Beverly Hills Mutual Water Company

1221 West Mineral Avenue, #202
Littleton, CO 80120
(303) – 795-2142

Annual Shareholders Meeting
Tuesday, March 12, 2019

Agenda

- Board introductions
- The basics – Beverly Hills Mutual Water Company 101
- Financials
- Significant activities this past year
- New business
- What lies ahead
- Election of one director
- Questions & Answers

Board of Directors (Term Ends)

Gene Crandall, President (2023)
7830 Coventry Drive
gmcrandall@aol.com

Paul Harrison (2021)
7660 Saxeborough Drive
paulharrison688@msn.com

Mark McNary, Treasurer (2022)
7914 Saxeborough Drive
markmcnary5@gmail.com

Mark Kennedy, Vice President (2019)
7903 Coventry Drive
cr4mark@q.com

Orlando Zapata, Secretary (2020)
559 3rd Avenue
ojzapata@gmail.com

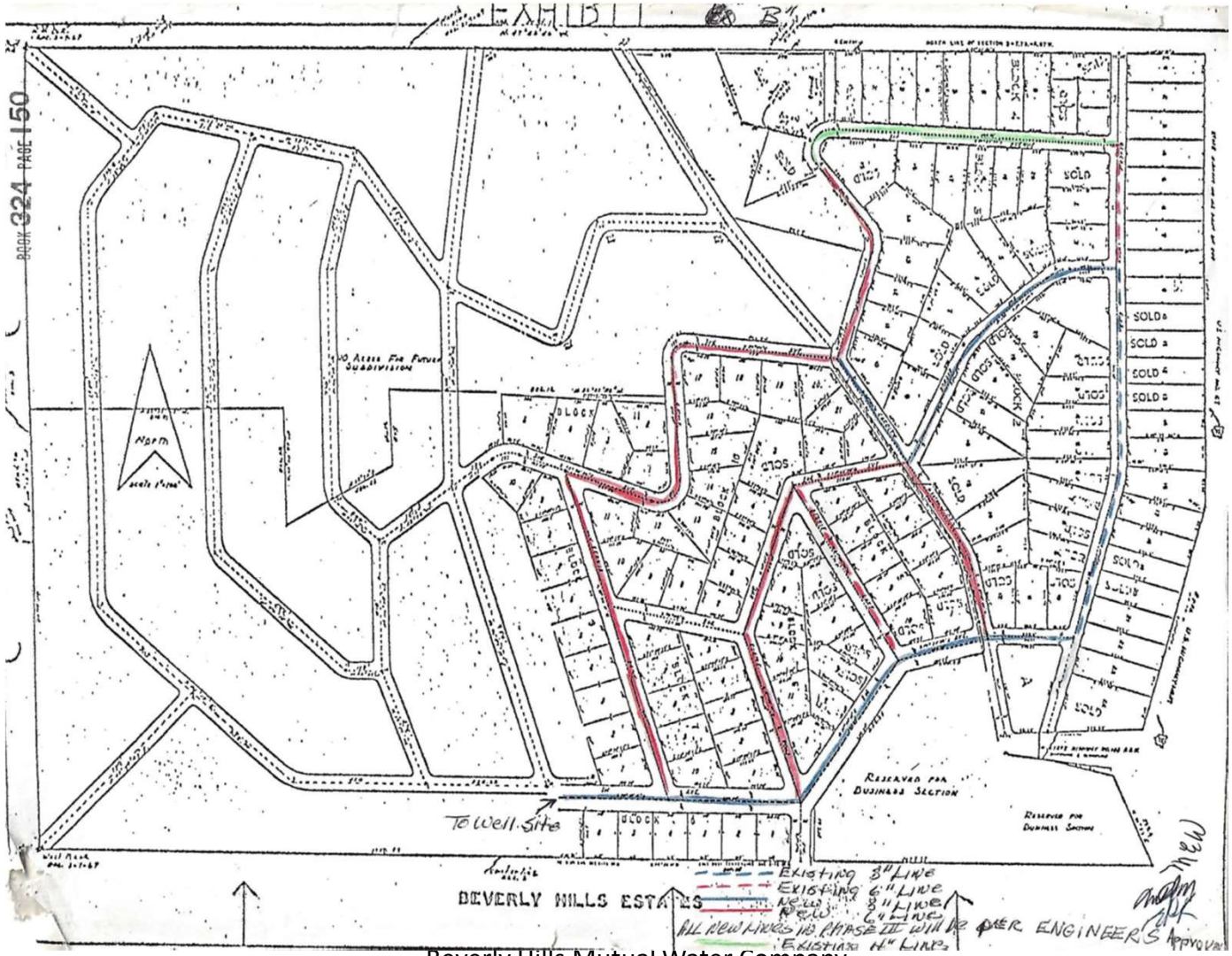
Beverly Hills Mutual Water Company 101

- BHMWC is a private, 501c (12) non-profit company; each homeowner owns an equal share in the company
- It was founded by the developer of Beverly Hills Estates in 1957 to serve what was then a remotely located community

- We have no employees
- We are run by a volunteer board made up of community members
- Facilities operated by contractor – Colorado Water Well
- Billing handled by our accounting firm – Haynie & Company

- 118 residential customers
- 1 non-residential customer (Fire House)

