

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
ST. MARY'S GLACIER WATER AND SANITATION DISTRICT
HELD
April 23, 2018

A regular meeting of the Board of Directors of the ST. MARY'S GLACIER WATER AND SANITATION DISTRICT (referred to hereafter as "Board") was convened on Monday, the 23rd day of April 2018, at 6:00 P.M., at Alice School House, 271 Silver Creek Road, Idaho Springs, Colorado, 80452.

ATTENDANCE

Directors in Attendance Were:

Dawn Czajka, President

Ray Hodge, Treasurer

Bruce Hohne, Director

Also in Attendance Were:

Gabrielle Begeman and Tom Schubert; ORC Water Professionals

Chris Oeland; St. Mary's Glacier Water and Sanitation District

Stan Myers, and Peggy Dowswell; Pinnacle Consulting Group, Inc.

Colin Mielke; Seter & Vander Wall, P.C.

Bart Bockman, Tom Meyers, Tisha Higgins, Dan and Reida Hartigan, Alicia Walsh, Rhinnon Deibert, Patricia Puszakowska, Donna Liptak, Kathy Grizzaffi, and Glen Clark; St. Mary's Glacier Community Members

Director Czajka called the meeting to order at 6:02 P.M.

Director Czajka confirmed that a quorum of the Board was present. There are two vacancies on the Board.

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: A proposed agenda for the regular meeting was distributed for the Board's review and approval. The agenda was amended to move the Operators' reports prior to community comments. Following review and discussion, upon motion duly made by Director Hodge, seconded by Director Czajka and, upon vote, unanimously carried, the agenda was approved

as amended.

Discussion regarding System Water Pressure Loss: The District's Operator in Responsible Charge (ORC), Ms. Begeman, updated the Board regarding pressure loss in the water system. Ms. Begeman described the extent of the water pressure loss, the activities performed to remedy the issue, and the area in which ORC believes a main line break may have occurred and caused the pressure loss. Ms. Begeman confirmed that all water quality tests show that the District's water has remained compliant with state regulatory standards. The District's legal counsel and management confirmed that the CDPHE's boil order remains in effect until further notice.

Mr. Clark from Leak Detection Services addressed the Board regarding the pressure loss and recommended to property owners that they locate and properly mark their curbstops, which will assist with future leak detection services.

Community Comments: At approximately 6:30 p.m. the meeting was opened to public comment. Approximately eight members of the public addressed the Board. The majority of the questions posed were from property owners in the Texas Drive and Harris Drive area and concerned the time schedule for full restoration of service and rescinding the boil order. Legal counsel and management reiterated that the boil order has been mandated by the CDPHE and will remain in effect for the foreseeable future. Ms. Begeman reiterated that all tests have shown that the District's water quality remains compliant with state regulations. Some members of the public expressed interest in volunteering to help during any future service interruptions. Mr. Mielke agreed to provide Mr. Myers with a description of the District's independent contractor requirements so Mr. Myers could identify whether his company could assist with issues in the future. The comment portion of the meeting was closed at approximately 7:05 p.m.

Minutes: The Board reviewed the minutes of the March 26, 2018 regular meeting of the Board of Directors. Following review and discussion, upon motion duly made by Director Czajka, seconded by Director Hodge and, upon vote, unanimously carried, the Board approved the minutes of the March 26, 2018 regular meeting of the Board of Directors.

FINANCIAL
MATTERS

Approval and Ratification of Claims: Mr. Myers reviewed with the Board the claims for the period ending April 13, 2018 totaling \$44,380.35 and noted the need to remove an invoice erroneously inserted for a different district. Mr. Myers noted that if approved, payments will be made to these invoices as funds are available.

Following review and discussion, upon motion duly made by Director Czajka, seconded by Director Hodge and, upon vote unanimously carried, the Board ratified approval of the EFT payments and approved the claims for the period ending April 13, 2018 totaling \$44,380.35, with removal of the erroneous invoice as discussed.

DISTRICT
MANAGER ITEMS

Review of Managers Report: Mr. Myers reviewed with the Board the written manager's report. Mr. Myers reported that during a phone call with the CDPHE and TZA Water Engineers, it was determined that the District's recent fee increase will support repayment of

the \$3 million loan contemplated by the District for system repairs.

