

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF
DIRECTORS OF THE ST. MARY'S GLACIER WATER AND
SANITATION DISTRICT
HELD
Monday, August 24, 2020

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 24th day of August, 2020 at 6:00 P.M., via videoconference. Due to the State of Emergency declared by Governor Polis and the threat to health and safety posed by the COVID-19 pandemic, the meeting was held via video conference through Webex and telephone conference.

ATTENDANCE

Directors in Attendance Were:

Bruce Hohne, President
Glenn Clark, Treasurer
Jason Yoho, Secretary
Frank Brown, Assistant Secretary

Directors Absent, but Excused Were:

Beth Ramsey, Assistant Secretary

Also, in Attendance Were:

Jim Nikkel, Molly Janzen and Traci Miller; Pinnacle Consulting Group, Inc.
Colin B. Mielke; Seter & Vander Wall, P.C.
Bob Orsatti; Orsatti Water Consultants
Chris Oeland: St. Mary's Glacier Water and Sanitation District Operator
Kathy Burge, Patty Gangeloff, Anessa Touzi and Penny Landau; St. Mary's Glacier Residents.

The meeting was called to order at 6:03 P.M.

Director Hohne confirmed that a quorum of the Board was present with four out of five Board members in attendance.

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: Following review and discussion, upon motion duly made by Director Yoho, seconded by Director Brown and, upon vote, unanimously carried, the agenda was approved, as presented.

Minutes: The Board reviewed the minutes of the July 22, 2020 special meeting and the July 27, 2020 special meeting of the Board of Directors. Following review and discussion, upon motion duly made by Director Brown, seconded by Director Yoho and, upon vote, unanimously carried, the Board approved the minutes of July 22, 2020 special meeting and the July 27, 2020 special meeting of the Board of Directors, as presented.

Public Comments: Ms. Anessa Touzi posed questions regarding the Phase II Water Improvements Project and the District's financial information. Mr. Nikkel provided his contact information to Ms. Touzi to discuss the items outside of the Board meeting.

WATER SYSTEMS IMPROVEMENTS

Orsatti Water Consultant's Report: Mr. Orsatti reviewed with the Board the written Orsatti Water Consultant's Report, noting that a preconstruction meeting was held earlier in the week with a positive response.

Mr. Orsatti noted that the bond and insurance requirements from CGRS for the Phase II Water Improvements Project have been completed, a notice to proceed has been issued to CGRS, and construction activity has begun. Mr. Orsatti reviewed the proposed construction timeline and reported that construction will continue through November 2020, and resume in spring 2021.

Mr. Orsatti reported that comments from the CDPHE regarding the Wastewater project Project Needs Assessment remain pending and that permitting and site application activities will begin upon receipt of comments.

DISTRICT MANAGER ITEMS

ORC Report: Mr. Nikkel reviewed with the Board the written ORC Report, noting that new Omni Site antennas are needed for Well #1 and the Alice Booster Station. Mr. Nikkel recommended that the Board considers upgrading the monitoring system and will provide quotes from additional companies at the next Board meeting.

Operations Report: Mr. Oeland reviewed with the Board the written Operations Report, noting that the system development fee was received for 375 Silver Creek Road. Mr. Oeland stated that he will submit required documentation to Clear Creek County to perform the tap installation on the county owned road.

Mr. Oeland reported that the window in the backhoe needs replaced and provided cost estimates. It was the consensus of the Board to have the

window replaced as soon as possible.

Mr. Oeland reported that he continues to receive numerous utility locate requests daily and requested Board authorization to purchase necessary equipment to perform the utility locates.

Manager's Report: Mr. Nikkel reported that a system development fee was received for a property on Little Creek Road, for a total of four this year.

Mr. Nikkel reported that Mr. Daniel Oh, vacant lot owner, submitted an email requesting the Board to consider rescinding Availability of Service Fees (AOS) because those properties do not use the District's water and wastewater systems. Mr. Oh requested that the 2020 AOS Fee assessed to his property be waived. The Board discussed the AOS Fees and explained the history, purpose, and importance of the fee. The Board requested Pinnacle Consulting Group, Inc to update the FAQ flyer that had been previously distributed, which will assist future residents in understanding the AOS Fees. It was the consensus of the Board not to waive the 2020 AOS Fee assessed to Mr. Oh's property.

FINANCIAL
ITEMS

Consideration of Payables: Ms. Janzen reviewed with the Board the claims for the period ended July 31, 2020, totaling \$159,477.57. Following review and discussion, upon motion duly made by Director Hohne, seconded by Director Yoho and, upon vote, unanimously carried, the Board approved the EFT payments and the claims for the period July 31, 2020, totaling \$159,477.57.

Discussion Regarding Bill.com Approvers: Ms. Janzen reported that Director Clark is currently the only authorized approver in Bill.com, and recommended that the Board considers adding additional approvers in the event Director Clark is unavailable. Director Yoho and Director Brown volunteered to be added as approvers in Bill.com.

