

September 28, 2019

A meeting of the CRCWD Board (Castle Rock County Water District) was held on September 28, 2019 at the home of Fred Allen and it began at 8:45 am with directors Allen, Deinhammer, Grubb, and Hoag present.

Board Chair Allen led the discussion of pending items:

- CCWD (Contra Costa Water District) proposed higher rates for 2020 and the estimated impact they might have on CRCWD rates to users.
- Initial discussions with a service provider who would assist the board in overseeing operations of the system.
- The urgent need to augment the board with a minimum of two new directors.
- Chairman Allen's proposed retirement as Chair, and his willingness to remain an advisor to the board for a one-year period. Chairman Allen proposed that calls from members be directed to other directors beginning immediately.
- Chairman Allen's desire to accelerate plans for current and prospective directors to tour the pumping station and water storage facility.
- The CRCWD Financial results for the year ended June 30, 2019, as prepared by Maze and Associates and delivered to the Chairman, indicated a Cash reserve of \$130,370 at June 30, 2019 and a Net Operating Loss of \$28,903 that included \$20,828 in repairs this past year.
- An acknowledgement that our system is old and that we do not have clarity about what system shutdown responsibilities and costs might arise should CRCWD be faced with potentially huge repair costs and choose to shut down the system.

Action:

Following considerable discussion, the board unanimously agreed to pursue the following:

- In the interim, while pursuing more information from CCWD, we will not increase rates for 2020 to our members and we anticipate maintaining the cash reserve at \$130,000.
- Chairman Allen will discuss with CCWD management the proposed rates for our purchase of water.
- Director Deinhammer will plan a tour of facilities for directors and invite prospective directors (scheduled for October 5 at 9:00 AM).
- Director Deinhammer will compose a letter to all members expressing the urgency in identifying new directors to achieve our statutory minimum at 5; reminding all members that water will not be available in the first quarter of 2020; and identify which directors to contact with inquiries or problems with the water system.
- Director Grubb will arrange for a meeting of directors with the potential service provider to explore how they might assist the board in overseeing operations.
- Director Hoag will explore the range of potential responsibilities for expenditures in the event the system ceases to function.

The meeting ended at 10:30 am