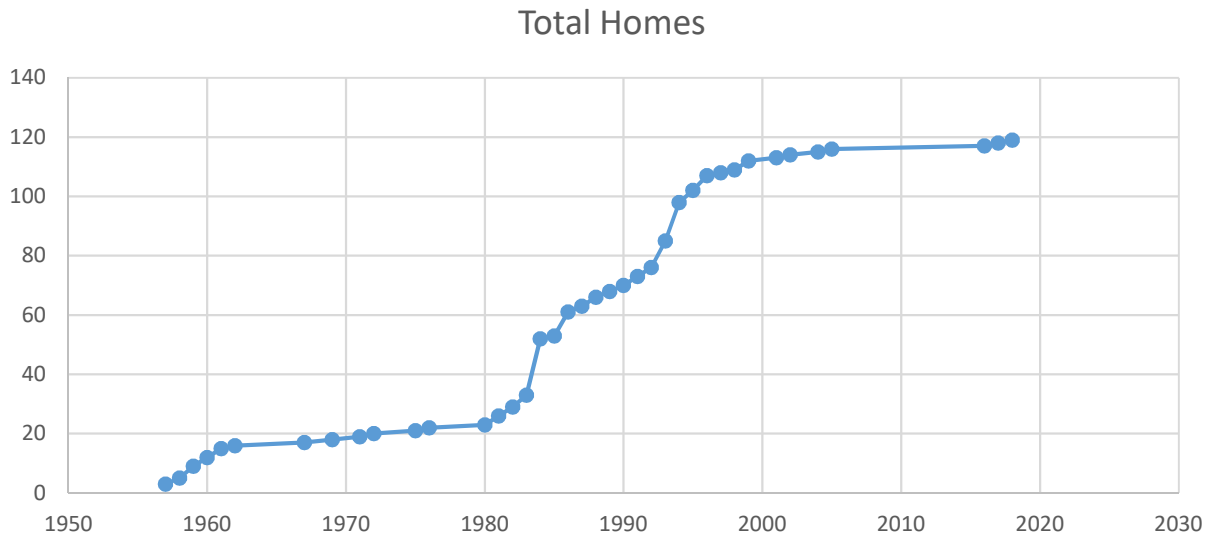
Historical Plan for Beverly Hills



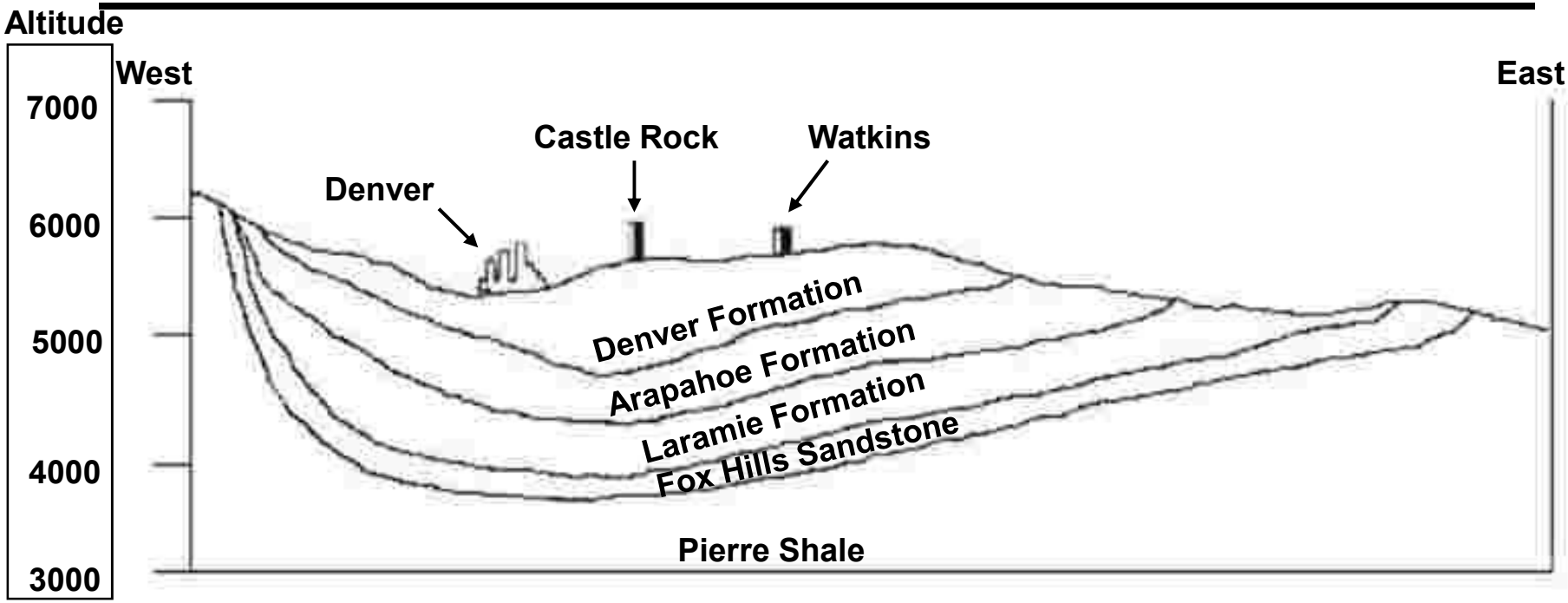
Historical Growth of the BHMWC

Year	Total Homes	Annual Homes	1st	2nd	3rd	Beverly	Carolyn	Castle Pines Parkway	Charter Oaks Drive	Coventry	Debbie	Saxeborough	Suffolk
1957	3	3				3							
1958	5	2		1		1							
1959	9	4				4							
1960	12	3				1	2						
1961	15	3			1	1					1		
1962	16	1			1								
1967	17	1									1		
1969	18	1		1									
1971	19	1		1									
1972	20	1				1							
1975	21	1		1									
1976	22	1			1								
1980	23	1									1		
1981	26	3								2			1
1982	29	3		1		1				1			
1983	33	4		2	1							1	
1984	52	19		1	4	1	4			6		1	2
1985	53	1								1			
1986	61	8		1	1	1		1		1	1	2	
1987	63	2		1			1						
1988	66	3			1	1	1						
1989	68	2								2			
1990	70	2							1	1			
1991	73	3		1						1		1	
1992	76	3		2								1	
1993	85	9	1				1				1	4	2
1994	98	13		2	1	2	3		1		1	2	1
1995	102	4		1	1							2	
1996	107	5		1		2						1	1
1997	108	1		1									
1998	109	1				1							
1999	112	3				2							1
2001	113	1									1		
2002	114	1				1							
2004	115	1											1
2005	116	1				1							
2016	117	1					1						
2017	118	1				1							
2018	119	1	1										
Totals =			2	18	12	25	13	1	2	15	7	15	9
			119										

