

MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF
GREEN MOUNTAIN WATER AND SANITATION DISTRICT

December 14, 2021

A Regular Meeting of the Board of Directors (the "Board") of the Green Mountain Water and Sanitation District, (the "District") was held at 6:00 p.m. on Tuesday, December 14, 2021.

The audio recording of this meeting is available on the District's website.

Attendance: A regular meeting of the District was scheduled in compliance with the laws of the State of Colorado, with the following directors in attendance:

Jeff A. Baker, President (Teleconference)
Alex Plotkin, Secretary (Teleconference)
Karen Morgan, Vice President (Teleconference)
David Garner, Director (Teleconference)
Todd Hooks, Treasurer (Teleconference)

Also present were:

Kristan Buck, Interim District Manager
Sam R. McKay, District Information Technology
Jesse Davenport, District Information Technology
Doug Pavlich, District Accounting
Dylan Woods, Coaty Marchant Woods P.C.
Austyn Pantano, Field Supervisor
Terry Kenyon, Merrick Engineering
Alex Carlson, Centennial Consulting Group

Members of the Public in Attendance

Ludmila
David Wiechman
Imara
Angie Baker
303-588-0866

Call to Order / Declaration of Quorum: Director Baker, noting the presence of a quorum of three Directors, called to order the Regular Meeting of the Board of the Green Mountain Water and Sanitation District at 6:00 p.m.

Reading of the Agenda Director Baker read the agenda to the Board.

Directors & Disclosure Matters: None

Approval of/Deletions from the Agenda: None.

Public Comment None.

Approval of the Minutes

- a. Approval of November 9, 2021, Regular Meeting Minutes
Director Baker **MOVED** to approve the November 9, 2021, regular meeting minutes as presented. Director Plotkin seconded and upon vote the motion **PASSED** unanimously.

Maintenance Report

Mr. Pantano noted they are working through the endpoints and that he is awaiting some assistance from Badger Meter. He stated that there had been no main breaks reported within the last month.

Director Baker on behalf of the Board thanked the staff for a fantastic year.

District Manager's Report

This item was moved up in the Agenda due to technical issues with the Engineer's report.

- a. Employee Accomplishments and Compliments
Ms. Buck thanked the staff for assistance with office improvements. She noted a customer that thanked Luke and Cameron specifically for a job well done.
- b. Emergency Response Plan
The plan has been sent to the Board for review and Ms. Buck will submit the certification of completion to the EPA . Ms. Buck noted the plan is a living document.
- c. Office HVAC Project RFP
Ms. Buck discussed the bids that had been received and the number of contractors that had declined to bid. She noted that the one bid that had been received to date was for approximately \$75,000. She asked the Board to provide direction how to proceed. Ms. Buck clarified previous discrepancies between bids.

Considering the safety concerns associated with the needed improvements Director Baker asked the Board to move forward.

Director Baker **MOVED** to approve the HVAC repair bid not to exceed \$75,000. Director Garner seconded and upon vote the motion **PASSED** unanimously.

- d. Posting RFP Notices Ms. Buck described RFP postings on BidNet and Construct Connect as well as with the Daily Journal and noted there were other Districts that have consolidated their RFP postings. Following a question about who has historically posted the RFPs Mr. Kenyon noted that he has no overarching desire to publish notice of RFPs. He explained that he would happily assist staff to better understand the process going forward.

- e. Raftelis Rate Study Ms. Buck described additions to the study that were suggested by Director Morgan regarding the tier rate structure. Director Morgan acknowledged that it is not necessarily a priority and the Board advised not to add the additional services to the contract.

- f. Election Services Proposal Ms. Buck asked for additional questions on the two proposals presented.

Director Baker **MOVED** to approve the proposal presented by CRS Services. Director Morgan seconded and upon vote the motion **PASSED** unanimously.

