

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

MONDAY, MARCH 28, 2022

A regular 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 28th day of February 2022 at 6:00 P.M., via Webex.

ATTENDANCE

Directors in Attendance Were:

Bruce Hohne, President
Glenn Clark, Treasurer
Jason Yoho, Secretary
Hans Hultgren, Assistant Secretary
James Jandreau, Assistant Secretary

[Arrived when indicated*]

Also, in Attendance Were:

Ryan Abbott, Molly Janzen, Jennifer Ondracek, Christy McCutchen, Kirsten Starman, Randall Provencio, Sarah Bromley and Shannon Metcalf; Pinnacle Consulting Group, Inc.
Gabby Begeman; ORC Operator
Colin B. Mielke; Seter & Vander Wall, P.C.
Chris Oeland; St. Mary's Glacier water and Sanitation District Operator
Tom Meyers, Resident
Ronnie Ratzloff, Resident

Also in attendance were various members of the public.
The meeting was called to order at 6:02 P.M.

Director Hohne confirmed that a quorum of the Board was present with five 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 Hohne, seconded by Director Clark and, upon vote, unanimously carried, the agenda was approved, as presented.

Minutes: The Board reviewed the minutes of the February 28, 2022 regular meeting of the Board of Directors. Following review and discussion, upon motion duly made by Director Hohne, seconded by Director Yoho and, upon vote, unanimously carried, the Board approved the minutes of the February 28, 2022 Regular Meeting of the Board of Directors, as presented.

Public Comments: There were no public comments.

WATER AND
WASTEWATER
SYSTEM
IMPROVEMENTS

Orsatti Water Consultant's Report: Mr. Orsatti reviewed with the Board the written Orsatti Water Consultant's Report included with the agenda packet detailing February activity. He also provided a summary of change orders and the wastewater report. He then covered upcoming work and answered questions.

Mr. Orsatti informed the Board of a request by a homeowner for assistance to fill a residential hot tub. The Board authorized Mr. Orsatti to assist the homeowner with the task via a water tank and truck.

Mr. Orsatti discussed the status of the Brook Drive repairs, which will be completed pursuant to the District's contract with Meyers Enterprises, LLC. Mr. Meyers, present at the meeting, confirmed he will begin the project in May 2022. Mr. Meyers further informed the Board that he plans to begin his Woods Court project in June 2022 and will work with Mr. Orsatti regarding materials, timing, and other project requirements.

Mr. Orsatti discussed the water project for 2022. Director Hohne noted that the connection of Alice and St. Mary's Glacier is a high priority for this construction season.

Mr. Orsatti discussed the proposed wastewater system repairs and improvements, noting that a wastewater system project is not expected to begin until at least 2023 to allow for the District to complete its current water project and seek grant or loan funding for wastewater repairs and improvements.

DISTRICT
OPERATIONS/
MANAGEMENT
ITEMS

Operations Report: The Board noted its receipt of the written operations report. Mr. Oeland provided an update to the board and answered questions. Mr. Oeland updated the Board regarding a freeze of the sewer line on Silver Creek that had been repaired. Mr. Oeland stated that he is in the process of researching hot-jetter replacement costs verses a full replacement.

ORC Report: Ms. Begeman informed the Board that operations within

the District are normal. Ms. Begeman asked the Board about the status of Mr. Oeland assuming some of the responsibilities currently performed by ORC Water Professionals. Mr. Oeland confirmed he is close to renewing his licenses. The Board expressed its desire for Mr. Oeland to complete the renewal classes quickly and confirmed that the District will reimburse Mr. Oeland for the costs of those classes. Mr. Oeland, Ms. Begeman, and the Board discussed Mr. Oeland possibly obtaining a PRV certification, and Ms. Begeman noted that a PRV certification is not necessary for Mr. Oeland to assume the responsibilities of ORC Water Professionals.

Manager's Report: Mr. Abbott presented the Board with a written report and discussed the contents of the report with the Board.

Mr. Abbott then reviewed the tap application and permit updates. There was discussion regarding edits for the application. It was determined that the Mr. Oeland and Pinnacle staff would perform an in-depth review of the application and then revise with edits before it is finalized. Director Yoho offered to send to Mr. Mielke some recommended language regarding the one-year grace period related to service fees to consider including in the draft tap application.

Mr. Abbott and Mr. Mielke then discussed a waiver of certain fees for 86 Little Creek Road and 64 Little Creek Road in St. Mary's Subdivision, Unit 4, Lots 556-557. The Board discussed its agreement to waive certain fees for those properties at its December 2021 board meeting at the request of the property owner, consisting of fees incurred from January 2021 through August 2021. Mr. Abbott noted that there are still outstanding fees for those properties from December 2020, as well as from September 2021 going forward. The Board confirmed that its intention at the December 2021 board meeting was to waive the fees owed for December 2020, but that fees owed from September 2021 going forward were not waived because the current property owner acquired those properties in September 2021 and was aware of the fees that would be charged going forward at the time he acquired the property.

Following review and discussion, upon motion duly made by Director Hohne, seconded by Director Jandreau and, upon vote, unanimously carried, the waiver of fees was approved, but not to include transfer fees, as presented.

