



Cascadel Mutual Water Company
P.O. Box 321
North Fork, CA 93643

Minutes
Special Community Meeting
Road Maintenance
July 14, 2018 10:00 AM Clubhouse Lawn

Board Members Present – Stan Eggink, Wayne Shortes, Steve Johansen, Ken Trapp
Residents – Brian Curtis, Simon Elman, Carol Eggink, Ken Wood, Ava Thieson

Meeting called to order at 10:03AM in front of Clubhouse due to lock out by Madera County.

The Cascadel Mutual Water Company has been a member of the Rural Water Association for approximately 25 years. The Board contacted a Rural Water Company Association Attorney regarding the review of its current Articles of Incorporation and Bylaws to insure compliance with all state and federal regulations since we are close to being funded on two pending grants as well as insuring that a Mutual Benefit Corporation Water Company can, without jeopardizing its mutual benefit status, oversee road maintenance for its community. This proposed change presents no risk to the mutual benefit status. In fact the RWA attorney represents other water companies that maintain roads and other utilities.

Additionally, it would make sense for the water company to assume the road maintenance responsibility since the water company's infrastructure is located under the roads and a well maintained road helps protect that infrastructure from unnecessary damage and related expenses. This change would also resolve the legal issue of road maintenance payments.

Since the Articles and Bylaws have not been completed or amended as of the date of this meeting it was determined by the Board to reschedule the annual meeting from August 11, to September 15, 2018. A notice of the change will be sent to all members immediately.

Questions and Answers:

Q. Would our water be turned off if the road assessment is not paid?

A. NO. The only way your water gets turned off is if you do not pay your charges for the water. You would also be at risk of having your membership revoked. Your membership gives you legal access to the water system.

Q. Will we be charged monthly for our road maintenance or continue as an annual charge?

A. The water company will offer the customer the choice of paying monthly, quarterly or annually. The monthly **unit** charge would be \$8.34. Therefore, if you have two units, the monthly charge would be \$16.67.

Q. If the water company maintains the roads, will they work only on the roads covering their infrastructure?

A. No, this is not an issue. All access will be maintained. As stated in Judgment 17985; all roads must be maintained.

Q. Will there be a Board or committee to govern the road maintenance?

A. This is yet to be determined. The Board will consider reasonable recommendations offered by the membership on this matter.

Q. Would the current water company Board have the expertise to maintain the roads?

A. A Board member is not required to have the expertise to repair a road. The repairs and heavy maintenance would be performed by an experienced, licensed, and insured professional contractor, with the possible exception of someone placing asphalt patch in a pot hole or a trained snowplow operator.

Q. When will the roads be repaired?

A. The CWPOA has ordered 10 tons of asphalt patch and scheduled the repair of the open culvert near the entrance of Cascadel Woods. When road maintenance responsibilities fall under the water co, the CWPOA will transfer the balance of its proportional road maintenance fees to the water company.

Q. Would the snow plow be transferred to the water company and could it then be used as the company truck for the daily work?

A. Yes. Liability insurance, registration, maintenance and repair expenses as well.

Q. Will there be an official ballot sent out to the residents for approval of the change?

A. Yes, the water company will send ballots to its members.

It should be noted that the water company does not have to take this issue to a vote because the maintenance of the roads falls under the responsibility of each individual property owner. The water company owns four properties and has the right and liability insurance coverage to take on the road maintenance. However, it has been the focus of both Boards to be transparent in this change and they unanimously agree the members should have a say. The survey sent out to the members results were 70 Yes, 4 No and 3 need more information. This meeting was held for all who wanted more information.

The water company membership survey alone approved this change by a majority. Since the survey was sent to all property owners, we actually received 4 Yes votes from non-member property owners with private wells.

Q. What, if any, would be the cost savings in this change?

A. Rather than the property owners covering the costs of liability insurance, a CPA, mailings, office supplies, utilities, related employment insurance and hourly wages for two corporations, the CWPOA would no longer be passing these charges on to the property owners. The CWPOA costs will be covered through voluntary membership fees, donations or other means. This transition for the CWPOA will take time to develop.

Meeting adjourned at 12:10PM.

Minutes by C. Eggink