



Round Mountain Water and Sanitation

Board Meeting via Conference call or Video

May 7, 2020 – 2:00 p.m.

Call to Order at 2:04 p.m.

Roll Call: Charles Bogle, Steve Lasswell, Greg Smith, Peter Ewing, Randy Wilhelm, Dave Schneider, Peggy Quint, Courtney Cole, Cathy Fromm, Corbin Fromm, Jack Malone.

Additions to the May 21, 2020 Board Agenda

- 1. Carl Hurst – Iconergy**
- 2. Grape Creek R.V. Park bill discussion and decision**
- 3. In-person meetings and the District plans**

Administrative Reports

1. District Operations Manager – Dave Schneider

* Update on the WWTP; SGM has sent our reply of the PDR back to the state and the state turned it around in two days. One issue is the lift station and what happens in a worse-case scenario that we have overflow.

* Everything has been sent to the head engineer at the state to get an official PDR approval. Board has received a proposal from Cesare to do some more soil boring. The WWTP will be much deeper than the hole that is already there at the lagoon. They want to do 30-foot borings to check the soil quality for weight that will be put there. The cost will be about \$7,500.00. Dave would like the Board's consensus to sign the contract with the engineering company that we used for the soil core sampling at the infiltration beds. Steve asked about a schedule. They are available to do the soil sampling within a couple of weeks. These costs will be reimbursable through our interim financing. Motion to authorize Dave to move forward with the core sampling not to exceed \$8000.00, made by Greg Smith, with a second by Steve Lasswell. Motion carried 5-0.

* Interim financing will be put before their board. They will review and vote on it on June 3rd. If we are approved, we should have interim financing by the end of June.

* Iconergy will be here by the next Board meeting. Meter switch out test will be done in the next two weeks. They are talking to their engineers and SGM and discussing what it will take to upgrade the Smith well. Lamp Rynearson looked at the Johnson Ranch dry-up and prepared a data pull log off of the monitoring well. In a discussion with them, the water table is very high, and waiting another 2 years will not work to our advantage. By early to mid-Summer we

will have the “dry” finalized. Lamp Rynearson will put in some legal wordage regarding the easements and then the land would be ready for sale.

* Reservoir Study – the alternative site for the reservoir continues. There are four objectors, so the attorney fees will be impressive because of the time spent to clarify this situation. Dave did ask the water engineer if there was any way they could put together where our depletions from the wells could cause potential injury to any of the water rights users in the valley. They said that the realistic scenario they came up with during a super dry year and everything matched up, we could have a place where there could be potential injury. There would not be injury to any of our four objectors. Division II suspicions have been confirmed. They agree with us that there is no injury to the objectors themselves. But since there has been a worst-case proven scenario, that they want us to address it anyway. Division II wants us to address this aggressively. There are two options to address the depletions; one to get an emergency status so that worst case we can convert the Smith well from distributions and actually divert that and pump it right back into the stream because that is a senior right. During a dry Summer, we may need both wells running 100% to address our demands. Also, Dave is looking into purchasing some water rights from Horn Creek.

* Catching up on some past resolutions and their approval, Dave submitted Resolution 2020-13, which is a resolution obtaining legal counsel and representation for the District. Motion made by Steve Lasswell and seconded by Greg Smith; the Resolution was approved with a vote of 5-0.

2. District Business Manager – Peggy Quint Caselle has partnered with a company called Invoice Cloud. Courtney and Peggy had a 2-hour demonstration on the new concept of electronic billing and payments that are now a part of the district’s utility billing. Staff is impressed with its capabilities and will let the board know the proposal amounts and what direction the district should go. It would be advantageous to have a program that works directly with Caselle instead of a separate program. Peggy has been in contact with a company that would be able to take over our paper billing.

