

ROUND MOUNTAIN WATER AND SANITATION DISTRICT
Regular Board Meeting Minutes
September 5, 2019 – 2:00 p.m.

Call to Order at 2:01 p.m.

Roll Call

Board Members Present: Charles Bogle, Steve Lasswell, Greg Smith, Randy Wilhelm and Leslie Parkes.
Staff Members Present: George Medaris, District Manager, Dave Schneider, Operations Manager and Peggy Quint, Office Manager

Board Members Absent: None

Visitors: Matt Hudson, SGM, Inc., Tracey Ballard, The Valley Beat, and C.J. Goebel, Claretha Project

Pledge of Allegiance

Additions to the Agenda for the October 3, 2019 Meeting

1. **C.J. Goebel – Board consideration on free water/sewer tap in Claretha**

Consent Agenda

1. Approval of the Minutes of August 15, 2019 Regular Board Meeting
2. Financial Report and Approval of Checks
Motion by Randy Wilhelm to approve the Consent Agenda. Seconded by Greg Smith.
Motion carried.

Old Business

1. **C.J. Goebel update on Claretha Colorado**

Three blocks of sewer are complete and has been accepted, however, C.J. needs a signed letter from the district in order to pay Ed Lyons, Mountain Excavating, his excavator. Dave Schneider, Operations Manager, had sent a letter to Amanda Atencio earlier in the month. He will print a copy for C.J. after agenda item. C.J. said the several items on the material list were not included (hydrant and valves) which has made budgeting for the project a concern. He asked if he could install 3 of the 4 hydrants for the sake of costs at this time. The District needs hydrants for blowouts. C.J. said he is unable to get contracts on the houses until everything is completed. Ed Lyons has ordered parts and can move forward with Dave's approval. C.J. was led to believe that hydrants are \$3,000/each. Dave corrected the amount for hydrants and C.J. will get started on the ½ block. He has a few contracts; stub lines are done, and he is waiting on the curb boxes. He asked the Board if they would consider awarding him a free water/sewer tap since he is setting aside 3 lots that will use special funding. This will be put on next month's agenda. Charles announced that there is a Housing class on October 5th, from 9:00 a.m. to 1:00 p.m.

2. **Developer Payback Policy Update**

After Randy and Greg and George met to go over the policy, they found no significant issues. Policy can be published (as well as other policies). George stated that it would be a good idea to post policy at the County Assessor's Office. We will have to publish the meeting for each proposal. George will send the policy to Jeff Parker, our attorney, to look over and check for any areas that need to be cleaned up. As we adopt the resolution – policy of notice may not apply. We will write the regulations and add them to our Policy and Regulation Laws. Each one will be unique. In our opinion "What is fair?"

3. Audit Discussion and Approval

George has looked over the Audit as well as the Board and staff and changes have been made to the MD&A and WWTP. We still want to sell Johnson Ranch. Amendment to the budget was not done the end of 2018 and the Draper Property should have been included. Note will stay and the State will probably send us a letter to remind us of the statutes. Randy Wilhelm made a motion to approve the 2018 Audit as presented by Garren, Ross & DeNardo, Inc. Leslie Parkes seconded the motion. Motion carried unanimously.

4. Benoni Jarvis Update

Dave and George met with Jerry Livengood to discuss the issues that we have along Grape Creek. George agrees that there is potential for an issue during really dry years like we had last year. There might be a situation where augmentation at DeWeese doesn't make it all the way back up Grape Creek. George told Jerry that the concept of putting in a reservoir at our Gallery Well location could be a reality. Jerry was very excited at that concept! That would resolve all the potential issues regarding augmentation that we would have upstream upon our completion. It would be on the East side of Grape Creek so its up out of the eluvial plain that is down there and is out of the ground water. There is a lot of clay there that could be utilized, and we could use the well that is there during times that we don't need it before we get the Smith well up and running. In the future, we will need additional pumps anyway to supply water to the community. The pumps and the reservoir shouldn't interfere with each other. However, engineers will need to be hired to confirm this. We can probably work with Upper Ark and come up with an agreement and they might assist us with the construction of the reservoir, the management of the reservoir and leasing water out of the reservoir. George thinks that the District would probably prefer not to get into the "water leasing" business. We can leave that up to Upper Ark who does that for a living. George received an email from Bob Krassa and he will address what that email may contain. We have the beginnings of a plan to resolve all the issues that are at hand. We have 20 acres at the Gallery well. Jerry also thought that it might not be a huge undertaking to transfer the Benoni Jarvis storage rights to that 20 acres. Dave is not sure if that would have to go through water court. The decree says either on-stream or off-stream storage, so it provides us either the opportunity of using the storage right on the Macy Creek, which would put it across 2 or 3 of those fields or off-stream would put it up in the NW corner. Upper Ark is not interested in the Benoni Jarvis location, but certainly at the Gallery Well acreage.

