

MINUTES OF THE REGULAR MEETING OF THE BOARD OF
DIRECTORS OF THE ST. MARY'S GLACIER WATER AND
SANITATION DISTRICT
HELD
Monday, June 24, 2019

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 24th day of June 2019, at 6:00 P.M., at Alice School House, 271 Silver Creek Road, Idaho Springs, Colorado, 80452.

ATTENDANCE

Directors in Attendance Were:

Glenn Clark, Treasurer
Jason Yoho, Secretary [Appointed during the meeting]
Frank Brown, Assistant Secretary
Beth Ramsey, Assistant Secretary

Directors Absent, but Excused Were:

Bruce Hohne, President

Also, in Attendance Were:

Jim Nikkel and Traci Miller; Pinnacle Consulting Group, Inc.
Colin B. Mielke; Seter & Vander Wall, P.C.
Chris Oeland; St. Mary's Glacier Water and Sanitation District Employee
Bob Orsatti; Lamp Rynearson (TZA Water Engineers)
Christine Capan and Frank Capan, and Tom Meyers; St. Mary's Glacier Community Members.

Director Clark called the meeting to order at 6:06 P.M.

Director Clark confirmed that a quorum of the Board was present.

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: Director Brown recommended amending the agenda to add an item for Mr. Meyers' request to combine certain lots. Following review and discussion, upon motion duly made by Director Ramsey, seconded by Director Clark and, upon vote, unanimously carried, the agenda was

approved as amended.

Appointment of Board Members: Mr. Mielke reported that his office received a letter of interest from Mr. Jason Yoho, who is interested in serving on the Board, and that one vacancy currently exists on the Board. The Board reviewed and discussed the letter of interest and qualifications.

Following review and discussion, upon motion duly made by Director Ramsey, seconded by Director Brown and, upon vote unanimously carried, the Board appointed Jason Yoho to serve on the Board of Directors.

Director Yoho read and signed his oath of office and was appointed as secretary to the vacant seat term expiring May 2020.

Public Comments: Director Clark opened the meeting for public comment. There were no comments from the community members present. Director Clark closed the public comment period.

Minutes: The Board reviewed the minutes of the May 28, 2019 special meeting of the Board of Directors. Following review and discussion, upon motion duly made by Director Brown, seconded by Director Ramsey and, upon vote, unanimously carried, the Board approved the minutes of May 28, 2019 special meeting of the Board of Directors, as presented.

WATER SYSTEM
IMPROVEMENTS
UPDATE

Lamp Rynearson's Report: Mr. Orsatti reported that the public road near the location of wellhouse #1 is not within the surveyed right-of-way. The District would like to locate its planned new water lines under the roadway, and therefore Mr. Orsatti recommended that the Board contact the applicable property owner to discuss granting the District a 20-foot utility easement in order to keep the road and water lines in their current locations. Directors Brown and Ramsey will contact the owner and Mr. Mielke will contact the conservator, if needed. Mr. Orsatti reported that the modifications to wellhouse #1 have been reconfigured so that the new wellhouse will fit into the boundaries of the existing lot owned by the District and an additional easement will not be required.

Mr. Orsatti reported that an initial meeting between Directors Hohne and Brown and owner of lot 70 was held to discuss granting the District an easement to allow for easier access to the wellhouse #3 location. The property owner is interested in completing a square foot for square foot land reallocation with the District in Tract A. Following review and discussion, upon motion duly made by Director Ramsey, seconded by Director Brown and, upon vote, unanimously carried, the Board appointed Directors Hohne and Brown to continue negotiating with the owner of lot 70 in order to reach a final agreement regarding reallocation of land.

Mr. Orsatti reported that the final bid documents will be made available

Tuesday, June 25, 2019 and will be advertised for 30 days. Mr. Orsatti requested that the regular Board meeting for July be re-scheduled to the 29th in order to allow enough time for the bidding process. It was the consensus of the Board to re-schedule the July meeting to July 29th. Mr. Orsatti reported that the pre-bid meeting will be held on-site on July 15th at 2:00 to allow interested contractors the opportunity to visit the site. The bid opening will be held on Friday, July 23rd at the offices of Lamp Rynearson, and Mr. Orsatti will recommend which contractor to award the bid to at the Board meeting on July 29th.

Mr. Orsatti reported that the wastewater pre-application was submitted to CDPHE and DOLA on Friday, June 21st. There is not an estimate on when a response will be received.

Mr. Orsatti reported that the drilling contractor has completed the drilling of the Test Well and that preliminary indications are favorable for similar water production at the existing Wells in the District. Mr. Orsatti reported that the contractor has experienced a scheduling conflict and has requested a 30-day extension to complete the re-drill. The extension will not impact other projects in the District or have a monetary impact. It was the consensus of the Board to authorize the 30-day extension request. The Board directed Pinnacle Consulting Group, Inc. to send communication to residents to inform of the change in schedule.