Engineering Matters

- a. 2021 Capital Improvements Projects Updates
 - i. W/WW Construction Bid Tabulation Mr. Kenyon Presented:

Mr. Kenyon described the two bids that were received. One was submitted by Vortex and the other by American West Sewer. Both bids included a sewer lining. He continued that both were about 20% higher than what he had anticipated. Mr. Kenyon explained some notes in his Bid Summary to the Board.

Generally, Mr. Kenyon described a few anomalies to the bid line-item prices. He noted that a portion of the sewer line, previously thought to be lined is not actually lined, and it would be cost effective to include this portion of pipe in the wastewater project scope. He noted that American West may be amenable to negotiating the sewer scope of service to include the unlined portion of line, potentially leaving off the water scope of work. Director Baker asked if there was a high risk to not acting on one of the proposals immediately. Mr. Kenyon explained that he did not have major reservations about waiting to make the improvements. Mr. Hooks felt that overpaying when prices are rising for improvements that are not critical is not recommended. Director Baker requested that Mr. Kenyon explore options for moving forward on any of the proposals in part, or revising the project scope.

Mr. Kenyon has also mentioned that “additional reaches of sewer were incorrect on GIS.”

Pending those discussions, the Board may consider waiting for pricing to subside and then parse out water and sewer to be rebid separately.

Mr. Pantano asked about additional improvements that might be needed in the future as a result of tabling this item. Mr. Kenyon noted that it would be easy to add additional needed improvements to a future RFP.

- b. Red Zone Tank Warranty – Matergenics Updates
Mr. Kenyon stated that Matergenics is wrapping up the report and believes he will receive it in the next few days. Director Plotkin asked about an executive summary of the report. Mr. Kenyon affirmed that he would request an executive summary as part of the report. The Board generally discussed the delays in the report and the timing to bringing the third tank back online. Mr. Pantano described the redundancies in the system and stressed that it is important to continue forward but not critical at this point. Mr. Kenyon noted that removal of the liner could be the best option to get the tank back in service. The Board discussed ways to get the tank back online with the addition of equipment to avoid future issues. Director Baker stated that this is starting to pose a level of risks he was not comfortable with. Director Garner inquired as to at which point this may become a single point of failure. After Director Plotkin’s inquiry as to whether sandblasting may be needed for removal of the failed liner, Mr. Kenyon stated that sandblasting should not be needed, but he did not know for sure.
- c. 10700 W Exposition
Mr. Kenyon noted that he received new plans a few days ago and they will need to review the plans to ensure there have not been any substantive changes. Denver Water will also be reviewing the plans.
- d. Construction Project Status Spreadsheet Updates
Mr. Kenyon reported that all remains the same and they are awaiting “as-constructed” drawings for Green Mountain High School and Trailblazer Stadium.
- e. Alameda Water and Sanitation District
Mr. Kenyon reported that there has not been any further communication with the Alameda Water and Sanitation District. Director Morgan noted that there are other options to serve the customers but that cooperation with Alameda could

be advantageous to the District. The Board clarified that the expense of a lift station would be charged to the developer and recouped by the District. Mr. Kenyon stated that “best lift station is none at all”.. The Board generally discussed the constraints associated with an agreement with Alameda.

Director Morgan and Director Plotkin asked for additional information and clarification about service requirements to the new development. The Board discussed the costs associated with improvements and/or negotiations with Alameda. Director Garner proposed asking for some assistance from the City of Lakewood to place proper pressure on Alameda to discuss an agreement with GMWSD.

The Board requested staff, engineering, and counsel to further review the IGA and determine the obligations that are present between the GMWSD and Alameda according to historical agreements. Ms. Buck described her recollection of the conversations with the development team. Mr. Kenyon clarified that the relationship between the Districts is strong and that everyone remains open to an agreement that benefits both Districts and future development.