5. WWTP Design Update

The District has received letters from the State. George and Dave are quite confident that the plant that they visited in Alabama and the Bluepro System is the direction that we want to go. More dealers will be making presentations in the future, so there will be a few more options. Site App will be sent by September 20, 2019 with project calendar schedule. Issues will be taken care of by this process. It could be 2 to 5 years before the regulations regarding arsenic will be available. Low flows in the Winter will allow us to see if arsenic can be dealt with. We may want to change the size of the sand. Matt Hudson, in attendance, had nothing to add to the discussion.

6. Job Descriptions for Operations Manager and Office Manager

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The Board has had the draft job descriptions since mid-August. A meeting needs to be scheduled so that a discussion between the Board and Operations Manager and Office Manager, Dave and Peggy consecutively, can take place. Charles suggested we take the job descriptions to SDA and discuss. An executive session will take place in order to interview Dave and Peggy. Board would like to discuss with them how they would like to handle community involvement. This will also allow us to get on the same page.

7. Draft of request of proposals for rate study

When we return from the SDA Conference, we need to put together the rate review proposals. That way we can put it in the 2020 Budget. Then we will have an idea of the cost. There is a possibility that USDA will help pay for the study. George is waiting to hear back from the Rural Community Assistance. They work with communities on rate studies and they can provide training and books.

New Business

1. Sonny Dowdy – Customer concerns about water billing

Sonny was not present at the meeting to present his concerns. George informed the Board of the issues. It was a consensus that we wait until he contacts us again.

2. District Manager's contract

George has not written a contract. He feels that with the WWTP construction in the future that possibly a permanent part-time position would be the best way to handle his schedule with the District. This way he can focus on several areas. He thought that 40 hours per month would satisfy the District's needs. He would request his current hourly rate per hour plus \$10.00 to cover his expenses of travel, computer equipment, etc. Board decided that after they interview Dave and Peggy, that they will talk to George in executive session on September 23, 2019 when the Board resumes today's Board Meeting.

3. CEBT Renewal

Peggy explained the CEBT renewal paperwork and the costs for each item in our policy. Leslie Parkes stated that we offer a great benefit package to our employees and we would like to keep the employees we have. A competitive benefit package is something that the District can offer. Board agreed that Peggy should sign the renewal papers and proceed. Board did agree to increase the Vision Policy by \$7.00 per month per employee in order for employees to have coverage more often than in previous years. This will allow employees to get glasses every 12 months instead of every 24 months.

4. Bank Account Signatures – Adding Dave Schneider and Peggy Quint, discuss policy on 2 signatures on checks.

The District needs written policy addressing this. Minutes will reflect that Dave Schneider and Peggy Quint will be added to the signature card at the bank. There will still need to be two signatures on each check and either Dave or Peggy can sign, but not both. The other signature will need to be a member of the Board of Directors with priority being the Treasurer.

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5. Resolution 2019-(tbd) to increase the non-refundable set-up fee from \$5.00 to \$20.00 for new bulk water customers.

Public Notice will be published on the District website. A motion to approve this resolution was made by Steve Lasswell and seconded by Randy Wilhelm. Motion carried with a unanimous vote.

Administrative Reports

1. SDA Conference Dates – September 17, 2019 – September 20, 2019

Everything is in place for the Conference. Peggy will arrive before 3:00 p.m. to get rooms squared away prior to everyone else arriving. Tuesday night dinner is planned for 6:00 p.m. at ZUMA's. Peggy reminded those attending that parking is limited, so once you are there, it is advised to leave your car parked at the hotel. Shuttle will take us to and from the Conference Center and to the restaurant.

2. Operations Manager's Report

Sterling Hinson has started as our 3rd Field Tech on the ground. This will allow Dave to be in the office more. He is looking batch reactor plant possibilities. SGM will join him for those presentations. While up in Minnesota, Dave will check out a plant in Chaska, MN where there is equipment that he will look at. Taps are coming in pretty fast and it has been hard to keep up. Maintenance has been put on the back burner while this is happening. There may come a time when subcontracting may need to be addressed, because there just isn't time to install taps *and* complete regular maintenance. We need to clean up our Rules and Regs regarding our plans in the community.

3. Office Manager's Report

Peggy's Report is in Board Packets and will be on file. She was reminded by George that internet problems have been on Peggy's schedule. She has talked to CenturyLink about the issues and they are looking into our situation. A new port will be installed on Monday. George reiterated that Peggy had requested that the 2020 Budget is completed prior to George's last day. October 15th is the deadline for the Board to have it in their possession. Diligent work on the 2020 Budget will begin next week.

4. District Manager's Report

George did not have anything else to report.

Board will recess until Monday, September 23rd at 2:30 p.m.

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