# ROUND MOUNTAIN WATER AND SANITATION

# BOARD OF DIRECTORS MEETING

**THURSDAY, December 19, 2024**

**2:00 P.M. – 3rd Street Gallery Building Conference Room**

**In-person or via zoom**

**Call to Order at 2:00 p.m. by Steve Lasswell**

**Roll Call: Steve Lasswell, Randy Wilhelm, Connie Thompson and Charles Bogle (via zoom), Dave Schneider, Steven Koch and Peggy Quint. Carlan Cardenas was absent. Public in attendance: Paul Burress (on Agenda), Elliott Jackson, Wet Mountain Tribune. Mark Dembosky was absent. Allen Thomas, via zoom.**

**Pledge of Allegiance led by Steve Lasswell**

**Public input for those not on the agenda will be limited to 3 minutes.**

**Additions to the January 16, 2025, Board of Directors Meeting Agenda**

1. **Resolution 2025-1 Establishing Regular Meeting Dates, Time and Location and Designating Location for Posting of 24-hour notices**
2. **Resolution 2025-2 Appointing a designated election official and authorizing designated election official to cancel election if one is not needed.**
3. **Excuse Mark Dembosky from December 19, 2024, meeting**
4. **Property Leak discussion as per Randy Wilhelm**

**Administrative Report**

1. **Assistant District Manager – Peggy Quint – Report included in Board Packet**
2. **ORC – Steven Koch – Report included in Board Packet**
3. **District Manager – Dave Schneider**

**Well/Meter Project – Sterling noticed a crack in the pipe (flange) at the well while doing daily checks. Apparently, this was an installation error due to significant overtightening and Iconergy was notified. RMS drove a new meter to Westcliffe within two days. Had this not been found, it could have burst at a more inopportune time. The Gallery Well was used during the time this was being fixed. The cost is $2600 for the shock absorber that will be installed by RMWSD. Kudos to Sterling!**

**Reservoir Projects – waiting for final edits on the engineering blueprints so they can be sent to the state. We have been told it will be completed by the end of January. The McGuire property purchase requires a buy/sell agreement that the attorney is drafting in order for the Title Company to give us title insurance. Dave foresees that sometime in January the final purchase will take place.**

**WWTP – back and forth with Powell Water because Dave is reluctant to install a full-size micro algae growth system because it is 16 x 90 feet long and is oversized for our pilot project. Dave would like to do a partial component of the design so that we could add onto it if necessary. There will be two 500-gallon barrels that we will grow micro algae in. The reason Dave is doing this is because the state is mandating to put in a mechanical way of producing enough dissolved oxygen to meet its demands. The state does not recognize micro algae as a primary oxygen producer. GMS said by the end of the month that the demonstrations application will be sent in, hoping for a 60 approval from CDPHE. Charles requested that Dave explain the problem we are having with the state. Powell Water has two systems in two different locations. They have run the design, and it works really well, but they can’t tell us why it works really well. The State is not satisfied with that. They want more technical proof of how it works, like how many bugs will be required to produce the amount of dissolved oxygen. Dave’s opinion is that it is hugely oversized. It could easily be done with a footprint half that size. Dave would like a cost/benefit ratio to present, otherwise he will not install the micro algae if it is not cost effective. It will not be cheap to grow bugs.**

**Shop Purchase – an official survey will need to be done prior to closing on the purchase. The surveyor has been contacted, and an extension has been signed. Closing will probably happen sometime in January.**

**Johnson Ranch – Dave was made aware that the neighbor to the North had requested and was successful in being allowed to move his headgates. Dave presented a map of the location. There were two headgates for diversion out of the creek on the North edge. The water attorney did not let us know whether or not this would impact our water rights and the new flume we put in at the bottom. Dave contacted the Division of Water Resources and was told that it will positively improve the impact of the water because it will remove the transit loss through the creek down to the gates. We used to lose 1/10 of a cubic foot per second which on a 24” flume is about 500 gallons a minute. The Neighbor wants to put it about 20 feet downstream from where we discharge our diverted water. There will be a pipe that runs across and down the property. The other diversion ditch will be located at another location and there will be a pipe that services the lower area.**

**Consent Agenda**

1. **Approval of the Minutes of the November 21, 2024, Regular Board Meeting**
2. **Financial Report and Approval of Checks for November 2024**

**Motion to approve Consent Agenda was made by Charles Bogle and seconded by Randy Wilhelm. Motion passed with a 4-0 vote.**

**Dave suggested that Paul Burress is moved to this time so that old business can take place after Mr. Burress is able to present his request. Steve agreed and Mr. Burress spoke.**