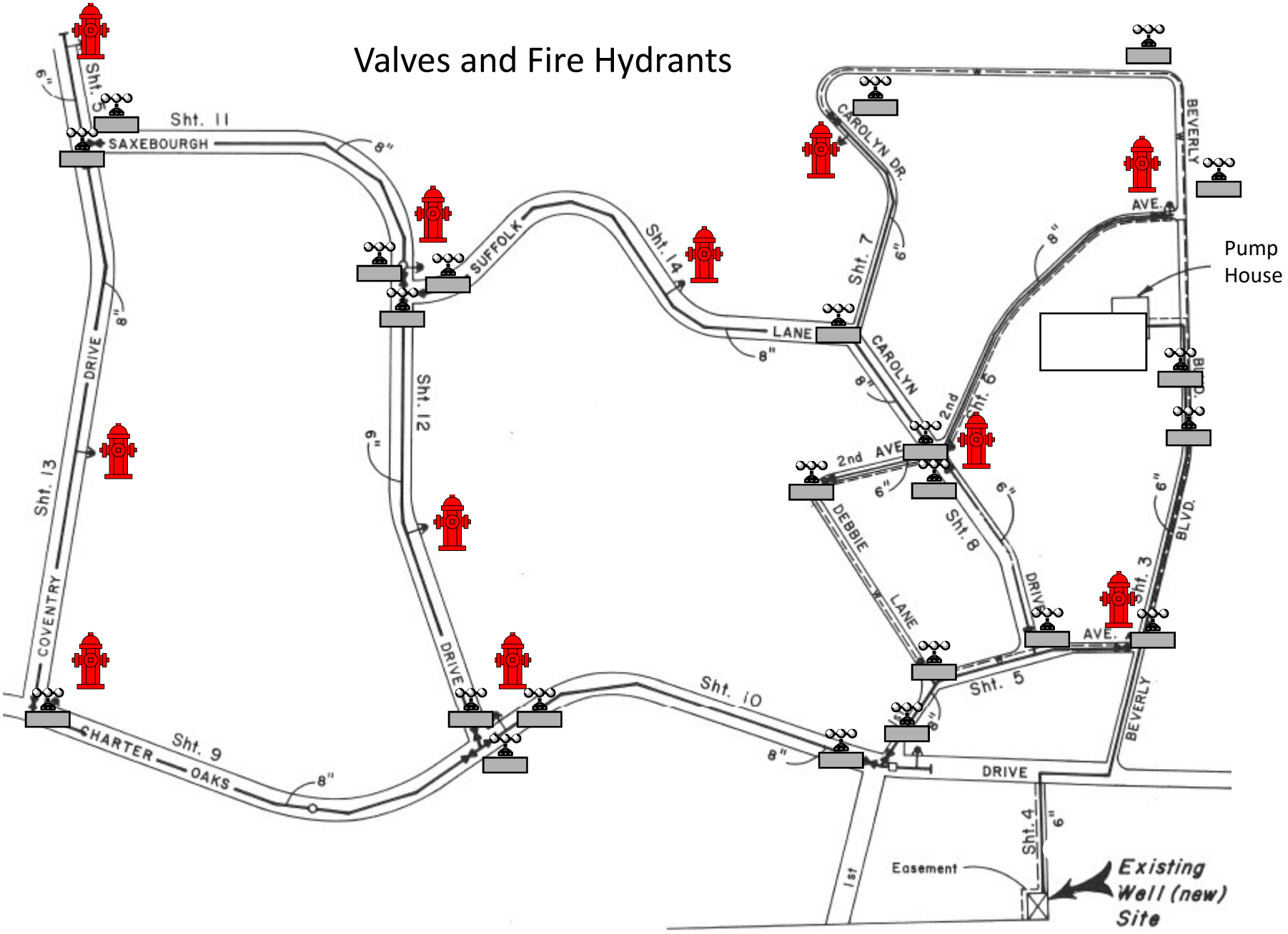
Home Construction Growth Curve



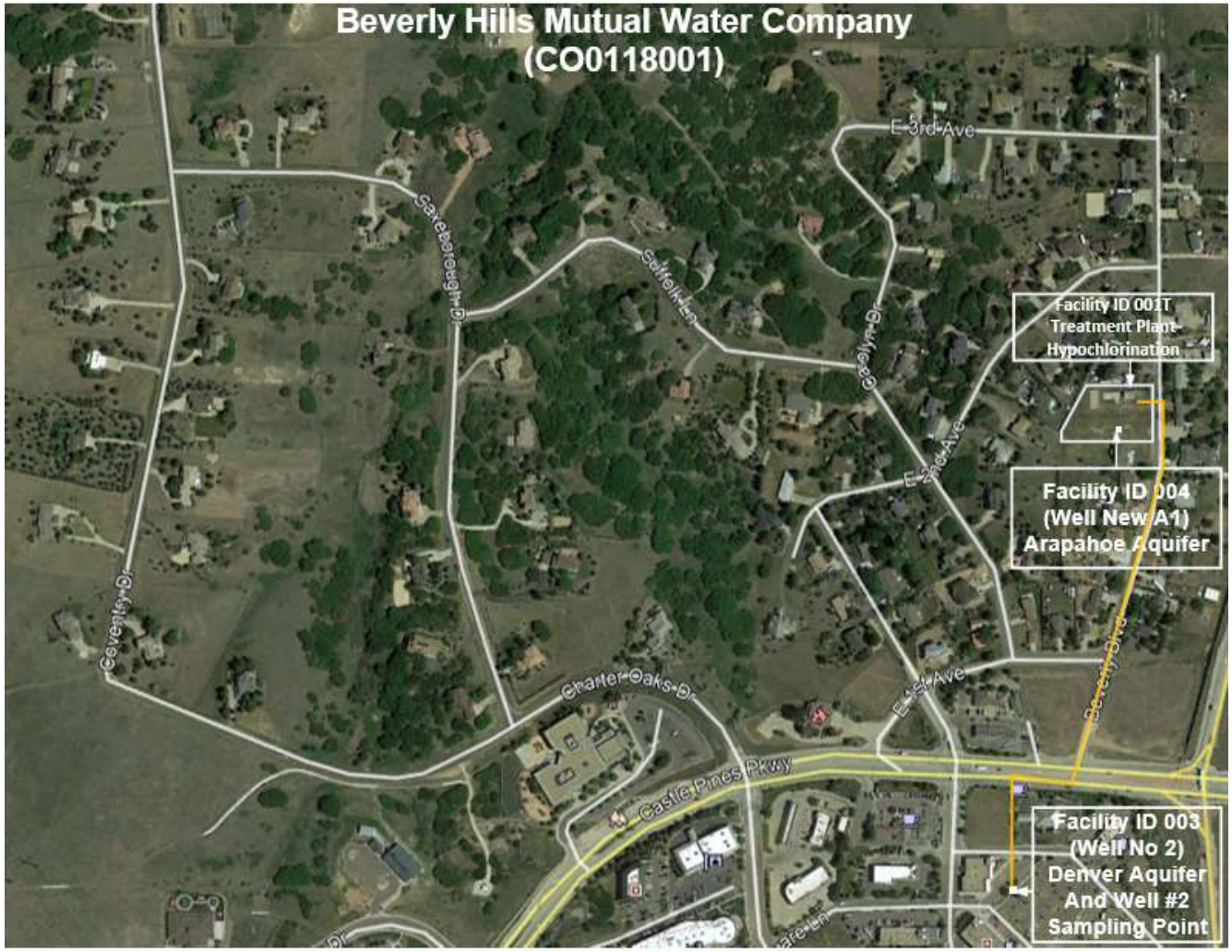
Denver Basin



Valves and Fire Hydrants

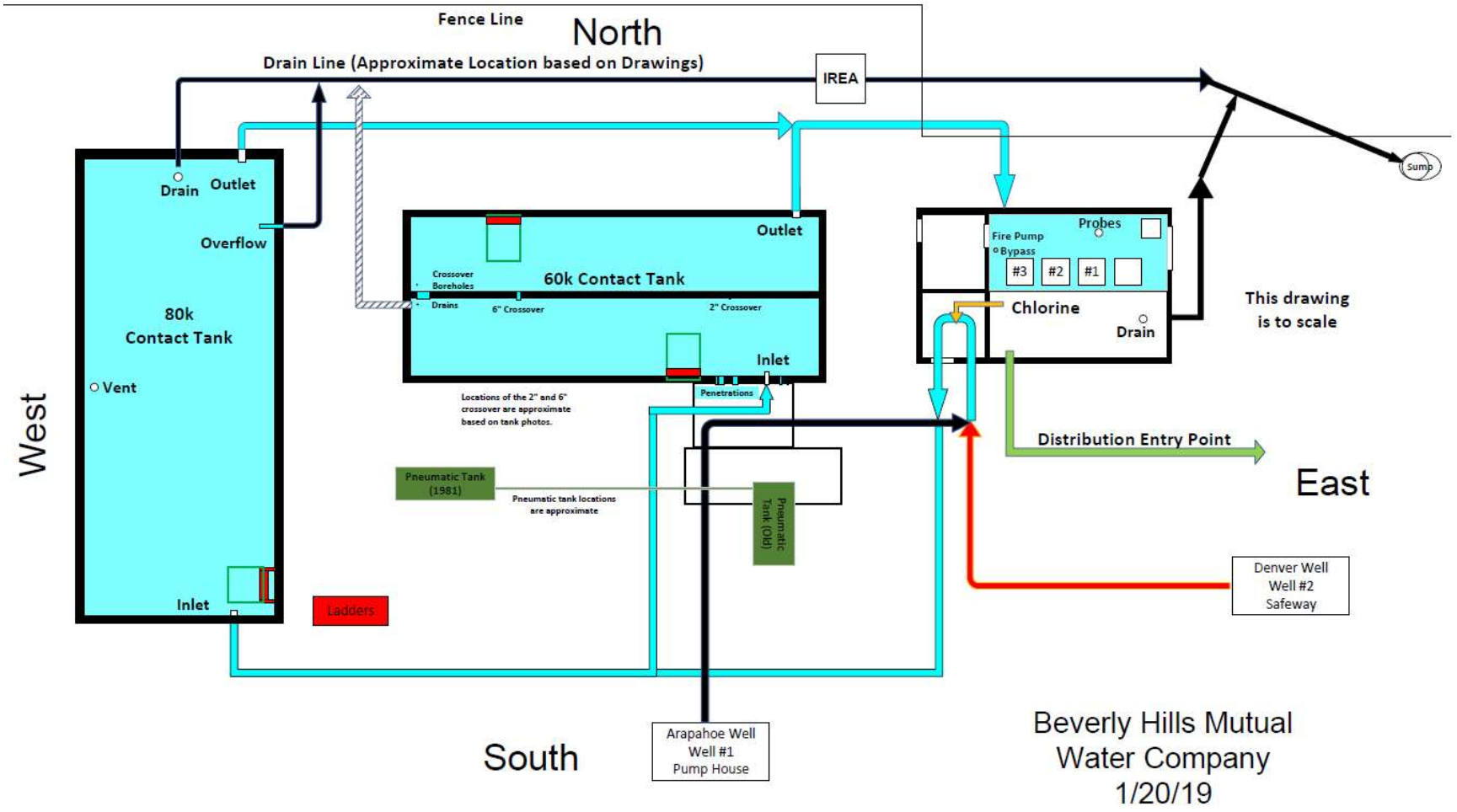


Booster Pump Station, Contact Tanks, Well #1 and Well #2 Locations



7801 Beverly Boulevard

Processing Flow



Wells and Water Rights

- New well RF-7778
  - Completed 2003
  - Depth = 2200 feet
  - Arapahoe Aquifer
  - 10 inches in diameter
  - Tested to 250 gpm
  - Permitted for 125 gpm
  - Old well = 60 gpm
  - Average usage = 120 gpm
  - Peak usage = 230 gpm (Total 141.14 acre feet)

