

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

MONDAY, November 15, 2021

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 15th day of November 2021 at 6:00 P.M., at 270 Silver Creek Road, Idaho Springs, Colorado 80542.

ATTENDANCE

Directors in Attendance Were:

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

Also, in Attendance Were:

Jesse Mestrovic, Molly Janzen and Elaina Cobb; 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
Gabby Begeman; ORC Operator
Bruce and Lynne Boynton, Charles Willis, James Wilson, Tom Meyers, Marc L., Stephen Erickson, Katie Casanova, Chuck Lonhenry, Kim Mognoli, Alexis, Christina C., Lea Burbuas, David King, Patrick Nolet, Rhannon Deibert, Lynne Burbilas, Joseph Webb: Members of the Public

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

Director Hohne confirmed that a quorum of the Board was present with three 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 Hultgren and, upon vote, unanimously carried, the agenda was approved, as presented.

Minutes: The Board reviewed the minutes of the October 25, 2021 special 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 October 25, 2021 special meeting of the Board of Directors, as presented.

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 August and September activity and planned work for November and answered questions.

DISTRICT
OPERATIONS/
MANAGEMENT
ITEMS

Operations Report: The Board noted its receipt of the written operations report.

ORC Report: Ms. Begeman addressed the Board informed the Board that operations within the District are normal.

Manager's Report: The Board noted its receipt of the written management report.

FINANCIAL
ITEMS

Consideration of Payables: Consideration of payables was tabled until the following board meeting.

Review and Consideration of Financial Statements: Ms. Janzen reviewed with the Board the unaudited financial statements for the period ended September 30, 2021. Ms. Janzen noted that there will not need to be an amendment to the 2020 budget. Ms. Janzen also confirmed that the District sole existing debt is its 2018 loan, which bears interest at the rate of 0%. 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 September 30, 2021.

Review and Consideration of Collections Process: Ms. Janzen reviewed with the Board the collection process. Following review and discussion, upon motion duly made by Director Hohne, seconded by Director Jandreau and, upon vote, unanimously carried, the Board approved the collection process with a \$15 late fee.

Public Hearing Regarding Certification of Delinquent Accounts to

County Treasurer: Ms. Janzen presented the Board with a resolution regarding certification of delinquent accounts and a list of delinquent accounts that meet the statutory criteria for certification of those account to the County Treasurer to be collected with property taxes. Mr. Mielke confirmed that notice of the delinquencies and public hearing were delivered to the applicable accounts. Ms. Janzen informed the Board that several property owners had sent in payments and the list would be updated to remove those accounts that had been paid.

The Board reviewed the list of remaining accounts subject to certification to the County Treasurer. The Board opened the public hearing on the certification of the delinquent account and asked if any representative were present for the accounts.

The owner for 110 Alice Road addressed the Board and stated that Pinnacle had confirmed that his account is paid in full. Ms. Janzen informed the Board that she will research this particular account to confirm it is up-to-date and can be removed from the list of accounts to be certified.

Mr. Boynton addressed the Board regarding properties he recently purchased through tax lien sales with the County. He informed the Board he has paid approximately \$27,000 over the past couple months to cover past due taxes and water and sewer service fees, but that he was informed additional amounts remain due and owing for 2021. Mr. Boynton asked the District to discharge the remaining amounts because of his prior payments toward delinquent amounts on those properties. The Board noted those properties will be removed from the certification of delinquent account list, but tabled any determination on the discharge of remaining amounts to a future board meeting.

Mr. Webb, attorney for the owners of 29 and 31 Eva Road, and Ms. Landau, one of the owners of the properties, addressed the Board regarding certification of the past due account for 31 Eva Road and the Landaus' position that 29 and 31 Eva Road should be considered a single account. The Board's position has been that 29 and 31 Eva Road are separate accounts. Mr. Mielke reminded the Board that 31 Eva Road was removed from the delinquent account list during last year's certification hearing to give the parties time to reach agreement. Mr. Webb and Mr. Mielke confirmed that no progress has been made regarding the disagreement. After discussion by the two sides, the Board discussed the certification for 2021 and determined that certification is appropriate for 31 Eva Road.

There being no further comments, the public hearing was closed.

Resolution Regarding Certification of Delinquent Accounts to County Treasurer: After discussion, and upon motion made by Director Hohne, seconded by Director Hultgren and, upon vote unanimously carried, the

Board approved the Resolution regarding Certification of Delinquent Accounts to the County Treasurer with the modification to the certification list as discussed.

2021 Audit Engagement Letter: Ms. Janzen informed the Board that she is continuing to look for auditors to perform the District's 2021 audit, and will present a proposal to the Board at a future board meeting.

District Fees for 2022 and Setting of Fee Schedule Determination and 2022 Budget Hearing: Mr. Mestrovic presented a rate increase proposal powerpoint presentation to the Board and community. Mr. Mielke stated that consideration of fee increases for 2022 is expected to occur at the December 13, 2021 board meeting and that the District is seeking discussion and input from the community at this meeting as well as the December meeting to provide ample opportunity for community engagement. Ms. Janzen further reviewed with the Board Pinnacle's proposal for fees in 2022. At this time, the Board opened the meeting for public comment and entertained questions and comments regarding fee increases and other District matters.

Mr. Meyers addressed the Board regarding the water system project. Mr. Meyers discussed increases to the project cost due to project delays and materials price increases. The Board noted that increased pricing has not yet been approved by the Board, and that the most recent change order was solely for a one-year extension to the project completion date. The District's engineer, Orsatti Water Consultants, will be negotiating scope and pricing in the near future. Mr. Meyers suggested that short-term rentals should bear a larger cost to complete the project due to their increased impacts on the District's systems.

Mr. Longhenry asked about demobilization and remobilization costs and who is responsible for scrutinizing the terms of change orders. The Board noted that it is responsible for approving any pricing changes and that the District's engineer and the Board scrutinize terms for proposed change orders.

Ms. Casanova asked about the status of Elk Court repairs. The Board informed Ms. Casanova that it had sought bids for potential repair work and that the District received only one bid, which came back much higher than the District's budget. The District approached three other contractors to perform the work and all three rejected the project. The Board is seeking interim repairs that are within the District's budget. Mr. Lamoreaux suggested placing additional grading over the line to increase insulation and stated his position that he should not have to pay full price because of the water outages he experiences. Other property owners on Elk Court expressed their frustration with water outages and demanded action be taken to remedy the outages. The Board reiterated its plan to try various methods to fix the water outage problem.

Ms. Heeley at 58 Brook Drive stated her belief that the District will have the highest water and sewer rates in the country next year if a fee increase is implemented, and asked whether federal grant money is available. The Board discussed its attempts to acquire loans and grants from federal and state resources. Another customer stated she is tired of continual rate increases. She noted that fees should not be discussed at this meeting because the fee notice has not yet been published for 30 days and noted a previous discussion she had with the executive director of the Special District Association. Mr. Mielke noted that a fee notice for the December 13, 2021 public meeting has been published pursuant to statute, that fee increases will be considered at that meeting, and reiterated the District's desire to provide ample opportunity for public input.

There being no further public comment, the Board closed the public comment period.

LEGAL ITEMS

There were no Legal items presented at this time.

DIRECTORS
ITEMS

There were no Director items presented at this time.

OTHER ITEMS

There were no other items presented at this time.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 7:45 P.M.

By:

Elaina Cobb, Secretary for the Meeting