Director Morgan reiterated next steps which primarily consisted of receiving legal analysis of where the agreement stands and scheduling a meeting with Alameda to determine next steps.

f. Ravine Sewer Crossing

Mr. Kenyon described the easement in question. He further explained that discrepancies are not uncommon. Mr. Kenyon went on to discuss the processes that would need to take place to verify the location of sewer lines and the existing easement description. Director Plotkin asked Mr. Woods for his input. Mr. Woods stated that the current easement does not accurately describe the current path of the sewer crossing. Mr. Woods recommended that an update to the legal description would likely be the simplest solution. It is unlikely that the City of Lakewood would be interested in cost sharing.

The Board discussed the alternatives to either repair the existing bridge or to relocate the sewer line which would require building a new bridge. Mr. Kenyon agreed to prepare additional information to help the Board to act. He noted that he believed the structure could be repaired where it currently lays. The Board discussed federal funding that could be

available to the City of Lakewood and the District but that none is guaranteed or fully understood.

It was discussed that Lakewood is driving the point of view that the bridges are not walking bridges and the District is “on the hook” for fixing the issues caused to the support structures due to the damage caused by runoff. Directors agreed that it was important to engage the community “the right way”.

The Board directed Ms. Buck to initiate a new survey of the existing sewer line and Mr. Kenyon was directed to get additional details to inform the Board’s ultimate action and decision.

The Board took a 5-minute break.

Public Hearing on Proposed 2022 Budget

Director Baker **MOVED** to open the Public Hearing. Hearing no public comment Director Baker **CLOSED** the Public Hearing.

a. Resolution Regarding 2022 Budget

Director Baker **MOVED** to approve the Resolution to adopt the 2022 Budget as presented. The motion was seconded by Director Hooks. Director Morgan raised concerns regarding salary increases. The Board agreed to implement cost-of-living increases to all employees and to hold individual raises above the cost-of-living increase until further study is completed. Upon vote, the motion **PASSED** unanimously.

b. Resolution Regarding Rates and Fees

Director Baker **MOVED** to approve the Resolution Regarding Rates and Fees. Director Morgan seconded. Director Garner asked about the fees included within the resolution. He requested clarification on the fees. Ms. Buck clarified the rates and fees of the District. Director Plotkin noted that the fee increases were a result of other District suppliers increasing fees that are passed along to consumers. Upon vote the motion **PASSED** unanimously.

Financial Matters

Doug Pavlich presented:

a. November 2021/December 2021 Daily/Monthly Operation Expenses & Capital Expenditures

Mr. Pavlich asked for questions. Hearing none, Director Baker **MOVED** to approve the operating expenses and capital expenditures. Director Hooks seconded and upon vote the motion **PASSED** unanimously. The Board discussed check and resolution signers.

- b. November 2021 Unaudited Financial & Investment Report
Mr. Pavlich asked for questions. Director Garner **MOVED** to approve the unaudited Financial and Investment Report. Director Baker seconded and upon vote the motion **PASSED** unanimously.

- c. COLOTRUST and CSAFE Investment Options
Mr. Pavlich described a Certificate of Deposit (CD) that would mature in the near future. He advised the Board to close the CD. The Board generally discussed how to optimize returns for the cash available to the District. Director Hooks recommended the Board to move the maximum allowable funds into long term investments.

Director Baker **MOVED** to close the CD and to leave three million dollars in First Bank and to move five million dollars out of the general operating account into a CSAFE Core account. Director Hooks seconded. Director Morgan stated that she agreed with Mr. Hooks' position to optimize the return on idle cash as allowable by the Districts financial plan. Upon vote the motion **PASSED** unanimously.

The Board requested a report from staff to ensure idle funds are being invested efficiently. Mr. Pavlich agreed to provide information on all available rates at the next regular board meeting.

Director's Matters

- a. Request for reimbursement of Recall Expenses
Director Garner clarified with Mr. Woods that the expenses presented qualified for reimbursement. Director Garner **MOVED** to reimburse certain recall expenses to Director Morgan. Director Baker seconded and upon vote the motion **PASSED** unanimously.