- Safeway Well (RF-7779)
  - Redrilled 1980
  - Depth = 1100 feet
  - Denver Aquifer
  - 8 5/8 inches in diameter
  - Tested to 150 gpm
  - Permitted for 125 gpm (Total 201 acre feet)

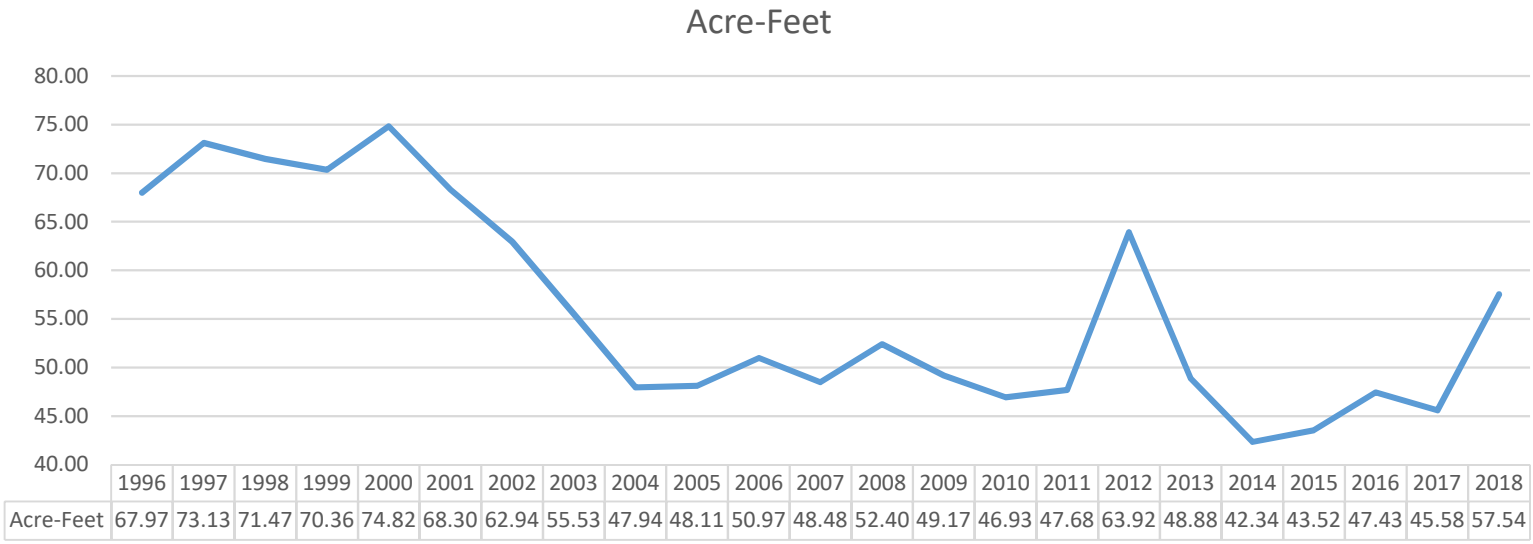
Combined not to exceed 260 acre feet

Water Usage

Year	7779-RF Denver	7778-F Arapahoe	7778-RF Arapahoe	Acre-Feet	# Users	Average Gallons per Home per Month	Expenses	Cost per 1000 Gallons
1996	43.71	24.26		67.97	107	17,249		
1997	46.80	26.33		73.13	108	18,387		
1998	44.68	26.79		71.47	109	17,805		
1999	46.25	24.11		70.36	112	17,059		
2000	46.25	28.57		74.82	112	18,140	$ 43,608	$ 1.79
2001	43.40	24.90		68.30	113	16,413	$ 54,702	$ 2.46
2002	22.61	40.33		62.94	114	14,992	$ 64,793	$ 3.16
2003	25.19	20.50	9.84	55.53	114	13,227	$ 70,782	$ 3.91
2004	14.78		33.16	47.94	115	11,320	$ 110,280	$ 7.06
2005	15.99		32.12	48.11	116	11,262	$ 71,032	$ 4.53
2006	3.51		47.46	50.97	116	11,931	$ 71,605	$ 4.31
2007	45.38		3.10	48.48	116	11,349	$ 74,592	$ 4.72
2008	47.70		4.70	52.40	116	12,266	$ 107,385	$ 6.29
2009	27.06		22.11	49.17	116	11,510	$ 140,813	$ 8.79
2010	26.42		20.51	46.93	116	10,986	$ 93,064	$ 6.09
2011	32.84		14.84	47.68	116	11,161	$ 86,724	$ 5.58
2012	59.77		4.15	63.92	116	14,963	$ 105,716	$ 5.08
2013	38.92		9.96	48.88	116	11,442	$ 104,088	$ 6.54
2014	32.24		10.10	42.34	116	9,911	$ 97,664	$ 7.08
2015	32.72		10.80	43.52	116	10,188	$ 94,888	$ 6.69
2016	35.03		12.40	47.43	117	11,008	$ 107,244	$ 6.94
2017	34.10		11.48	45.58	118	10,489	$ 143,229	$ 9.64
2018	28.05		29.49	57.54	119	13,130	$ 95,794	$ 5.11
An acre foot (Gallons) =	325,851							

Water Usage Trend

- It was very dry in 2018



	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Acre-Feet	67.97	73.13	71.47	70.36	74.82	68.30	62.94	55.53	47.94	48.11	50.97	48.48	52.40	49.17	46.93	47.68	63.92	48.88	42.34	43.52	47.43	45.58	57.54