**New Business moved to accommodate Mr. Burress**

1. **Paul Burress request for payment for damages to 600 Broadway – Mr. Burress clarified that he was not requesting funds for damages, but rather the $500 deductible on the renter’s insurance that his tenants had in place at the time of the incident. A brief explanation of the incident was given by Mr. Burress regarding the leak at 600 Broadway on Friday, December 13, 2024. He explained that if the field techs had responded to the correct location at the time of the first phone call from tenant, that there would have been minimal damage. Due to the 40 or so minutes that it took for the water to finally be shut off, there was damage to his property. Mr. Burress does not carry insurance on a house that has no mortgage and has paid out of pocket for repairs. After discussion amongst the board members, it was decided to pay $500 to the tenants for their deductible amount. The district’s attorney will write an agreement between Mr. Burress and RMWSD that will be signed by Mr. Burress stating that RMWSD will not be responsible for costs for any additional damage or repairs made by Mr. Burress.**

**Old Business**

1. **2024 Budget Adjustment Resolution 2024-18 - Review of Resolution – We are over about $64k over our projected expenditures on the Water Enterprise and about $7k over our projected expenditures on the Wastewater Enterprise. Approximately $71K will be moved over from the excess revenue to unforeseen expenses. A public hearing will need to be scheduled requiring 30–day notice. The McGuire Property purchase and the shop purchase will need to be added to the 2025 Budget if they do not take place in December of 2024. Also, we have a DOLA grant that we didn’t include in the 2025 Budget. If that project does happen, we will add it to the 2025 Budget as well. Public notice will be in the local papers the second week of January for a February 20, 2025, Public Hearing to approve the 2024 Budget Amendment.**
2. **ADU Discussion – Dave was asked to write some verbiage for the Rules and Regulations for the board to review. Dave would like to remove any undue liability from customers hooking up additional connections to our existing service lines and how to appropriately and equitably charge for the additional demands. There will be changes to the Rate Structures which will require a public hearing. Most of the verbiage is in Section 3 and Section 5 of our rules and regulations (see attached)**

**Dave has asked the Westcliffe Planning Commission to specify where RMWSD is put into play on this and what requirements and financial demands they will be asking of us. Dave is trying to remove the liability to the district in Section 3.3. Essentially, all the inspection requirements of the service lines to the house are to be moved to the responsibility of the property owner and removing RMWSD from being the inspector of the service line to the house because this is the states or town’s responsibility to inspect. The only part of the service lines that we are concerned with is from the main to the meter pit. Once approved, we take ownership and maintenance responsibility of that line. Everything else in the water line from the meter pit to the house and the entirety of the sewer line from the tap to the house is the property owner’s responsibility. Dave also removed the assumed responsibility of the district in telling people the size of their water taps. Alot of residential/commercial structures with a ¾ inch tap were designed for one residential structure. RMWSD will not be held liable if the existing ¾ inch tap is not sufficient for the ADU. Customers will need to request the size they want to purchase.**

**Rates and Charges – we should charge an EQR as we already do on wastewater. classification A water classification (ERU) will be added for each ADU. A .8 EQR will be added to the normal ADU. (see attached) The Board agreed that another rate study should take place this year prior to the rates being determined. Dave suggested we wait until 2026 to make any changes to our newly established rates. The ADUs will be ignored until the rate structure is put into place. Dave summarized that the water rate structure will remain the same, but do some tweaking on the tap fees and some verbiage about having an existing tap and an ADU is being added, a system development fee that should be assessed.**

1. **Recommendation to remove Tap Installation Deadline – In December of 2021, the taps purchased in 2021 had until 2025 to complete their installation on the property. To date, there are 5 remaining taps. Dave’s suggestion is to remove the deadline. Property owners can either ask to get their tap money back and relinquish their tap or keep it without a deadline to connect to the system. A decision on this will be reviewed and decided on in October.**
2. **Amendment to Resolution 2024-14 regarding McGuire property purchase – Randy Wilhelm made a motion to approve the resolution. Connie Thompson seconded the motion. Motion passed with a 4-0 vote.**

**New Business**

1. **Presentation from Network Insurance Services LLC regarding CSD Pool Brokerage – Allen Thomas via zoom and Brooke Gonzales (Workman’s Comp Specialist) via cell phone, presented to the board the benefits of hiring them as our CSD Pool brokers. After a brief discussion, the board agreed unanimously that it would be beneficial to have another set of eyes on district assets and coverage and the premiums that are paid annually on property and liability and workman’s compensation. Peggy will contact representatives and complete the agreement between the two parties.**
2. **Year-end bonuses – 457 bonus – Dave reviewed to the board the district’s one-time contribution into each employee’s 457 retirement account through CRA. Motion made by Randy Wilhelm to approve a $1200.00 contribution for each district employee in the end of year paycheck. Motion was seconded by Connie Thompson. Motion passed with a 4-0 vote. Peggy is waiting on answers from DeNardo, Fromm and CRA regarding Caselle’s W2 Code box to make sure that it is reported to the IRS correctly.**

**Merry Christmas to all and restored health to Charles Bogle and Mark Dembosky.**

**Adjourn at 4:45 p.m.**