- b. District Manager Replacement Hiring Process
Director Hooks suggested a committee to pare the candidates down to a smaller pool and then bring the short list of candidates to the full Board for interviews and discussion. He noted the prospects he preferred. Ms. Buck acknowledged that she had received the other Directors preferences in advance of the meeting. Mr. Woods recommended a two-step process for reviewing possible candidates. The Board generally described the first selection process and how many possible candidates would be presented for final consideration. Director Garner stated that he has no concern for the staff's opinion on who will become the next manager. He further stated that he is not interested in asking the possible candidates the same questions because each resume leads to different questions. Director

Garner and Director Baker expressed interest in being on the committee. Director Hooks **MOVED** to appoint Director Garner and Director Baker to select the most qualified candidates. Director Baker seconded and upon vote the motion **PASSED** unanimously.

c. Newsletter

Director Plotkin requested that the Board adopt a process to distribute newsletters to the community. He asked the Board to review the draft newsletter presented by the next regular meeting. The Board discussed options for distributing a newsletter as it relates to postage expenses. Mr. Davenport described the pros and cons to an insert versus email distribution. The Board weighed their options. Director Baker requested that the process be kept as simple as possible. Director Morgan stated that the newsletter should only contain Director Plotkin's voice to avoid issues. Director Plotkin will send a draft through Ms. Buck or Mr. Woods for Board consideration.

d. Salaried Staff Positions

Director Hooks asked why most employees were hourly instead of salary. Ms. Buck described the positions within the staff that are eligible to be salaried. She noted that some other staff positions should be reviewed for eligibility as salaried positions. Ms. Buck pointed the Board to examples the Board could use to update their compensation packages. Director Morgan requested that this be tabled until the next District manager has been selected. Director Garner described some conversations he has had with staff and noted concerns about pay scales across other Districts that could lead to a loss in good employees. The Board continued to discuss the salaries and raises offered to current staff as they relate to other employers and the Board's fiduciary responsibilities.

Legal Matters

Mr. Woods Presented:

Mr. Woods provided a general overview of the ongoing legal matters of the District.

a. Resolution Regarding May 2022 Election

Mr. Woods described the Resolution. He noted the Board had previously awarded CRS the contract to conduct the May 2022 election. Director Baker **MOVED** to hold the upcoming 2022 election by mailed ballot. Director Morgan seconded. Director Garner noted that a polling place election could provide certain cost efficiencies. Director Baker responded that a mailed ballot election increases participation substantially. Upon vote the motion **PASSED** unanimously.

b. 2022 Annual Resolution Mr. Woods described the 2022 Annual Administrative Matters Resolution. Director Plotkin **MOVED** to approve the Resolution as presented. Director Baker seconded and upon vote the motion **PASSED** unanimously.

c. Legal Matters Regarding Attorney Malpractice Suit Mr. Woods pointed to the legal overview that was provided to Directors in advance of the meeting.

Director Morgan asked the Board if they would like to consider additional processes associated with future inclusions into the District. The Board generally discussed their interest in changing the thresholds for future requests for service outside the boundaries of the District. Director Garner asked Mr. Woods if the SDA has done any inclusion exclusion classes at the annual conference. Mr. Woods felt it was likely classes have been offered in the past and would be again in the future.

Executive Session None.

a. Executive Session pursuant to §24-6-402(4)(d) and §24-6-402(4)(b), C.R.S. for the purpose of conferencing with an attorney to receive legal advice

New Business – Notifications for Next Board Meeting Director Plotkin noted revisiting the District Manager hiring process and possible distribution of a District Newsletter. Director Morgan asked the Board to discuss capital improvement and operations and maintenance costs for the Tamarisk development at a future meeting.

Adjourn: Director Baker **MOVED** to adjourn the meeting. Director Plotkin seconded the motion. The motion **PASSED** by unanimous consent, and the meeting was adjourned at 10:28 p.m.



Alex Plotkin, Secretary