FY 2018 Accountants Income Statement

Income Statement								
	1/31/2019	1/31/2018	1/31/2017	1/31/2016	1/31/2015	1/31/2014	1/31/2013	1/31/2012
Revenue								
Residential	$113,461	$110,851	$112,233	$92,510	$108,520	$109,879	$113,000	$98,037
Commercial	1,050	980	840	8,820	1,117	1,005	1,065	1,075
Late Charges	770	650	950	1,020	1,180	1,070	1,020	1,140
Water Tap Fee	20,000	20,000	20,000					
Miscellaneous Income	1,284	7,258	1,371	1,738	1,982	789	150	
Interest Income	768	786	683	648	606	688	774	754
Transfer Fees	75	400	225	200	125	175	125	49
Total Revenues	$137,408	$140,925	$136,301	$104,936	$113,530	$113,606	$116,134	$101,055
Expenses								
Accounting	$11,949	$14,064	$11,470	$8,875	$10,179	$10,625	$10,499	$10,079
Bank Charges	2,100	2,118	2,268	1,968	600	600	565	600
Consultant Fees		5,000			532			
Depreciation	35,895	38,406	38,406	38,406	37,522	31,981	28,784	28,494
Directors Fees					700	700		
Dues & Memberships	175	175	175	175	175	175	150	150
Engineering Fees					344	973		
Insurance	2,984	2,889	2,801	2,720	2,525	2,580	2,540	2,396
Inspection Fees	730	80						
Lawn Service				375	250	375	310	250
Legal Fees					315			
Meter Repairs	28	37,967						
Meter Reading	236	928	1,160	414	928	928	928	928
Office Expense	421	399	365	162	276	129	674	
Postage	16							
Repair & Maintenance	16,220	20,925	28,290	22,614	19,138	30,072	37,865	17,134
State Health Lab Tests				744	5,273	5,389	5,603	6,768
Survey Fee	1,968	745						
Taxes & Licenses	152	150	250	150	150	150	150	150
Telephone	609	600	597	542	584	545	575	568
Utilities	21,327	18,726	21,462	17,742	18,159	18,850	17,073	19,208
Miscellaneous	984	58			13	16		
Total Expenses	$95,794	$143,229	$107,244	$94,888	$97,664	$104,088	$105,716	$86,724
Net Income	$41,613	($2,304)	$29,057	$10,048	$15,866	$9,518	$10,419	$14,331

FY 2018 Accountants Balance Sheet

- Removed from web version

2018 Expense Summary (Bills Paid)

• Meter Replacement Project (34.4%)	$30,726
• IREA-Power (23.9%)	$21,327
• Colorado Water Well (18.2%)	$16,207
• Billing/Accounting (12.7%)	$11,314
• Insurance (3.4%)	$3,018
• Marine Diving (2.9%)	$2,550
• Bank Lock Box Fees (2.2%)	$1,925
• Phone (0.7%)	$609
• Lawn (0.6%)	$550
• Miscellaneous (1.1%)	$979
• Grand Total	$89,205

- "Crandall" summaries based on checks paid. These will not match exactly with the accountants subtotals

2018 Miscellaneous Expenses

- Colorado Department of Local Affairs $327
- Office Supplies $652
- Grand Total $979

2018 CWW Maintenance and Repairs

• Meter Pit Support (27.1%)	$4,387
• Monthly Maintenance Fees (16.0%)	$2,586
• Prepare for Sanitary Survey (13.8%)	$2,237
• Sensaphone Alerts/Repairs (11.8%)	$1,913
• Install New Well Meters (9.7%)	$1,569
• State Mandated Tests (8.5%)	$1,391
• Other Repairs (6.4%)	$1,033
• Hypochlorite (5.9%)	$963
• Other (0.8%)	$128
• Total	$16,207

- "Crandall" summaries based on CWW checks paid. These will not match exactly with the accountants subtotals

Significant Activities in 2018

- Completed meter replacement project
  - 119 homes are remotely readable
  - Both wells are remotely readable
- Contact tanks and clear well were cleaned
- Completed triannual Sanitary Survey
- New Years Day power outage
- Revised proposed fencing for the pump house lots

Meter Replacement - Cost Summary

• Meters, encoders, endpoints (Homes)	$32,632
• Meters for wells	$6,254
• Setup fee	$5,000
• Inner lids, outer lids, adapters, gaskets	$4,570
• Domes, setters, resetters, risers	$3,292
• Annual meter reading service	$1,321
• Miscellaneous hardware	$483
• Sales tax	$3,255
• Total	$56,807

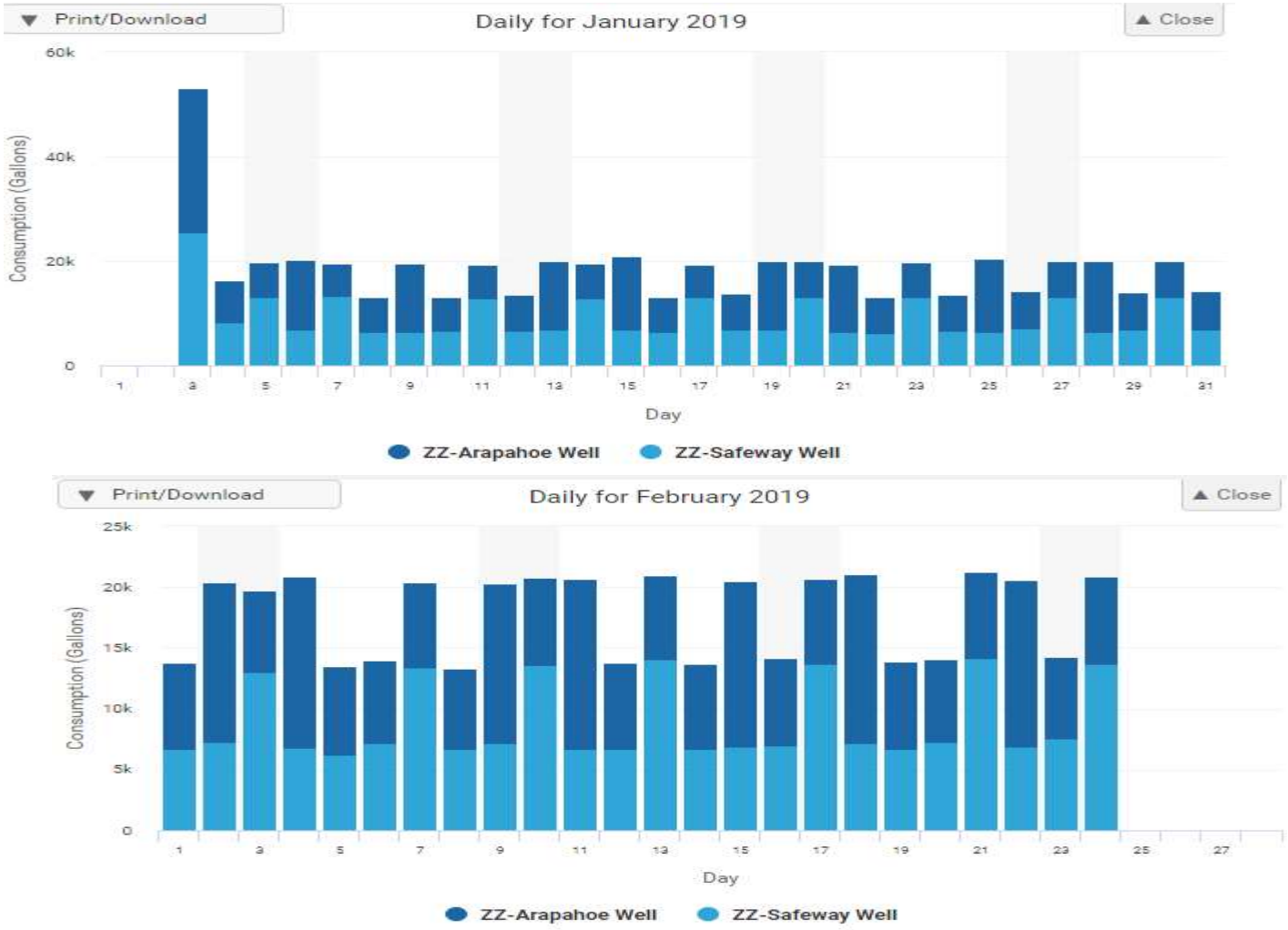
- "Crandall" summaries based on CWW checks paid. These will not exactly match with the accountants subtotals

Meter Replacement - Water Consumption

- New meters allow us to compare water pumped from the wells versus water delivered
- Our monthly loss has been averaging about 4%
- %Losses have been up during the winter, but the actual loss has been steady from October forward