Review and Consideration of Financial Statements: Ms. Janzen reviewed with the Board the unaudited financial statements for the period ended June 30, 2020. Following review and discussion, upon motion duly made by Director Hohne, seconded by Director Yoho and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ended June 30, 2020.

Public Hearing Regarding 2020 Budget Amendment: Ms. Janzen presented the 2020 draft amended budget, including estimated revenues, expenditures and ending fund balances per the capital projects fund. Mr. Nikkel noted that publication of a notice regarding the public hearing for the amended 2020 budget was made in a newspaper having general circulation within the District. Ms. Janzen noted that the budget amendment will allow the District to pay off the remaining balance of the

District's 2001 DOLA loan. Ms. Janzen opened the public hearing to consider adoption of a Resolution to Amend the 2020 Budget. No written objections or public comments were received prior to the public hearing. There being no comments made by the members of the public in attendance, Ms. Janzen closed the public hearing.

Following discussion, upon motion duly made by Director Yoho, seconded by Director Ramsey and, upon vote, unanimously carried, the Board adopted the Resolution to Amend the 2020 Budget.

LEGAL ITEMS

Update Regarding Notice of Violation for 29 and 31 Eva Road: Mr. Mielke reported that no further information has been provided by the property owner, Mr. Landau, or his attorney regarding the Notice of Violation for 29 and 31 Eva Road. Mr. Mielke noted that he talked with the Landaus' attorney in June and anticipated a written response to follow. Mr. Mielke invited the Landaus, who were present at the meeting via telephone, to comment on the matter, and they stated that their attorney intends to provide a response in the near future.

Update Regarding Claims by Mr. Grech regarding Interruption of Service to 401 Lake Road: Mr. Mielke reported that no further information has been provided since Mr. Mielke's request for Mr. Grech to send copies of settlement documents that Mr. Grech had referenced in a previous correspondence.

Update regarding Correspondence from Ms. Gangelhoff regarding Extension of Service to Winterland Subdivision Unit 4, Lots 42 and 43: Mr. Mielke reported that the committee of two board members chosen at the last meeting met to discuss correspondence received from Ms. Gangelhoff requesting a refund of AOS Fees and for no further AOS fees to be charged to her properties. Mr. Mielke explained to the Board and the Gangelhoffs, who were present at the meeting via telephone, the District's position that her property is subject to and appropriately charged AOS Fees.

Mr. Mielke then noted that the committee also discussed the Gangelhoffs' previous request to allow their property to connect to water and sewer main lines at the corner of their property without extending the main lines to the furthest corner of her property line. Mr. Mielke confirmed that water and sewer main lines are within 100-feet of the property. Mr. Mielke reported that it was the consensus of the committee that due to unique circumstances related to the request, the Gangelhoffs should be granted a temporary variance in order to allow connection to the main lines without extending the main lines to the furthest corner of their property. Mr. Mielke requested guidance on a deadline for when the Gangelhoffs' property must be connected to the District's water and wastewater system. Ms. Ganglehoff requested that the deadline for building their cabin and connecting it to the District's water and

wastewater system be extended to five years.

The Board discussed the request and identified the following terms and conditions for the variance: (1) The property remains subject to any and all District fees, including AOS Fees; (2) the property owner must pay all system development fees, facility improvement fees, taps fees, and other connection fees within three years of the date of this meeting; (3) a dwelling unit must be connected to the District’s water and wastewater systems within five years of the date of this meeting. The Board noted that pursuant to the District’s rules, the District will construct the service line from the main line up to or near the property line, but only after all fees have been paid and a tap application is submitted by the property owner and approved by the District. If any of the terms and condition are not met, the variance will terminate. Mr. and Mrs. Gangelhoff voiced their consent to these terms and conditions during the meeting via telephone.

Following discussion, and upon motion duly made by Director Hohne, seconded by Director Yoho and, upon vote, unanimously carried, the Board approved the variance to the District Rules and Regulations as discussed. Mr. Mielke stated he would draft a document setting forth the terms, which could then be recorded against the property.

Update Regarding Woods Court Infrastructure Proposal: Mr. Mielke reported that the District’s consultants will continue to work on analyzing the proposal from Mr. Meyers to extend main lines down Woods Court.

DIRECTORS
ITEMS

POA Email: The Board reviewed an email from the POA requesting input on container homes and road repair. It was the consensus of the Board the that the District has no opinion on the allowance of container homes as long as they are able to comply with the District’s rules and regulations concerning water and sewer service and connection to the District’s main lines.

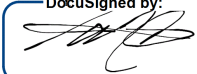
It was the consensus of the Board to direct Mr. Oeland to start taking before and after pictures of the roadways to confirm that roads are being returned to their original state after dig work by the District is completed.

OTHER ITEMS

Resident Request: Mr. Nikkel reported that a request was received from David and Suzi Miller requesting forgiveness on two-months of payments, as well as the establishment of a payment plan in the amounts of \$75/month. It was the consensus of the Board to accept the payment plan in the amount of \$75/month and waive any associated late fees. It was the consensus of the Board to not waive two-months of missed payments.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 7:13 p.m.

By:  _____
Secretary for the Meeting