

Round Mountain Water and Sanitation District

Board Meeting via Zoom Video

April 15, 2021 – 2:00 p.m.

Call to Order 2:02 p.m.

Roll Call: Charles Bogle, Steve Lasswell, Randy Wilhelm, Greg Smith (2:15 pm), Peter Ewing, Dave Schneider, Peggy Quint, Laura Ippolito, Jackson Malcom. No public has responded to the meeting invitation.

Pledge of Allegiance was led by Randy Wilhelm

Additions to the May 20, 2021 Board Meeting Agenda

1. Negotiation with Peggy Colgate on getting water to the Wolf House property
2. Hiring Steven Koch as a full-time Field Tech
3. Comp Time Update
4. When to resume in person BOD meetings

Administrative Reports

1. District Business Manager – Peggy Quint

Today we had Cathy Fromm here for few hours. She is doing the preliminary audit work and she will be talking to Christie DeNardo of Garren, Ross & DeNardo, Inc. to schedule our audit. Peggy is hoping that the audit will be earlier than last year to avoid extensions.

Difficult Delinquent accounts: The Baker abandoned tap will be written off our books. We are getting some communication about the Gall property and there is a good chance that it is going to sell. Ratliff property is now Vanderbilt Mortgage and they said they will be sending a check to pay the account. They total \$9,353.00 and should all be off our books by Audit time.

Peggy would like to request the purchase of a laptop for herself. Her current personal laptop is not supporting our systems. She will do some research on that. It was put in the budget that is \$8,000.00 for the year of 2021. The office computers are about 5 years old and will probably last at least another year or more. Randy interjected that the district has this request in the budget.

Motion to purchase a laptop for Peggy at \$1,200.00 maximum.

Motion: Randy Wilhelm Second: Steve Lassell Vote: 4 - 0

We would like to see if we can get a local IT person for faster service. We can look at opportunities with John, our current IT person, as well as Pax8 and the IT person at the county. Charles would like Pax8 to contact Peggy and see if it would be a good fit for the district to work with them. They do not sell hardware but do support software. Tech support locally is limited. CEO of Pax8 owns property in the area and are interested in Custer County for employment. They have 12 employees already in Fremont County. Charles asked that anyone who is aware of individuals looking for work to let him know.

Included in the board packet is a Spring ORC report from Jackson. The district Field Techs are very busy. The office staff frequently has to rely on the field techs, and it is appreciated! Charles reiterated appreciation to the field techs that their hard work is appreciated!

Greg suggested that we check on our Microsoft Office license and Adobe Acrobat. He offered his help and expertise. He supported the motion and vote that stated the need for a laptop for the District Business Manager. Charles brought Greg up to speed on the items that were addressed prior to his arrival. He said that Pax8 has the potential to be a 24/7 support situation. Eco Devo is coordinating with Pax8 to locate employees in Custer County. Charles has suggested to them that they provide audits, not only to the governments, but our special districts and our non-profits. They can then address their needs and make suggestions with the possibility of being an IT in the cloud.

2. District Operation Manager – Dave Schneider

Dave will be attending the Colorado Rural Water Association Convention in Denver next week to get more continuing education credits.

The State Revolving Loan Fund has received our loan application for the water meter and well replacement project. We asked for \$1.3 million. If we do not use it all, we can give back what we don't need, and they will not charge us interest on that portion. The interest rate is .5%.

Update: Peggy Colgate is the granddaughter of the original people that the district made the tank property lease deal with. There was an agreement with a 99-year lease that we would provide water to the Wolf House property. That house was burned down since then. There was a line there at one time but was abandoned years ago. She is asking that we bring water back to that property. It would be almost 830 feet of pipe. We could lay down a 6" water main on N. Butler Street and get an easement from Silver Cliff, which owns the old mining claim that adjoins her property. Dave is concerned that this water may only be used once or twice a year. If not used enough, there would be hundreds of gallons of stale water that will have to be flushed out. The potential for building up there is limited. Dave suggested we could put in a flexible 2" service line that we would connect to Cliff Street then run a 2" line to her property. This would be cost effective. If someone decides to build there, we could ask them to bring in a 6" line and connect it to Cliff Street. The cost for the 2" line would be about \$10-15K, to be installed by district techs. The 6" pipe would cost about \$45-50K, and would have to be sub-contracted out, which would cost us \$75-80K. Consensus is to give Dave authority to negotiate a deal with her on a 2" line, whether it is a monetary agreement with additional bulk water added in, or to install the 2" line. Dave will get some projected costs to install the line and inform the Board Members. We have received roughly \$2000.00 from them because they have paid monthly for decades. Dave doesn't think that they would be interested us paying them back that money. Randy asked how much Dave thought she would take to abandon the tap. Perhaps we could make an offer to abandon the tap. Charles suggested that we offer her bulk water to service any RV parking or needs on the property. Greg thought that \$10,000 and a 4-to-5-thousand-gallon credit for bulk water. Randy suggested that we dig a well and set up a generator for use. Cost to drill a well would be costly also. Peter asked if there is written policy regarding this sort of situation. As it is a good 'ol boy agreement, there

is not written policy. There was not a tap fee paid at the time. There is one acre of land that we set the district tanks on. We do have a vested interest in keeping the relationship congenial.