3. District Consultant – George Medaris – not in attendance.

Old Business

1. Approval of Tap Fee Schedule and Late Fee Increase – Resolution 2020-12 A Resolution approving a new tap rate fee structure and fee increases for late fees and bulk water sales with an attached fee schedule was approved with a motion made by Randy Wilhelm. A second to that motion was made by Peter Ewing. Motion passed 5-0.

2. Bulk Water Rate Increase Bulk water increase was included in the 2020-12 Resolution which was passed with a vote of 5-0.

3. Fromm Report – Cathy Fromm and Corbin Fromm were on site for the Board Meeting and to do some preliminary work for the 2019 Audit. Cathy reported to the Board that since they were hired that it has been a smooth transition and that RMWSD

staff have worked well with them. We have stayed within the realm of cost per month. They are happy with the relationship with RMWSD and look forward to continuing that relationship. Randy Wilhelm met with Fromm prior to the Board meeting and with Dave Schneider, Peggy Quint and Courtney Cole, the meeting went well, and many items and questions were covered.

4. **Oath of Office for new election 2020** – Board members that were up for election for 2020 were sworn in. Each board member will then stop by the office to sign their oath. Congratulations, Charles Bogle, Randy Wilhelm, Steve Lasswell, and Peter Ewing.
5. **Field Tech Pay Schedule** – Dave Schneider reported that this will be tabled until we get the interim financing.

New Business

1. **Jack Malone, Grape Creek RV Park – Water bill** Mr. Malone explained that he bought the property a few years ago. At the time, he was not informed about the leak and the repair that CDOT did without knowing there was a private line that they damaged and there was a lot of water loss. Our Rules and Regulations state that anything past the meter is the customer's responsibility and the maintenance of the line. Charles stated that since the Board has not had time to really study the situation, the board will have a more concrete answer for Jack at the next board meeting. Dave and Peggy will put together a suggestion for the Board.

2. **UAWCD Feasibility Study Agreement** Dave reported that along with the excel spreadsheet, there is information regarding grant that we partnered with Upper Ark (a \$50K matching grant) up to \$100K has been sent out. What Dave requested from the Board is an approval that the District go into partnership to explore this feasibility study if the grant comes through. If the grant does not come through everyone will be out of the agreement. We are required by Division II to do this to prove that we researched the alternative reservoir site. It looks probable that we will get this grant. The board approves the partnership with Upper Ark with a consensus. We will know by the end of the month if the grant was awarded. There will be a Resolution once the grant comes through.

3. **Resolution 2020-13** Jeff Parker, an attorney that George Medaris contacted to represent the District. Nothing was every formalized with Jeff. Dave asked him to write a formal contract. He has been working for us for a several months without a signed contract. This Resolution is for us to obtain legal counsel and representation. It also requests Jeff Parker to be that representation. It also is his contract attached that he signed. Dave feels very confident that Jeff can represent RMWSD with excellent knowledge of the district. He works with several small water districts. He is knowledgeable and a valuable source for Dave to tap into. The Board has received this Resolution via email. Charles asked if there was a motion to accept this resolution. Steve Lasswell made a motion and Greg Smith seconded the motion. The vote passed unanimously.

Resolution 2020-14 In the Letter of Conditions from USDA, one of the conditions was that we procure legal service agreement with an attorney to oversee this project. The first request

to Jeff Parker had a few items of concern, one of which was a “not to exceed”. Mr. Parker agreed to be the attorney for the Wastewater Treatment Project. This resolution is to obtain legal services from Jeff Parker to oversee this WWTP project as required by USDA. The attachment is his “over and above” contract, defining his contract on this special project, including the “not to exceed” \$25,000.00. That would be less than 100 hours. Dave is confident that the amounts are sufficient. Charles asked that Dave keep an eye on the status of the hours. A motion was made by Randy Wilhelm and it was seconded by Steve Lasswell. Motion passed 5-0. Peter stated that we need to make sure that Jeff Parker receives copies of the minutes. Dave will see if Jeff is interested in receiving those copies and if we would have to pay for that time spent reviewing the minutes that we send him.

