

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF
DIRECTORS OF THE ST. MARY'S GLACIER WATER AND
SANITATION DISTRICT
HELD
Monday, July 29, 2019

A special meeting of the Board of Directors of the ST. MARY'S GLACIER WATER AND SANITATION DISTRICT (referred to hereafter as the "Board") was convened on Monday, the 29th day of July 2019, at 6:00 P.M., at Alice School House, 271 Silver Creek Road, Idaho Springs, Colorado, 80452.

ATTENDANCE

Directors in Attendance Were:

Glenn Clark, Treasurer
Jason Yoho, Secretary
Frank Brown, Assistant Secretary
Beth Ramsey, Assistant Secretary

Directors Absent, but Excused Were:

Bruce Hohne, President

Also, in Attendance Were:

Jim Nikkel and Traci Miller; Pinnacle Consulting Group, Inc.
Colin B. Mielke; Seter & Vander Wall, P.C.
Chris Oeland; St. Mary's Glacier Water and Sanitation District Employee
Bob Orsatti; Lamp Rynearson (TZA Water Engineers)
Tom Meyers, Charles Graham, William Holberg, Dan Parsons, Tarquin Tarran, and Ian McQueen; St. Mary's Glacier Community Members.

Mr. Mielke called the meeting to order at 6:06 P.M.

Mr. Mielke confirmed that a quorum of the Board was present.

DISCLOSURE
MATTERS

The Board had been previously advised that pursuant to Colorado law, certain disclosures by the Board members might be required prior to taking official action at the meeting. The Board then reviewed the agenda for the meeting, following which each Board member affirmed their conflicts of interest, stating the fact and summary nature of any matters, as required under Colorado law, to permit official action to be taken at the meeting. The Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act.

ADMINISTRATIVE
MATTERS

Agenda: Mr. Nikkel recommended amending the agenda to add an item for the review and considerations of two resolutions regarding District signatories, and Director Ramsey recommended moving item VI.B. Discussion regarding Request to Reduce Special Assessments on Tax Lien Properties (Lots 629, 635 and 588, St. Mary's Glacier Subdivision Unit 4)

to the public comment portion of the meeting. Following review and discussion, upon motion duly made by Director Ramsey, seconded by Director Brown and, upon vote unanimously carried, the agenda was approved as amended.

Minutes: The Board reviewed the minutes of the June 24, 2019 regular meeting of the Board of Directors. Following review and discussion, upon motion duly made by Director Brown, seconded by Director Ramsey and, upon vote, unanimously carried, the Board approved the minutes of June 24, 2019 regular meeting of the Board of Directors, as presented.

Public Comments: Director Ramsey opened the meeting for public comment. Mr. Charles Graham reported to the Board that he believes his sewer service line at 1070 Silver Creek Road has separated from the main line at the point of connection. Mr. Graham reported that he has discussed the issue with Mr. Oeland and was informed that the District rules and regulations state that service lines are the responsibility of the property owner. Mr. Graham stated that he would bear the full cost of repairing the service line, and requested a referral for a contractor who would be able to complete the repair. Mr. Orsatti suggested contacting the Idaho Springs Public Works department. The Board noted that Mr. Oeland could assist Mr. Graham in finding a contractor. The Board directed Mr. Oeland to inspect the sewer service line after the repair is completed to ensure that it meets District standards.

Mr. William Holberg addressed the Board and stated that he recently purchased three properties within the District through a tax lien sale. The properties are: St. Mary's Subdivision, Unit 4, Lot 635; St. Mary's Subdivision, Unit 4, Lot 588; and, St. Mary's Subdivision, Unit 4, Lot 629. Mr. Holberg reported that he began paying the property taxes on lot 635 in November 2012; lot 588 in November 2006, and lot 629 in November 2011. Mr. Holberg stated that he was not made aware by Clear Creek County that special assessments were placed on the properties in November 2018 which increased the purchase price of the three of the properties. The special lien that was placed was for past due water bills from the previous lot owner. Mr. Holberg requested that the Board reduces the amount of the special assessments payable to the District. Mr. Mielke explained that the Board had discussed some of these properties at prior board meetings and discussed with the Clear Creek County Treasurer the potential for reducing the amounts owed for purposes of enticing paying property owners to acquire the properties. Mr. Dan Parsons, a member of the public, expressed his concern that if the Board allows a reduction for Mr. Holberg, a precedent will be set and other people may try to use a similar approach to acquire properties at a reduced rate. Following review and discussion, the Board tabled this item to allow more time to research the matter.

