

To the Residents of Deer Creek Water District:

It has come to my attention that a number of text messages have been circulating in the Deer Creek Estates area containing inaccurate and misleading statements about the DCWD Board and its actions. These messages originate from a small group of individuals seeking to fundamentally change how the District operates—changes that would increase operational risk and do not reflect what the Board believes is in the best interest of our community.

Why the District Has Faced Increased Costs

The original intent of DCWD was to provide water at the lowest possible cost with minimal operational risk. While this approach worked in the early years, it did not include contingency funding for emergencies, system failures, or long-term maintenance. As a result, the District entered later years without the financial reserves necessary to address aging infrastructure.

A Brief History of the Infrastructure Challenges

The District's original water system was not designed to support 283 homes. It relied on a temporary solution: welded grain elevators used as a primary storage tank, lined with material expected to last approximately 10 years.

After roughly 15 years, the lining began to fail. Repairs required significant investment and a loan, which was funded through a new fee added to each member's bill.

During those repairs, it became evident that the tank structure itself was deteriorating and rusting. The lining failed again—not due to workmanship, but because the tank's structural integrity had been compromised.

Additionally, the District's pumps, tank, and front-end systems were all reaching the end of their useful lives and required full replacement. Without these upgrades, the community faced the risk of losing water service entirely.

Funding was ultimately secured; however, additional fees were necessary to support these essential improvements.

Additional System Issues

Copper levels: Homes were constructed with copper piping, which contributed to elevated copper levels in water testing. The District implemented treatment solutions at no additional cost to residents and absorbed the expense.

Meter infrastructure: The meter-reading system reached end-of-life, placing billing accuracy at risk. The Board is addressing this by transitioning to cellular meters.

Meter pits: Many pits are filled with silt, contain failing meters, or are located inside homes. These conditions can cause leaks, inaccurate readings, and revenue loss.

Fire hydrants: Several areas—particularly Deer Creek Farms—lack sufficient hydrants to meet current code requirements. Planning is underway to address these deficiencies.

Aging distribution piping: The original agricultural-grade piping is fragile. Recent upgrades have reduced pressure-related line breaks, but long-term replacement will still be necessary.

Board Operations and Financial Recovery

The DCWD Board is entirely volunteer-based and receives no compensation. The Board oversees finances, operations, and capital projects, while day-to-day operations are handled by contracted professionals.

A former Board member recommended the first contracting company, TDMS, which was subsequently hired. TDMS did not meet performance expectations and was ultimately replaced with CRS. Upon engagement, CRS conducted a

financial review and determined that the District lacked a reasonable financial reserve, identifying this as a significant risk.

CRS also reinstated ORC Engineering, which now manages plant operations and ensures the delivery of clean, cost-effective water.

Today, the Board is confident that our professional partners are capable, reliable, and aligned with the needs of the community.

Transparency and Accountability

Every decision made by the Board has occurred during open, public meetings. All records are available on the DCWD website. We remain committed to transparency and responsible stewardship of District resources.

Current and Future Improvements

- **Cellular meters:** These will reduce manual reading costs and prevent billing disruptions caused by failing infrastructure.
- **Meter pit remediation:** Cleaning and assessments have begun, and replacement planning is ongoing.
- **System upgrades:** The new tank and distribution system improvements have already reduced line breaks and improved reliability.
- **Hydrants:** The District will work with local fire departments to develop appropriate plans to meet fire code requirements.

Financial Realities

The founding members of the District had admirable intentions: low water costs and minimal fees. However, the absence of connection fees and long-term reserve planning left the District financially vulnerable. When CRS began its engagement, approximately \$40,000 remained in the operating budget.

Through careful financial management, the District has stabilized its position and is building a sustainable foundation for the future.

A Commitment to the Community

Every decision made by this Board has been guided by what is best for the District and our neighbors—financially, operationally, and with a long-term perspective. While we may no longer offer the lowest water rates, we also do not believe DCWD is among the highest-cost districts. Our priority remains ensuring safe, reliable, high-quality water at the lowest sustainable cost.

I encourage all residents to stay engaged, attend meetings, and share their insights. As I have stated previously, we will not make decisions that lack planning, transparency, or a clear financial path forward.

Regards,

Kevin Kirkwood
President
Deer Creek Water District