Resolution 2020-15 Dave has requested that we update our Rules and Regulations and Technical Specifications including all the agreements that we had did not relate to the new, revised Rules and Regs. Dave asked Jeff Parker to look them over and revise the items that were left off or changed. The Board has the final version of them. We can now enforce this policy as developers come in for extensions and we can protect our interests in our distribution system from projects that have been started and not completed. This will enforce those projects to be completed. This resolution is a blanket approval of the documents that have been updated. We have had contract agreements before, but they were basic and lacked protection for RMWSD. Several years ago, we would ask property owners to deed over their non-tributary water rights essentially to protect us so that they did not have a way to put in a well while hooked up to our system. The other water right document covers a situation when a developer puts in a development, we can request them to bring in their own water rights because their development would overwhelm our existing system both structurally and water right usage. Bargain of Sale Deed is for the small non-tributary water rights and the other would be someone actually going out and finding water rights that they would essentially deed over to us so that we would have the water capacity to support that development. The other document is an inclusion because we did not have any documents to use if someone requested to be included in the District. A motion to approve Resolution 2020-15 was made by Randy Wilhelm, a second by Steve Lasswell. Motion passed 5-0.

Final Thoughts

CJ Goebel has purchased one of Claretha’s taps and one of Claretha’s lots. CJ was hoping that the new tap would fall under the grandfathered-in policy that was in place for Claretha. However, that is not the case. His tap purchase falls under the Rebate Policy and he will need to rebate that portion. Steve inquired if the moratorium on line extensions has been lifted. With what has been approved today, this finalizes all that Dave has been working on and this means that the moratorium has been lifted.

Dave continues to stay in communication with George via emails and including him in our correspondence with the WWTP project and other items that he has been involved in. We are hoping that if he sees an area where we need his advice, he will step in. Charles stated that he is quite pleased with how everything is progressing.

Dave brought up the fact that we are nearing a time when we can meet in person. We are waiting for an update order on meeting in person. Charles requested that at least the next meeting should be via zoom. We will have visitors from Iconergy at our next meeting. We can accommodate them in the event that we do not meet at the office. There will be a letter that will go out to the 30 customers letting them know that the meters will be switched out. Field techs may also knock on doors and contact them in person. Forty letters will be sent out to cover all that are being reported. County Road and Bridge will get a meter, a few of the irrigated parks will receive one. The survey with the meters will be for 60 to 90 days depending on what the results are.

Greg Smith asked about the backflow preventor program. Dave let the Field Techs know that they are now back-flow and Fats, Oils and Grease inspectors. We are required by the state to do inspections on any non-family dwelling. If a customer's back-flow preventor breaks and RMWSD see the issue, then the customer will be checked and fixed. Greg feels we should let customers know what happens when a back-flow preventor breaks. Dave said there is a lot of water that will be squirting out. Field Techs are developing a plan to get the businesses inspected for back-flow and FOG. Dave is thankful that they have the time to do the inspections. Steven is certified in back-flow inspection. If there **is** an issue, it can be costly to the business. But we are required to get this done by 2021 or RMWSD will be fined by the state. Charles recommends that if the Field Techs come across a business that is struggling due to the pandemic, to direct them to Charles for help with funding. There are funds available to assist during this difficult time. There is \$25,000 that can be redirected to local businesses. Steven is overseeing the cross connection back-flow prevention and Jackson is overseeing the Fats, Oils and Grease. The first step is an assessment. Some businesses have the devices, but they have not been checked. Documentation will be done and then enforcement. That is when the cost will come into view. If we do not enforce, the State of Colorado will fine Round Mountain Water and Sanitation for the violations. We *were* to be 90% compliant by 2020, but during a state stakeholder meeting that Dave attended, they let us have one more year to get 100%.

On a positive note...

Staff reflected on the great employees that the District has and the excellent Board of Directors. Dave feels that digging on the Wastewater Treatment Plant should begin this Fall!

Adjourn at 4:08 p.m.