Mr. Holberg left the meeting at this time.

Mr. Meyers addressed the Board regarding necessary repairs needed to three sewer service lines that the District installed on his properties within the past two years. The Board discussed that the District's rules and regulations require the District to install new service lines up to the curbstop, and that the Board believes it should provide a warranty for such work. Mr. Orsatti and Mr. Mielke noted that standard warranties for sewer line work is usually one year or a maximum of two years. The Board noted that the District had installed the service lines within the past year, and therefore directed Mr. Oeland to begin the repairs the week of August 12 at the District's cost. Mr. Mielke suggested that the Board considers revising the District Rules and Regulations to include a warranty period on service line construction completed by the District, and the Board agreed it should be placed on a future meeting agenda.

Mr. Parsons addressed the Board and stated that he has owned 186 Alice Road for 17 years and consistently experiences water issues for six months of each year. Mr. Oeland stated that the main line that serves this property is a dead-end line, and many residents served by this line are part-time residents. It is believed that the line freezes during the colder months of the year because water is not being regularly ran through it. Mr. Orsatti and Mr. Oeland explained the proposed water system improvements have been designed as part of the water system project may alleviate this issue.

There being no further comments made by the community members present, Director Ramsey closed the public comment period.

SPECIAL
DISTRICT 101
BOARD MEMBER
PRESENTATION

Mr. Nikkel reviewed the Special District 101 Board Member Presentation with the Board and answered questions.

WATER SYSTEM
IMPROVEMNTS
UPDATE

Lamp Rynearson's Report: Mr. Orsatti reported to the Board that one bid was received for the water systems improvements project. The bid was double the price of the engineers' estimate. Lamp Rynearson contacted plan holders to find out why additional bids were not received. Mr. Orsatti reported that several contractors indicated that the timeline of the water systems improvements projects was in direct conflict with current projects, and that they would be interested in submitting a bid if it was open in the fall. Mr. Orsatti recommended that the Board reject the sole bid and evaluate the project and re-prioritize the different components to make the best use of funds available and then re-bid the project in the fall to try and get more bids for the project.

Mr. Orsatti reported that the bidding climate is very competitive and Lamp Rynearson will engage in the following five step process:

1. Further research to find out how the District can secure more bids;
2. Engagement with the CDPHE Grants and Loan Department to discuss general contractors;
3. Reduction in the project scope;

4. Adjustment of the project timeline, and;
5. Engagement with the CDPHE Compliance department to receive feedback and suggestions.

Following review and discussion, upon motion duly made by Director Ramsey, seconded by Director Brown and, upon vote, unanimously carried, the Board directed Mr. Orsatti to reject the bid received from Aslan and revise the project scope and timeline.

Mr. Orsatti reported that well #3 has been re-drilled. The current output is pumping fine sand, the water is murky, and the flow rate is less than for what the well is permitted. Mr. Orsatti reviewed with the Board the available options. Following review and discussion, upon motion duly made by Director Ramsey, seconded by Director Brown and, upon vote, unanimously carried, the Board authorized an additional \$21,000 and a two-week extension to the timeframe for the contractor to use more powerful equipment to complete an additional hydraulic cleaning process.

Mr. Orsatti reported that comments from the State regarding the wastewater project needs assessment are expected to be received on August 22nd.

Mr. Orsatti reported that Lamp Rynearson will update the water and sewer lines map based off of the most relevant information available.

DISTRICT
MANAGER
MATTERS

ORC's Report: There was no new information to present.

Operations Report: Mr. Oeland reviewed a written Operations Report with the Board and discussed recent operations.

Manager's Report: Mr. Nikkel reported that Ms. Janzen, District Account, will attend the regular Board Meeting in August to present the 2018 audit.

Mr. Nikkel presented Resolution 2019-07 Authorizing the Legal Signors for St. Mary's Glacier Water and Sanitation District to the Board. Following review and discussion, upon motion duly made by Director Ramsey, seconded by Director Clark and, upon vote, unanimously carried, the Board adopted Resolution 2019-07 Authorizing the Legal Signors for St. Mary's Glacier Water and Sanitation District.

Mr. Nikkel presented Resolution of the Board of Directors for St. Mary's Glacier Water and Sanitation District to Modify its Authorized Signatories for Purposes of the District's Bank Accounts to the Board. Following review and discussion, upon motion duly made by Director Ramsey, seconded by Director Clark and, upon vote, unanimously carried, the Board adopted the Resolution of the Board of Directors for St. Mary's Glacier Water and Sanitation District to Modify its Authorized Signatories for Purposes of the District's Bank Accounts.

