

MINUTES

ROGERS MESA DOMESTIC WATER ANNUAL MEETING

JANUARY 12, 2015

Meeting was called to order at 2:07 pm

Board members present – Ross Allen, Wink Davis, Steve Ela, Louis Ketchum. Wink Davis is running the meeting as board president Webb Callicut is not present due to illness.

- **Roll call.**

21 members holding 33 memberships and 24 proxies are present, for a total of 57.

- **Proof of due notice and determination of quorum**

The meeting was announced by mail with December bills and by notice published in the High Country Shopper in December. A quorum is defined as the members present.

- **Nominations for vacancies on the Board of Directors**

Ross Allen and Louis Ketchum are up for re-election. Both agree to serve another 2 year term, if elected.

- **Election**

Jim Graziano nominates Louis Ketchum and Ross Allen for another term on the board. Janice Chesnick seconds. Vote by show of hands. Unanimous approval. Motion carries.

- **Report of Board of Directors by President or Vice-President**

The transition from Dahlgren to Randy and Diane has things running more smoothly.

Troy and Cassandra are doing well.

Brief discussion about projects this year – Highway crossing, replacing pumps at the pump station on 3200 Rd and cistern water line replacement. A question was asked about the difference between the cisterna and the water tank.

Randy gives an overview of the financials. Members had questions about \$20,000 in supplies, equity and a question about water loss

- **Water Rates**

Board has recommended that the base rate be raised to \$35.00/month and that the fee for overage remains the same (\$2.50/1000 gal). Steve reviewed the reason for rate increase.

Company has been using reserves to cover water costs for a couple of years now. One major reason is the loss of interest income.

Discussion includes: Question about the overage rates
Cost per month compared to other companies
Cost of replacement or water tank

Dixie Luke feels that there is too much in the bank, given that the company could borrow from the state at 2%. She feels that drawing from reserves to cover the loss is more valuable to the members than leaving it in the bank.

G. Stengel moves to accept the board's recommendation. Bob Leigh seconds. Motion carries with 2 votes against.

- **Lottery**

Board recommends a 6 month moratorium on the sale of taps to allow time to review and revise the current By-laws and lottery policy, as the two are intertwined. Member input into the discussion include questions about how much water the Town of Hotchkiss can process for us (Chesnick); what is the current sale price for taps(\$8,500.00); J. Chesnick feels this is very inexpensive and should be more given what neighboring taps cost. And what percent of the total asset would a tap be, could this be used to determine value?

Board sets a goal to have another special meeting within six months at which time the revised By-laws and lottery policy will be presented.

- **System engineer report**

Cassandra gives her report about work done on the system, including more detailed report about the items brought up earlier – Highway crossing, replacing pumps at the pump house on 3200 Rd and cistern water line replacement.

- **New business/member questions**

No new business, other than that already discussed.

- **Employee recognition**

Troy and Cassandra are given a \$3,000 bonus for their work over the year. Diane is given an additional month's salary.

Webb Callicut wishes to resign as president of the board. He will stay on as a board member to help the new president. He does not wish a bonus due to the 90% reduction in work load (due to the hiring of Randy and Diane) and the raise in the base rate. There are lots of kudos and applause from the members for Webb and his 13 years of service.

Dixie Luke moves that the meeting be adjourned. Janice Chesnick seconds. The meeting is adjourned at 3:29pm.