Month Ending	Acre-Feet Pumped	Gallons Pumped	Gallons Metered at Houses	Pumped - Metered Gallons	Adjusted Pumped - "Metered" Gallons	% Adjusted "Metered"/Pumped	Days	Average Adjusted Unmetered per Day	Average Gallons Pumped per Day	Total Pumping Time (Hours) per Day @ 150gpm	Month	Days to Clear the Tanks (Effective)
6/30/2018	8.70	2,834,200	2,672,312	161,888	120,505	4.3%	30	4017	94,473.33	10.5	June	1.22
7/31/2018	8.27	2,696,200	2,598,176	98,024	98,024	3.6%	31	3162	86,974	9.7	July	1.32
8/31/2018	7.56	2,462,300	2,370,640	91,660	91,660	3.7%	31	2957	79,429	8.8	August	1.45
9/30/2018	6.79	2,211,800	2,132,660	79,140	79,140	3.6%	30	2638	73,727	8.2	September	1.56
10/31/2018	2.80	911,500	860,555	50,945	50,945	5.6%	31	1643	29,403	3.3	October	3.91
11/30/2018	1.68	546,700	507,514	39,186	39,186	7.2%	30	1306	18,223	2.0	November	6.31
12/31/2018	1.82	593,900	538,751	55,149	55,149	9.3%	31	1779	19,158	2.1	December	6.00
1/31/2019	1.67	543,300	485,177	58,123	58,123	10.7%	31	1875	17,526	1.9	January	6.56
2/28/2019	1.51	490,900	434,088	56,812	56,812	11.6%	28	2029	17,532	1.9	February	6.56

Water Comes from Both Wells



Meter Replacement - Eye On Water

- Every user can monitor water consumption via the EyeOnWater web site or mobile App
- Every user can set an alarm and be notified if their meter detects a leak
  - Default leak threshold is one gallon per hour (8,760 gallons per year)
- Several homeowners have detected leaks via the App
- Only 60 of 119 users have activated the App
- On average there are 6-10 leaks ongoing at any given time

System Reliability

- Two endpoints failed (1/26/19, 1/27/19)
- Bought an IR activator to reset the endpoints
  - That did not work
- Contacted badger to reset the endpoints remotely
  - That did not work either
- Took the failed endpoints to National Meter and they replaced them free under warranty
- New endpoints are installed and active
  - Lost daily data reads stored in failed endpoints
  - New endpoints accurately reporting current reads

Tanks and Clear Well Cleaned

- Marine Diving Solutions dived the tanks and inspected them
- Approximately 6” of manganese/iron sediment removed form the bottom of the tank
- No sand detected
- Some corrosion identified on inlets, outlets, overflow and stand pipe
- Previous cleaning was in 2012
  - They recommended going on a 1-2 year cleaning cycle for 60k tank and clear well
  - They recommended going on a 2-3 year cleaning cycle for the 80k tank

Sanitary Survey

- Sanitary surveys are performed by the state every three years
- Mark Kennedy, Dave Bomhoff and I participated in a preparation session with the state in December
- Dave performed considerable good work to ensure our paper work was all in order
- The state found no violations
- They did cite us for three “Significant Deficiencies” related to corrosion of interior plumbing

Sanitary Survey Findings

1-3. F310 - Finished Water Storage: Storage Tank West New; 60,000-gallon tank (SDWIS 006); F310 - Finished Water Storage: Tank No 1 Older Tank (SDWIS ID: 001); F310 - Finished Water Storage: Clear Well (SDWIS ID: 007)

Storage Condition: The condition of the contact time tanks may allow potential sources of contamination to enter the tanks and the distribution system.

At the time of the sanitary survey, the department inspector observed three June 11, 2018 comprehensive reports for each of the tanks that are used for contact time: Tank No. 1 Older Tank (SDWIS 001), Storage Tank West-New (SDWIS 006) and Clear Well (SDWIS 007). The reports had some documentation inconsistencies as well as a picture that was not from one of the tanks, which the supplier should have corrected. The following were some noted sanitary defects (italics) and conditions:

a. Storage Tank West New; 60,000-gallon tank (SDWIS 006):

   Inlet and outlet listed in poor condition each with 75 percent corrosion

b. Tank No. 1 Older Tank: 72,000 to 80,000-gallon tank (SDWIS 001):

   45 percent corrosion of vent screen; inhibits air flow

   75 percent inlet corrosion and 100 percent outlet corrosion

   Overflow listed in poor condition; according to the supplier there is no overflow and the report should be corrected to reflect what was intended

   Drain listed in poor condition, no coating, with heavy corrosion

   6 inches sediment on floor; cleaned, and this may be attributed to a significant amount of documented corrosion and some manganese

   Summary indicates interior plumbing has no coating, heavy corrosion and some metal loss

c. Clear Well (SDWIS 007):

   100 percent inlet corrosion and de-alloying metal

   25 to 30 percent outlet corrosion; according to the supplier there is no outlet due to three service pumps that remove water, therefore this inconsistency should be corrected to reflect what was intended in the report

   90 to 95 percent corrosion of the 40 HP service pump

   Corroded standpipes; this piping is used to encase water level indicators

The conditions listed could allow the entrance of contaminants into the tanks and the distribution system. Maintaining a tank in a manner that may allow for potential contamination of potable water presents a risk to public health which meets the definition of a significant deficiency as defined in Regulation 11, Section 11.3(71) and must be corrected. The supplier is expected to review the report, obtain report clarifications and/or corrections as necessary and correct any significant deficiencies. The supplier must correct the significant deficiencies by the resolution date or provide an approved schedule (month, day and year) for completion of the corrections. Please submit photographic evidence of the correction(s) to the department inspector upon completion.

Sanitary Survey Response

- We found several incorrect statements in the sanitary survey
- We believe their identification of corrosion as a significant deficiency is misguided
- Both Colorado water Well and marine Diving have indicated that the sediment in the tanks is due primarily to manganese and iron that has reacted with the chlorine (This is common for all water systems)
- We responded to the Sanitary Survey
  - Indicated we would like until the next survey to remediate the problems.

Tank Maintenance

- Several major items need to be addressed
- The 80k and 60k tanks can be isolated and individually drained to perform reconditioning
- 80k tank reconditioning
  - Recondition or replace access ladder
  - Remove inlet/outlet/overflow corrosion and seal the pipe surfaces to reduce future corrosion
  - Recondition/replace the drain
  - Inspect interior concrete and address issues with spalling, exposed aggregate, surface cracks and voids

More Tank Maintenance

- 60k tank reconditioning
  - Remove inlet/outlet/crossover corrosion and seal the pipe surfaces to reduce future corrosion
  - Recondition/replace the drains
  - Inspect interior concrete and address issues with spalling, exposed aggregate, surface cracks and voids

Clear Well Maintenance

- Work on the clear well must be done by a diver unless we shut it down
- We can shut down the clear well if we arrange for Castle Pines Metro District to provide us water on a short term basis
  - We have done this before by hooking our system to theirs (hydrant to hydrant)

Clear Well Reconditioning

- Remove inlet corrosion and seal the pipe surfaces to reduce future corrosion
- Recondition or replace the stand pipe and standoff that protect the water depth probes
- Inspect interior concrete and address issues with spalling, exposed aggregate, surface cracks and voids
- Inspect the fire service pump and determine any action required address its surface corrosion
- Remove corrosion and seal the underside of the four booster pump plates

New Years Day Power Outage

- A power pole on the southwest corner of Castle Pines Parkway and I-25 snapped in half at 4:30am
- IREA responded immediately and began rerouting power to ~800 homes that were affected
  - Power was rerouted and back on for most homeowners in a few hours
- The outage took out our ability to pump water from the reservoirs out to the system