Review and Consideration of Pinnacle Addendum to Services: Mr. Myers and Ms. Dowswell presented the Board with an Addendum to Services with Pinnacle Consulting Group, Inc. Mr. Myers and Ms. Dowswell described the write-offs on Pinnacle's invoices that have been completed to date and the need for an increase in the scope of work to properly manage the District. After extensive review and discussion, the Board decided to table this item until the May Meeting so that it can be considered alongside the proposed amended budget.

Discussion Regarding Tap Fees at 8575 Fall River Road: This item was moved to Executive Session.

Lot Combination Request – Lots 88 and 89, St. Mary's Subdivision Unit 2: The Board discussed a request from the owners of Lots 88 and 89, St. Mary's Subdivision Unit 2 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. The owners of the properties were not present at the meeting.

Mr. Oeland reviewed the request and determined that no existing District infrastructure is located within the easements and that there are no plans for the District to place infrastructure within those easements in the future.

The Board discussed that one of the lots has a home connected to the District's systems, and the remaining lot is vacant and subject to the District's availability of service fees.

The Board discussed its policy that it does not object to the combination of two lots when there is a currently connected home on one of the lots.

Following review and discussion, upon motion duly made by Director Czajka, seconded by Director Hodge 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 5-foot side lot 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 Application for Connection – Lot 49, St. Mary's Subdivision Unit 1: The Board discussed a request from the owners of Lot 49, St. Mary's Subdivision Unit 1 to connect to the District's Water and Sewer lines.

Following review and discussion, upon motion duly made by Director Czajka, seconded by Director Hohne and, upon vote unanimously carried, the Board approved the request to from the owners of Lot 49, St. Mary's Subdivision Unit 1 to connect to the District's Water and Sewer systems.

OPERATIONAL
MATTERS

OCR and Field Operations Reports: Ms. Begeman updated the Board on issues relating to wastewater operations. Ms. Begeman informed the Board of a shallow sewer main in Lower Forest Road between Deer Road and Beaver Road, noting that it has experienced freezing problems throughout the winter. The costs to jet and scope that portion of the sewer line is estimated at \$50,000. Ms. Begeman proposed two options for permanent repair of the line, including excavating the line, replacing it at the same depth, and insulating it; or excavating the line, replacing it at a lower depth so additional insulation would be unnecessary. Tom Meyers offered to lend assistance and asked Mr. Mielke to forward him information on the District's contractor requirements. After discussion it was decided that Mr. Myers will follow up with Chad Weaver and Gabby to figure out the best course of action moving forward.

Ms. Begeman also asked for the Board to approve acquisition of meters to measure sewage flows during the spring runoff. She also approached the board about CCTV of the entire sewer system for a cost of \$50,000. Action on this request was tabled until then amended budget can be evaluated.

Following review and discussion, upon motion duly made by Director Hodge, seconded by Director Hohne and, upon vote unanimously carried, the Board approved the purchase of three SS meters, not to exceed \$3,900.

Ms. Begeman also asked the Board for approval of the parts for the mixer pumps detailed in her March ORC report.

Following review and discussion, upon motion duly made by Director Hodge, seconded by Director Hohne and, upon vote unanimously carried, the Board approved the purchase of parts for mixer pumps, as detailed in the March ORC report and not to exceed \$7,988.

Operations Report: Mr. Oeland reported that his activity this month focus on remedying the water pressure loss.

EXECUTIVE
SESSION

Executive Session:

At approximately 8:20 p.m., Director Czajka moved that pursuant to section 24-6-402(4)(b) and (e), C.R.S. and upon an affirmative vote of at least two-thirds of the Board members present for the motion, the Board enter into executive session for the sole purpose of receiving legal advice and discussing negotiating positions related to request for tap fee reimbursement from the owner of Lot 13, Winterland Subdivision Unit 2; tap fees for 8575 Fall River Road; and litigation related to the owners of Lot 310, St. Mary's Subdivision Unit 3. Upon second and unanimous vote, the Board approved the motion to enter into executive session for the above-stated purpose.

The Board reconvened from executive session at approximately 8:40 p.m. and affirmed that no actions had been taken during executive session.

LEGAL MATTERS

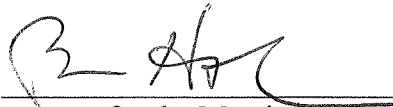
Mr. Mielke noted that the legal matters set forth on the agenda were addressed in executive session.

COMMUNITY
MATTERS

There were no community matters brought before the Board for consideration.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 8:43 P.M.

By: 
Secretary for the Meeting