 9.1 of the bylaws from the Annual Meeting.

Bylaw 4.6 (c) TERMINATION OF DIRECTORS

(c) The Board of Directors, by a majority vote of the Board, may initiate a recall election of any Director from the Board of Directors if the majority of the Directors in their judgment deems that Director's presence on the Board not to be in the best interest of the Corporation.

Bylaw 9.1 AMENDMENTS

These Bylaws may be amended or repealed by a majority vote of the Board of Directors except Section 2.5, Section 4.3(a) through (d), Section 4.6, Section 4.7, Section 7.3 and Section 9.1, each of which can only be repealed or amended by a vote of the entire Membership of the Corporation in which no less than twenty percent of the vote of the entire Membership votes in favor of such a repeal or amendment.

The other question was regarding the 2006 Amendment to the Articles of Incorporation and the reasons it is no longer valid.

The decision to amend the Articles was made by Keen, Miller, Combs, and Scott.

Only Mr. Combs was a valid director at that time. Mr. Keen lost his membership of the company on 6.29.2005 when he sold his property on the ranch. At that time, he was no longer able to be on the Board. Mr. Miller was never a valid board member (he was appointed by other board members, but only one of them was valid, so the appointment was not valid). Mr. Scott lost his membership of the company in 2002 when he sold his property on the ranch, so he was also effectively terminated from the board at that time.

We are operating under the 1991 Articles without amendments. The 2006 Amendment is not valid. The board will introduce an additional paragraph to section 4.3 of the bylaws to the membership on the upcoming ballot that would essentially do the same thing. I have put a copy of the board resolution that places this bylaw change on the ballot, along with a copy of the updated section 4.3 on the website
<https://www.crrwater.org/corprate-records>

New Business Budget items (Major Items that need approval before January 1st)

Wage Review for the employees Resolution 2023-010 – Carina motioned to accept the increase, Mark seconded; non-opposed, motion carries.

Dental Benefits for the employees Resolution 2023-007 – Carina motioned to accept dental benefits, Kent seconded; non-opposed, motion carries.

Medical Transport Insurance for the employees Resolution 2023-008 – Kent motioned to approve, and Carina seconded; non-opposed motion carries.

Life Insurance for the employee's Resolution 2023-009 – Kent motioned to approve, and Carina seconded; non-opposed motion carries.

Customer Portal is a system designed to monitor water data, customizable per customer. Leak notification, track water usage, and summer or winter parameters can be adjusted for each member.

The set-up cost is a \$5,000 one-time fee, and the cost annually is \$12,500. The cost is the same regardless of if 5 people sign up or all 1600 customers sign up. It will help the water company send notifications faster if there's a water emergency as well.

Q – Nate Russell commented that the August meeting attendees seemed receptive and interested, and then he asked if it is an app that customers download.

A – Frank answered, Yes, it is an app that is downloaded, and property owners customize parameters. We will be able to help anyone wanting the app and assist in setup and configuring.

Q – Herb Parker asked if the costs for set up are sent to the Water company.

A – Frank – Yes, and with that, it is divided by the number of members, and it comes out to \$0.62 to be added at the next Rate case. Jim added that the water company pays for the initial cost, and at the following rate case each individual will take a piece of that.

Jim asked for a motion to adopt the cost into the budget; Mark motioned to add this cost into the 2024 budget; Carina seconded; non-opposed motion carries.

Water Management and Conservation Report – Budget Process OAWU, was approved last year. \$16,000 in our budget to pay for the report due this next year.

SCADA System Upgrade – A computer system that deals with all 4 locations (Water Tower, well #5, Well #4, Cistern, and Well #2). It turns pumps off and on, gives us elevations at those locations, and gives us water pressure at those locations. The system we have now was last updated in 2016, and the software is no longer being supported. Asking the board to accept the cost of \$47,000, including a 10% contingency.

Carina moved to approve the money for an upgrade, and Mark seconded; non-opposed motion carries.

2 x Pressure Monitors – Improved through Budget Process

Remote pressure monitors for two areas, Buffalo and Sundown Canyon, monitor low pressure and give alarms also alarms for high pressure.

2024 Board Meetings to have one every other month, which will be six meetings a year. Start in January.

Public Comments “Good idea.”

Frank wants to plan meetings to get to know the water company, Frank will host the meeting. Watch your email for more information.

There was a suggestion to have those meetings every other month, opposite from the board meetings, so there's always something going on and not messing with board meetings.

Operational Report (Frank)

- Lead Service Line Survey -Visually inspect homes built 1985 or before.
- Vaults have been cleaned, and some repairs have been done.
- Two mainline repairs since August.
- Finished valve can installations with metal lids, making it easy to find by metal detectors in the snow.
- Clean Wells, Tower, and Cistern buildings.
- Winterize buildings.
- Equipment Maintenance.
- Water Distribution Certification Training.

Member Comment Period:

Q – What kind of inspection is it, and what are you looking for?

A – Frank: We go 3 feet past the meter box toward your house, dig down to the waterline, and determine the material used. So far everything has been PVC. Take a picture, log all that into our mapping system, and eventually submit it to the state.

Q – What are they looking for?

A – Frank - Lead service lines. I'd be very surprised to find any lead pipes; we dug most of them up for the backflow program.

Kent commented - This water company is yours, and we encourage you to attend these board meetings. That's how you learn more about the water company and what we are doing; we hope to be as transparent as possible and above board. To be able to serve you as best we can, if you have comments, questions, or a beef or something that you see, we need to address them. Call us and let us know. Sometimes, that's when we find out when you notify us. We appreciate very much all of you people here today, and we hope that there will be more people from now on who will come down. Listen to what we have to say and what you people have to say about us and if we are doing a good job or not.

Q – Do you mean to call a board member each separately? Or the water company?

A – Jim Responded - It would be best if you call the water company, and Frank can get a hold of us, better than each one of us separately. We like everything to go through the company (General Manager Frank Day). That way we're all involved in the discussions if it involves the company.

Kent -Thank you again, everybody, for being here; I truly mean that.

Carina: I think it's very exciting to see so many people coming here for the meetings. The last 3 or 4 meetings now were getting a solid attendance.

Jim: I've been on the board five years now, until recently and in all those quarterly meetings, I have only seen two people at two different meetings. Nobody was coming, which is no longer the case. Now, we're trying to get the membership a little more involved so they know what is happening. We want people to get the actual facts, not listen to uninformed information you might get from social media.

Q – Carina asked Frank - Is there somewhere on our website where water quality reports are kept?

A – Frank brought up the website (crrwater.com). Click on the water quality button, and you'll see towards the bottom all the tests the state requires. When samples are due, when they have to be run, everything you want to know about our water. Except for hardness of water, we get that question often. We don't know or run that test because the state doesn't require it to be done.

Carol Orr Comment – I really like the Zoom meeting system.

Frank – stated that we borrowed the Owl from the fire department to test out. I really want the board's opinion about it; I personally think we should have it if we are going to broadcast all of our meetings.

Carina added - We appreciate the comments and feedback; please keep coming to the meetings.

Meeting Adjourned at 4:06pm