Water Company Response

- I noticed decreased pressure while brushing my teeth
- Received a call from Colorado Water Well indicating they had received notification of power outage
- CWW came to the site to shut off power to wells, pumps and master feed to the pump house to prevent surge damage when the power was restored
- CWW indicated we were unable to get the necessary generator to drive the pump house and distribution pumps due to the New Years Day holiday

IREA Repair Process

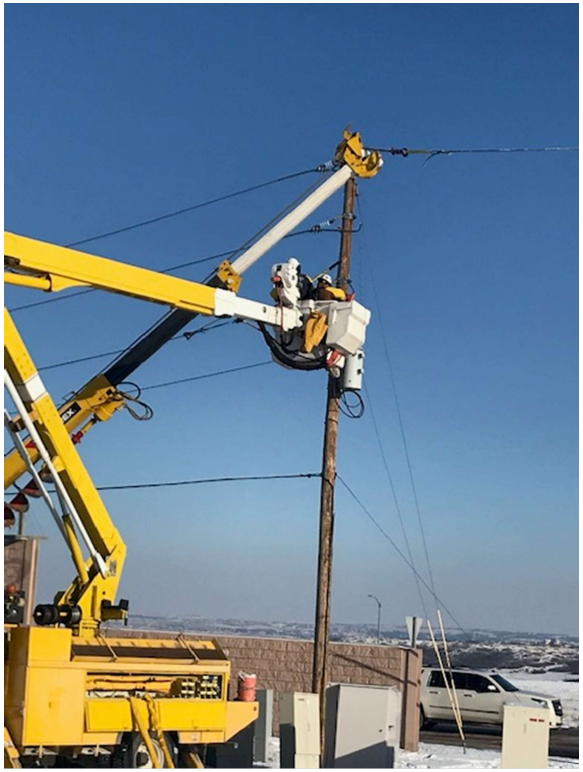
- Removed power lines and broken pole section from Castle Pines Parkway (CPP)
- Rerouted power temporarily to restore power to homes while the permanent repair was being completed
- Got a pole and crew to install the replacement pole
  - Obtained clearances from utilities so they could dig to install the new pole
- Installed pole, restrung and spliced four high tension lines
  - Closed CPP during this operation
- Removed line jumpers and restored power to its nominal configuration
  - The pump house was one of the last services that was restored

Action Shots

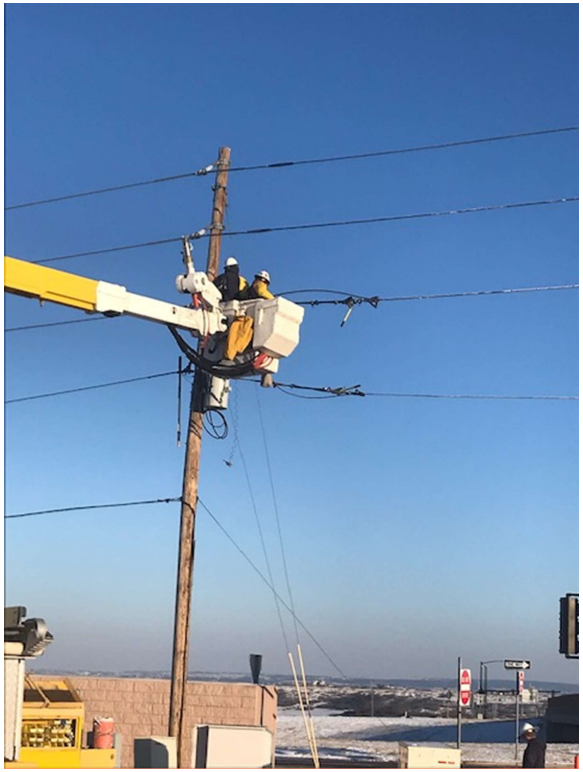
9:08am Half a Pole

10:44am Preparing the New Pole

More Action Shots



2:35pm First Splice Complete



3:43pm Finishing the Last Two Splices

4:52pm Reconnecting Power to the Pump House

The Power Situation

- The pump house, distribution system and two wells are powered by four major circuits
  - Pump house and booster pumps
  - Fire service pump
  - Arapahoe well
  - Safeway well (Not affected by power outage)
- The pump house and booster pumps require 35-50kVa power
- The Arapahoe well requires 100kVa power
- A household Honda generator will not run our system

Power Fail Emergency Response Plan

- If the outage is expected to exceed 4 hours, rent a suitable generator
  - Provide power to the pump house/booster pumps
  - Obtain additional generator for well(s) if demand requires it
- Unfortunately, the outage occurred on new years Day – We had no generator source available

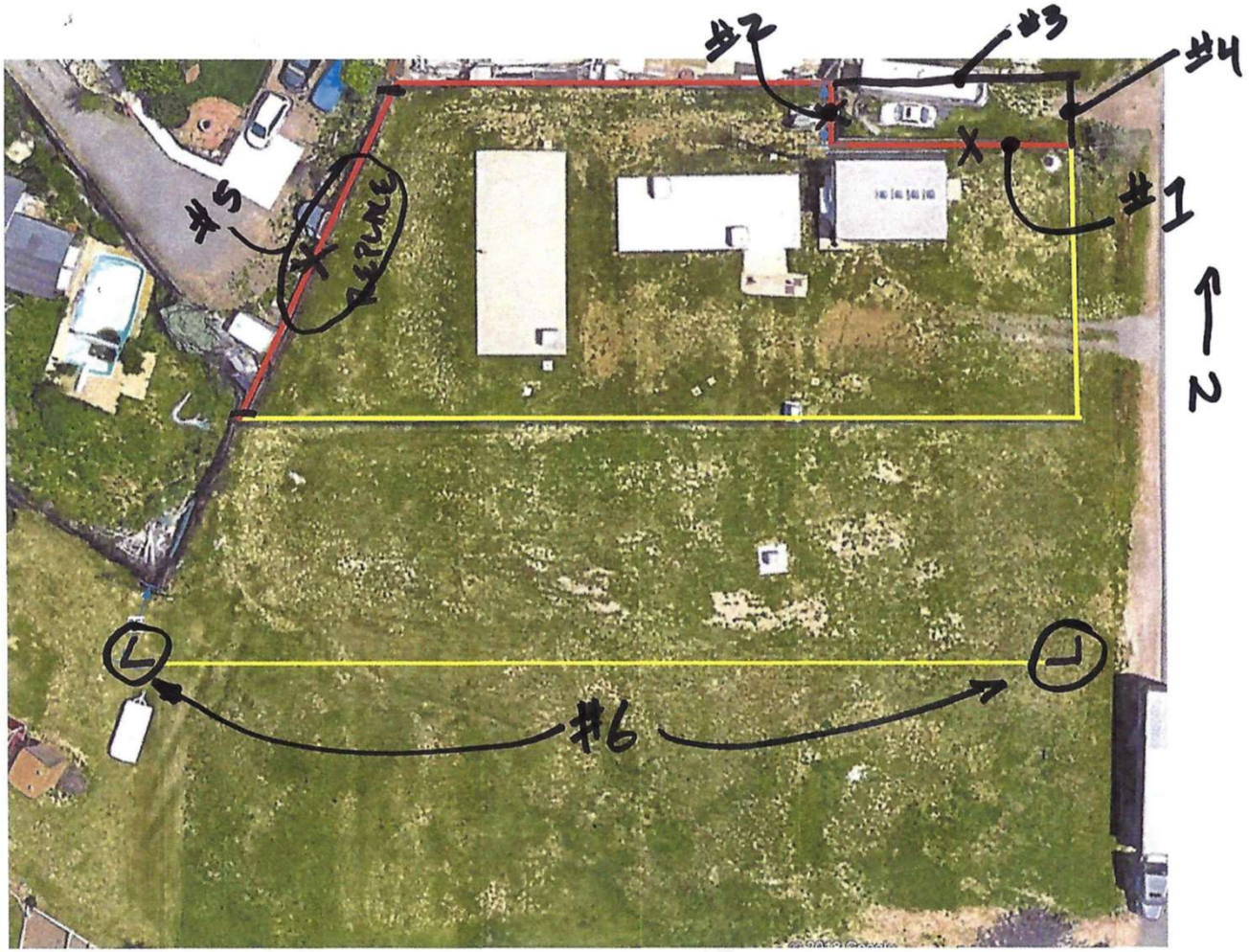
Assessment

- Costs for permanent generators at the pump house range from $25k-50k
- A permanent installation generator requires regular maintenance which would drive up operating costs
- The board could not justify this expense to accommodate a failure that has occurred once in 29 years
- We have since identified a potential 24 x 7 generator source
- We are looking at putting in a switch box so we can easily plug in the necessary generator to resume pumping capability quickly

