

MOUNTAIN MUTUAL WATER COMPANY
4338 E Timbers Dr
Cripple Creek, CO 80813
719-689-2527

The regular meeting of Mountain Mutual Water Company was held Monday, July 14, 2008 at 6:00 pm. Directors present were Donna Brazill, Mary Simpson, Bob Skubas and Carol Scherling. Don & Tara were also present. Jim Sandmore was absent (excused).

The meeting was called to order by President Donna Brazill @ approximately 6:16 PM.

The minutes of the previous meeting were read by Tara. A motion was made by Bob, 2nd by Mary and unanimously passed to accept the minutes as presented.

The agenda was reviewed. Donna requested a couple items to be added to the agenda - #1 Add long term planning article to be submitted to POA for their next newsletter to come out in September and #2 Building Maintenance (Stench - what is it?) And Cistern) A motion was made by Bob, 2nd by Carol and unanimously passed to approve the agenda with the 2 items added. The Treasurer's report was reviewed and discussion was held pertaining to the CD coming due @ Discover Bank. Carol S. stated Community Banks had a couple good rates right now for 6 mo. And 1 year Cds. Carol is going to check to see if MMWC qualifies for the terms. Tara asked the board to review the spreadsheet she prepared per Mary Simpson's request about how our costs have risen and told the board we might need the money from the CD to replenish the checking account. Discussion was then held on Water Rates and what to do about the increased costs of doing business. It was decided that when the CD comes due at Discover Bank, we will just put it in our money market account and keep it available to replenish checking when the time comes. A motion was made by Mary, 2nd by Carol and unanimously passed to accept the Treasurer's report as presented.

OLD BUSINESS

Water Rates/Increased Operating Costs - This discussion began during review of the Treasurer's report and was heavily contemplated by the board. A cost comparison was reviewed with cost data from 2003 to the present. See attached report. Just the cost of fuel alone for the vehicles has already cost the company more in the first 6 months of 2008 as for the full year of 2007 and preceding years. MMWC has increased operating costs of everything ranging from insurance to fuel to propane and electricity. The company has 50% less money in checking this year after the first 6 months then at this same time last year. After serious discussion and review, the board decided it has no choice but to raise rates effective with the September 2008 billing. Notices of rate increase will be put on the July and August billings. The rate will increase by \$10.00 per month (40%) for users to \$35.00 monthly. The POA water rate will increase by 40% also, raising it from \$150.00 to \$210.00 monthly. Additionally, late fees for users will be increased to \$5.00 for each month late beginning with the September billing. It was also determined that with the increased costs of tapping new construction onto our main lines, and to cover the costs of materials such as the tap saddle, Availability customers will pay a \$500.00 connection fee in addition to the annual availability fee. The board reluctantly decided it has no choice but to raise fees or go broke. A motion was made by Carol, 2nd by Bob and unanimously passed to raise monthly user fees by 40% to \$35.00 monthly beginning with the September 2008 billing. A motion was made by Mary, 2nd by Bob and unanimously passed to raise late fees to a flat \$5.00 monthly charge for users beginning with the September 2008 billing. A motion was made by Bob, 2nd by Mary and unanimously passed to charge a "Connection" fee of \$500.00 for all new taps effective immediately.

POA Invoice - Send another copy of invoice to POA. Note: Invoice was sent 07/18/08.

Planning Session - As part of Planning and long term development, Donna Brazill, Mary Simpson, Don Hindman (Manager) and Tara McCabe (Office Manager) are attending a seminar at the Colorado Rural Water Association on "Rate setting and Budget Development" (Carol S., Bob S & Jim S can not attend due to previously planned engagements and work related duties). For the seminar, MMWC will be the cost of lodging to those attending who go the night before. Also, Donna feels MMWC should submit some information about MMWC's long term plans to the POA for their next newsletter to be sent out in September.

Building Maintenance - The board requested and authorized a cistern to be installed for MMWC. That was in June 2007. Why is that not complete? Please get it done. Also, the odor in the building is still present, may even be getting worse and we need to try and figure out what the cause is. By direction of the President of the Board - get "On-Time Restoration" here to check it out if necessary. Approval received to spend up to \$1000.00 If it more than that, get additional approval.

NEW BUSINESS

Update by Don - Don told the board that the 400+ FT of new pipe along Crystal was done and several hundred feet up Anger was done with a little bit more to go. He is hoping with all this upgrading, we will be able to boost our water supply and get more water to the big tank. Don went on to say, as he has been saying, that water is getting tight and we, MMWC, have to get more water to the

subdivision. Don also told the board that "American Leak Detection is coming Thursday, July 17th and he is hoping to isolate a couple problem areas. American Leak Detection is a company with very sensitive equipment that has helped us locate leaks on one other occasion with good success. Don is hoping they can try and find a leak along upper May Queen that he suspects is there and one over by Johnny Barnes, kind of in the vicinity of Wellington & Brown Bear.

Public Session - NONE

ADJOURNMENT - There being no further business brought before the board, a motion was made by Bob, 2nd by Mary and unanimously passed to adjourn. Meeting adjourned at 7:45 pm.