FINANCIAL
ITEMS

Consideration of Payables: Ms. Janzen reviewed with the Board the claims for the period ended February 28, 2022, totaling \$62,657.30. Following review and discussion, upon motion duly made by Director Clark, seconded by Director Yoho and, upon vote, unanimously carried, the Board approved the EFT payments and the claims for the period ended February 28, 2022, totaling \$62,657.30.

Ms. Janzen reviewed with the Board the unaudited financial statements

for the period ended February 28, 2022. Following review and discussion, upon motion duly made by Director Hohne, seconded by Director Yoho and, upon vote, unanimously carried, the Board approved the unaudited financial statements for the period ended February 28, 2022.

Ms. Janzen then provided an update on the Receivables and Collections process. Ms. Janzen requested authority to write off approximately \$5,500 in accounts receivable that have been outstanding for inactive accounts and that Pinnacle deems uncollectable. The Board discussed the request and upon motion made, seconded and unanimously carried, the Board approved the request to write-off the amounts requested.

Resolution regarding Water and Sewer Tap: Mr. Mielke presented the Board with a Resolution confirming the existing of a water and sewer tap for Lot 39, Winterland Subdivision, Unit 2. After review and discussion, and upon motion made, seconded and unanimously carried, the Board adopted the resolution as presented.

Refunds: Ms. Janzen informed the Board that the District received a request for a refund of Availability of Service Fees paid by the owners of Unit Lot, Lot 79 and Unit 3. Lot 421. Ms. Janzen confirmed that a refund of the fees paid was appropriate after further review by the District of those properties' locations in relation to the District's water lines. After review and discussion, and upon motion made, seconded and unanimously carried, the Board approved the refunds for those two properties as requested.

Engagement of Auditor for 2021 Audit: Ms. Janzen presented the Board with an updated audit engagement letter from John Cutter & Associates, noting that is has been updated because the District does not need a single audit format for its 2021 audit. After review and discussion, and upon motion made, seconded and unanimously carried, the Board approved the engagement of John Cutter & Associates to perform the 2021 audit as presented in the audit engagement letter.

LEGAL ITEMS

Consider Approval of Assignments of Contracts from Orsatti Water Consultants to Anchor QEA: Mr. Orsatti discussed the recent merger of Orsatti Water Consultants with AnchorQEA and the need to assign the District's contracts with Orsatti Water Consultants to AnchorQEA, and presented the Board with agreements to assign those contracts. Following review and discussion, upon motion duly made by Director Hohne, seconded by Director Jandreau and, upon vote, unanimously carried, the Board approved the assignment of its contracts with Orsatti Water Consultants to Anchor QEA.

Consider Ratification of Change Order Request #5 with CGRS for Water System Improvement Project: Following review and discussion, upon motion duly made by Director Hohne, seconded by Director Jandreau

and, upon vote, unanimously carried, the Board approved the Ratification of Change Order Request #5 with CGRS for Water System Improvement Project.

Consider Approval of Change Order Request #6 with CGRS for Water System Improvement Project: The Board discussed proposed Change Order #6 for the CGRS water project contract, related to an increase in contract price due to the pandemic. The Board reviewed and discussed the items set forth in the change order. Directors Jandreau and Hultgren requested additional information regarding the items set forth in the change order. Mr. Orsatti and Ms. Starman agreed to obtain additional information and to set a meeting with CGRS to discuss the change order with board members invited to attend so long as there is less than a quorum in attendance at the meeting for purposes of compliance with the Open Meetings Law. The Board determined to table consideration of the change order to a future board meeting to allow for further review and discussion of the topic.

Update Regarding May 2022 Regular Election: Mr. Mielke noted that the District did not receive self-nomination forms for more candidates than seats available and that the election has been cancelled.

Discussion regarding Service Line Freeze for 401 Lake Road: Mr. Mielke explained that he talked with Mr. Grech over the phone and the issues raised by Mr. Grech are the same issues that the District addressed as part of the settlement with Mr. Grech in 2013. Mr. Oeland noted his understanding that any freezing problem was caused by Mr. Grech forgetting to trickle before leaving his home for an extended period of time.

DIRECTORS
ITEMS

Director Hultgren explained that he is concerned that there is too much work for Mr. Oleland to solely handle. He believes the District should consider hiring a seasonal or part-time employee to assist in the work load for the summer season. The Board discussed creating a committee to review and approve an appropriate hourly rate and scope of work for each project. After discussion, and upon motion made, seconded and unanimously carried, the Board approved the creation of a committee consisting of Directors Hultgren and Jandreau, with the authority to review and approve an hourly rate and scope of work for an additional hourly employee on a project-by-project basis, with a not-to-exceed total expenditure for 2022 of \$30,000.

The Board discussed the potential purchase of a hot jetter. The Board noted that a new hot jetter may not be within the District's budget, and directed Mr. Oeland to research other options, including the purchase of a used hot jetter.

OTHER ITEMS

There were no additional items.

EXECUTIVE
SESSION

At approximately 9:45 p.m., Director Hohne 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 purpose of receiving legal advice and negotiating positions related to lawsuits filed by the owners of 29 and 31 Eva Road and 230 Little Creek Road. 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 10:45 p.m. and affirmed that no actions had been taken during executive session.

The Board discussed authorizing the District's legal counsel to represent the District in the litigation matters and upon motion made, seconded and unanimously carried, approved the District's legal counsel to represent the District in such matters.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 10:46 P.M.

By:

Shannon Randazzo

Shannon Randazzo, Secretary for the
Meeting