Current Revised Fence Plan

- Remove the jog at the northeast property line
- IREA requested a 12’ vehicle gate on the north chain link extension to provide access to their poles and power boxes on water property
- Repair the worst section of the rear fence
- Install two lengths of split rail fence to define the southeast and southwest property lines

Overview of Fence Plan



New Business

- Major Risks/Capital Improvement Plan
- Water Rates

Major Infrastructure Risks

- Denver aquifer well (Safeway)
  - Drilled in 1980
  - Last pulled for pump replacement in August 2009
- Valve functionality
  - Several valves do not work and prevent us from easily isolating parts of the system for system flushing
  - Need to prepare and execute a valve replacement plan
- All distribution pipelines were replaced during the 1980 system expansion except:
  - Debbie Lane
  - 3rd Avenue (including Beverly Blvd to 2nd Avenue and the northernmost part of Carolyn Drive)
  - No failures yet, but we believe this may be cast iron pipe.
- Arapahoe well pump has not been pulled since circa 2009 (Layne-Western arbitration incident)
- Each of these items represent a significant repair cost
- Current cash reserve of ~$440,000 would be stressed by a well failure and leave few additional funds in case of a second major need

Water Rates

- Last rate increase occurred in April 2012
  - Raised flat rate from $120 to $140 (16.6%)
- Potential major repair risk drives us to increase the rate at which we are accumulating reserve
- Proposed new rates (effective May 1, 2019) are:
  - Flat rate = $150 (7.1% increase)
  - Excess water charge = $3 per 1000 gallons over 12,000 (50% increase)
  - Overall effective revenue increase is 13.4%
    - 47 homes < 10% increase
    - 38 homes 10 to 15%
    - 24 homes 15 to 20%
    - 5 homes 20 to 25%
    - 3 homes 25 to 30%
    - 1 home 33.2%
- We are also changing bills as being payable on receipt
  - Late charges will be levied after the last day of the billing month

How Do We Compare to Castle Pines Metro District?

- Monthly out of district flat rate includes:
  - Service Charge $13.85
  - Capital Maintenance Charge $38.81
  - Renewable Water Investment Fund $18.75
  - Total $71.41
- Usage charges for all water consumed
- Four tier usage rate structure based on:
  - Property size
  - Basic “In house” consumption budget
  - Outdoor watering budget that varies by month during the watering season
- Tier 1 = $5.85 per 1,000 gallons
- Tier 2 = $7.58 per 1,000 gallons
- Tier 3 = $10.82 per 1,000 gallons
- Tier 4 = $20.56 per 1,000 gallons

Water Rate Comparison

- We calculated equivalent “In-District” and “Out-of-District” Metro district rates to see how we compare
- We looked at several combinations of flat rate, free water and overage charges to increase revenue

Option	Flat Rate	Free Water	Overage Charge per 1,000 gallons	Revenue	Revenue Increase ($)	Revenue Increase (%)
Current Rates	$140	12,000	$2	$ 116,939.82		
CPN In-District	CPN Rate Structure			$ 157,189.70	$ 40,249.88	34.4%
CPN Out-of-District	CPN Rate Structure			$ 196,483.61	$ 79,543.79	68.0%
Delete Free Water	$140	None	$2	$ 130,383.78	$ 13,443.96	11.5%
Increase Flat Rate	$150	12,000	$2	$ 124,079.82	$ 7,140.00	6.1%
Flat Rate and Usage	$150	12,000	$3	$ 132,569.78	$ 15,629.96	13.4%
Flat Rate, None Free	$150	None	$2	$ 137,523.78	$ 20,583.96	17.6%
None Free and Usage	$140	None	$3	$ 145,595.73	$ 28,655.91	24.5%

- We opted for:
  - $10 increase to flat rate to minimize impact on those with fixed incomes
  - No change to the 12,000 gallon free water
  - Increased the overage rate by $1 – has biggest impact on the heaviest users

Water Rate History

Date	#Homes	Rate Structure	Notes
1/10/1966	16	Quartery Cost: $13.50 for the first 10,000 gallons 47 cents/1k gallons for the next 90,000 gallons 60 cents/1k gallons over 100,000 gallons Late fee of 5%	Milton Meyer (Beverly Hills Developer) stopped supporting the water company - the residents needed to make it on their own
4/15/1969	18	Quartery Cost: $21.00 for the first 12,000 gallons 60 cents/1k gallons for the next 18,000 gallons 50 cents/1k gallons for the next 10,000 gallons 40 cents/1k gallons over 40,000 gallons	
10/14/1976	21	Quartery Cost: $40.00 for the first 20,000 gallons 70 cents/1k gallons for the next 30,000 gallons 65 cents/1k gallons over 50,000 gallons	
1/5/1978	22	Quartery Cost: $40.00 for the first 20,000 gallons 70 cents/1k gallons for the next 30,000 gallons 85 cents/1k gallons over 50,000 gallons	
4/12/1979	22	Bimonthly Cost (Effective 6/15/79): $30.00 for the first 12,000 gallons 75 cents/1k gallons for the next 20,000 gallons 85 cents/1k gallons over 32,000 gallons	
9/11/1984	33	$75 for the first 12,000 gallons 75 cents/1k gallons for the next 20,000 gallons 85 cents/1k gallons over 32,000 gallons	This may have started earlier
9/6/1987	63	$100 for the first 15,000 gallons $1.10/1k gallons over 15,000	
2/27/1997	107	Bimonthly: $85 for the first 12,000 gallons	This was effective before this - need to find out when this started
1/10/1999	109	Bimonthly: $95 for the first 12,000 gallons	
5/15/2006	116	Bimonthly: $120 for the first 12,000 gallons	
5/1/2012	116	Bimonthly: $140 for the first 12,000 gallons	

How clean is the water?

- The system is operated in accordance with a Monitoring Plan filed with the state
- We pass state required tests for bacteria, heavy metals, nitrates and nitrites

Item	Frequency
Bac-T	Monthly
TTHMs and HAA5s	3 years
Lead and Copper	Annual
Nitrate	Annual
Fluoride	3 years
Inorganics Group	3 years
Synthetic Organics Group	3 years
Volatile Organics Group	3 years
Combined Uranium	6 year
Gross Alpha, without Radon & Uranium	6 years
Nitrite	9 years

- Denver Basin is the source – water is high quality
- Source water is high in dissolved iron and manganese, resulting in occasional brown water
  - Periodic flushing decreases the problem
  - A system-wide filter would require an operator

What lies ahead?

- Pump house lot fence improvement project
- 60k and 80k tank reconditioning
- Evaluate backup generator “Quick Connect” electrical accommodations
- Formalize and execute valve replacement plan

Election of One Director

- Mark Kennedy's term expires this year

Questions?