We got the water engineers consulting agreement back from our legal counsel. Engineering Analytics will be our primary water engineers for our reservoir design and installation. Upper Ark River Conservancy District strongly recommended them as they have used them for several projects. They worked on a small reservoir project near Golden. Their engineers have been there for 10 to 15 years, which proves that they are a reputable company. Dave can move forward with a contract with them and as their primary contact.

We got some water credit at the ranch and will probably get more as the snow melt increases.

The new aerator will arrive in about a week as per Jackson. Installation will happen as soon as possible once it is back. Dave said we have been putting in super bugs and we will continue to work diligently for about 3-4 weeks to keep the odor down.

Dave spoke to SGM and they are 98% - 99% ready to go to bid on the wastewater plant. We have \$180K in the budget for this and feel some of that will be freed up. With that in mind, Dave would like to re-hire Steven Koch as a full-time Field Tech. Steven has been working at a wastewater mechanical treatment plant and learning how to run it. He has his "C" certification and is going for his "B" certification. If we can afford to bring on Steven, we should. Dave will tighten up the SGM numbers and do a cost analysis to see what it would look like to hire Steven and inform the board of that cost.

We are going to use our current engineers for developing the RFP (Request for Proposal) for our plant. There will be an additional expense for this but do not expect it to be above \$10,000. That will be paid by a bridge loan. The design is already done. Once we have the financing, an RFP can be sent out. Greg was asking as to the amount, out of the \$180,000 in the budget, will still be owed to SGM. Dave thought that probably \$20-30K between the RFP and what finishing work will need to be done. With the increasing costs of building supplies, Randy stated that we need to look at that possibility before we bring on another field tech. Charles thought at this time, we should be able to obtain a "not to exceed" figure to complete the final stages of this project. Charles is wondering how we can protect the district when it comes to RFPs and alleviating any financial surprises. There is a 15% contingency on the \$13 million project. The RFP is straightforward. They have already projected costs of construction, engineering, and training engineering. Dave will contact SGM and ask them to look over the figures and see if they are still accurate or if they need to adjust them. The costs now are basically in phases. We have finished phase three. Phase four will be the construction phase. Any contractor "worth their salt" will look at the figures and will either confirm or modify them before we would start the actual construction. Dave will send out a memo with the costs involved in hiring Steven back. Greg reminded the board that his salary would be for 6 months not 12 months. Steve suggested to Dave that he should included the costs in overtime, sub-contractors, etc., that would be needed with only two field techs carrying out the tasks required in the coming months.

Consent Agenda

1. Approval of the Minutes of the March 18, 2021 Regular Board Meeting

Make a correction in the last paragraph to change SEDDS to CEDS, Comprehensive Economic Development Strategies.

2. Financial Report and Approval of Checks for March 2021

Motion: Steve Lasswell

Second: Randy Wilhelm

Vote: 5 - 0

Old Business

1. Update on USDA Funding

The loan is amended and back in for review in the DC office.

2. Overtime vs Comp Time Update

We can legally offer comp time as overtime pay. Recommending we pay overtime for time worked. Dave will draft up some guidelines and send them out to the Board. Our attorney said that we are a Quasi-Governmental entity and in the federal guidelines there is an exemption for that type of entity, so we do not have to follow the federal guidelines for compensatory time. Dave will check on when double-time is paid. At this time, Steven is waiting to hear from Dave regarding his rehire, but realizes that it may be a month or so before the board can really make their decision.

3. Benoni Jarvis Reservoir Water Degree response update (Due April 26th)

Justin Korkus will finish up decree objections. He is also finishing up some engineering responses. There are a few small items to negotiate. The water decree is being amended for an additional reservoir site. We will be required to have a public meeting. Dave will check to see if we need a Special Use Permit from the county to put a reservoir there. The State Division II Water Office is putting the squeeze on non-adjudicated ponds or any containment facilities. The district has been asked to fill in our pond by the Smith well that was the original water works for Silver Cliff. We will probably do it this Spring or Summer and fill it in with cheap road base or pit run fill-in material. There isn't enough berm left to use it for fill material. Dave will need to get on the docket for the Planning Commission.

4. Application to CEDD

New business:

1. Catholic Church meter issue

They have a meter for the church as well as an irrigation meter. The irrigation meter has not worked for a few years but, a lot of water has gone through it. We negotiated a deal with them to reduce their bill and forgive the outstanding water. We will install a new meter.

2. New Meters

The new meters will be stainless steel. The cost is only \$3.00 to \$4.00 more per meter than the brass meters. This will fit within our budget.

3. Zoom Meetings verses In Person Meetings

The May meeting will be via Zoom. We will consider future meetings in person when possible. We can use air cleaners and fans for in person meetings as well as accommodate the public with access to Zoom.

4. Dave has asked SGM to keep an eye out for the ERF money to see if we can get any for our infrastructure plan. Federal funding may be easier to get ahold of. The initial talk is that the infrastructure will be run through the State Revolving Fund. As it pertains to the federal funds, Charles said that “everybody is going to get a lot of money!” We need to respond as quickly as possible if the time comes.

Adjourn 4:13

Post Adjournment

Comment from Peter

He is requesting the minutes be sent out the day before the board meeting. Peggy responded that she would like to do that but, most times she is waiting on financials from Fromm or from others to include in the packet. For this meeting she was waiting for Jackson to complete his ORC report. Rather than sending the packet out piece by piece, it is better to have the board packet complete before sending it out. She will work on getting those out the day before.