FINANCIAL
MATTERS

Review and Consideration of Payables: Mr. Nikkel reviewed with the Board the claims for the period ended July 24, 2019, totaling \$205,627.13.

Following review and discussion, upon motion duly made by Director Yoho, seconded by Director Ramsey and, upon vote, unanimously carried, the Board ratified the EFT payments and the claims for the period ended July 24, 2019, totaling \$205,627.13.

LEGAL MATTERS

Discussion Regarding Lot Combination Request for Winterland Unit 3, Lots 34 and 35: The Board discussed a request from Danielle Benton and Britt Benton of Lots 34 and 35, Winterland Subdivision Unit 3 to combine the two lots into a single lot, and specifically (1) that the Board waive any objection to the combination of those two lots, and (2) the Board vacate easements that exist between the two lots. Chris Oeland has evaluated this situation in the field and found no issue with allowing Mr. and Mrs. Benton to combine these lots.

Following review and discussion, upon motion duly made by Director Ramsey, seconded by Director Brown and, upon vote unanimously carried, the Board determined that (1) it does not object to the combination of the two lots; and (2) the District agrees to vacate the easement interests it may have solely for the ten-foot rear lot line utility easements located between the two lots, subject to the combination of those lots being approved and completed by Clear Creek County. Furthermore, the District reserves any easement rights it may have on other areas of the lots, including but not limited to the entirety of the easements along street lot lines, rear lot lines, and other side lot lines for the lots.

Discussion Regarding Proposed Easement from Property Owner Adjacent to Well #1: Mr. Mielke reported to the Board that he has discussed with the attorneys for the property owner adjacent to Well #1 the possibility of obtaining an easement for the new transmission line from Well #1, and he is awaiting a response from the legal firm representing the owners adjacent to the Well #1 site.

Update Regarding Notice of Violation: Mr. Mielke reported to the Board that a Notice of Violation for 29 and 31 Eva Road property is being drafted.

DIRECTORS
MATTERS

Website Update: Ms. Miller reported to the Board that the new District website has been completed and notification will be sent to residents.

Illegal Camping: Director Ramsey reported that several RV's have been parked on vacant lots throughout the District for longer than the allotted two-week timeframe and is concerned about health and sanitation impacts related to disposal of waste from those RVs. Director Ramsey reported that she has discussed the issue with the County was informed that they are unable to remove the RV's, but that the County is in the process of considering new camping regulations. Following review and discussion, upon motion duly made by Director Clark, seconded by Director Yoho and,

upon vote unanimously carried, the Board directed Mr. Mielke to write a letter to Clear Creek County on behalf of the District expressing the Board's concerns related to the health and sanitation impacts.

Upper Clear Creek Water Shed Meeting: Director Ramsey reported to the Board that she, Mr. Orsatti and Mr. Oeland attended the Upper Clear Creek Water Shed Meeting (UCCWS). It was reported that an engineering firm was approved by UCCWS to assess the downstream impacts that a wildfire may cause. The engineering firm will complete many site visits and may visit the St. Mary's community. Information that is gathered during this study will be used for planning and funding requests.

LEGAL MATTERS
CONTINUED

Discussion related to Personnel Matters: Mr. Mielke informed the Board that complaints had been received regarding the District's employee and that discussion of those complaints had been placed on the agenda for executive session. Mr. Mielke informed the Board that Mr. Oeland had been informed of his right to have the discussion occur in open session, rather than executive session. Mr. Oeland, who was present, stated his desire to have the matter discussed in open session. Director Ramsey reported that she received several phone calls from concerned residents on July 5th who stated that Mr. Oeland was using District equipment and resources to help a resident with a private matter. In the process, the District equipment became stuck in a ditch and unavailable to be used for District needs. Mr. Oeland reported that he was using the District's equipment to clear debris from a culvert and became stuck when he maneuvered too close to the side of the road to allow traffic to pass. The Board discussed the District's policies regarding use of District equipment for non-District matters. Director Brown stated that Director Hohne, who was absent from the meeting, would like to be a part of this discussion and recommended that the Board table further discussion until the next Board meeting. The matter will be set for the next regular meeting.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 9:17 p.m.

By: 
Secretary for the Meeting