Mr. Nikkel requested that the Board consider ratifying Amendment No. 3 with Lamp Rynearson. Following review and discussion, upon motion duly made by Director Ramsey, seconded by Director Brown and, upon vote, unanimously carried, the Board ratified Amendment No. 3, subject to the removal of supplemental term number six regarding limitations on damages.

DISTRICT
MANAGER
MATTERS

ORC's Report: There was no new information to present.

Operations Report: Mr. Oeland reviewed a written Operations Report with the Board and discussed recent operations.

Manager's Report: Mr. Nikkel reported that the system is thawed, and all residents currently have water.

Mr. Nikkel presented the Designation of Member Representative and Alternate Member Representative for the Colorado Special Districts Property and Liability Pool to the Board. Following review and discussion, upon motion duly made by Director Brown, seconded by Director Ramsey and, upon vote, unanimously carried, the Board approved the Designation of Member Representative and Alternate Member Representative for the Colorado Special Districts Property and Liability Pool, and designated Mr. Nikkel as the Member Representative and Ms. Janzen as the Alternate Member Representative.

Mr. Nikkel presented the Authorization of Entity Administrator – System for Award Management (SAM) to the Board. Following review and discussion, upon motion duly made by Director Brown, seconded by Director Ramsey and, upon vote, unanimously carried, the Board approved the Authorization of Entity Administrator – System for Award Management (SAM) and appointed Ms. Janzen as the Entity Administrator.

FINANCIAL
MATTERS

Review and Consideration of Payables: Mr. Nikkel reviewed with the Board the claims for the period ended June 21, 2019, totaling \$51,741.37.

Following review and discussion, upon motion duly made by Director Brown, seconded by Director Ramsey and, upon vote, unanimously carried, the Board ratified the EFT payments and the claims for the period ended June 21, 2019, totaling \$51,741.37.

2018 Audit Extension: Mr. Nikkel reported that the draft audit for the District has not been completed. Mr. Nikkel noted that accounting staff will file a 60-day audit extension with the State Auditor’s Office. The audit is expected to be presented for approval for the Board at the next meeting. Following review and discussion, upon motion duly made by Director Ramsey, and seconded by Director Brown, the Board approved the 2018 audit extension for the.

LEGAL MATTERS

Discussion Regarding Lot Combination Request for Unit 2, Lots 288 and 290: The Board discussed a request from Frank and Christine Capan of Lots 288 and 290, 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. Chris Oeland has evaluated this situation in the field and found no issue with allowing Mr. and Mrs. Capan to combine these lots.

Following review and discussion, upon motion duly made by Director Brown, seconded by Director Ramsey 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 rear lot line 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 and side lot lines for the lots.

Discussion Regarding Lot Combination Request for Unit 2, Lots 297 and 298: The Board discussed a request from Tom Meyers of Lots 297 and 298, 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. Chris Oeland has evaluated this situation in the field and found no issue

with allowing Mr. Meyers to combine these lots.

Following review and discussion, upon motion duly made by Director Brown, seconded by Director Ramsey 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 line 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.

DIRECTORS
MATTERS

Website, Communication and Proper Notification Procedures: Director Ramsey reported that District website via the National Rural Water Association has been created. Director Ramsey will work with Ms. Miller to upload District documents to the new website.

Water Conservation Plan: Director Ramsey reported that the District does not currently have a water conservation plan. Director Ramsey stated that there is a 25%-75% matching grant available to help write the water conservation plan. It was the consensus of the Board to grant Mr. Nikkel an additional 20 hours to draft the District's water conservation plan.

Illegal Camping: Director Ramsey reported that illegal camping is occurring near the wastewater treatment facility via an access point near Fall River Road. Director Ramsey stated that she has spoken with the Sheriff's office and asked that trespassers are removed from the property. The Board directed Mr. Oeland to move large boulders into the path to deter people from driving into the area and illegally camping.

Grant Update: Director Ramsey reported that the District has received approval from the Energy/Mineral Impact Assistance Fund Grant to submit a \$1 million-dollar grant application in August. If accepted, the District will be required to present to the Energy/Mineral Impact Assistance Fund Board in November. Grants will be awarded in December.

LEGAL MATTERS
CONTINUED

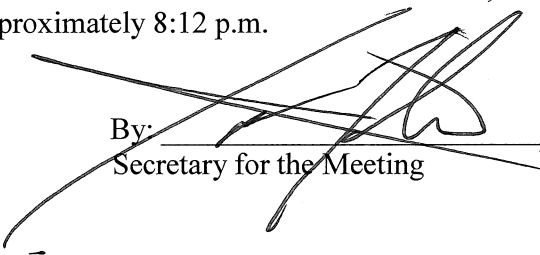
Discussion related to Personnel Matters: The Board discussed the management of its District Employee. Mr. Oeland stated that he prefers to be self-managed but have communication filter through the District Manager in order to allow him the opportunity to focus on the projects in the field. Director Ramsey stated that she would like for the Board to establish an organizational chart and a policy and procedure manual regarding the management of the District employee. Following review and discussion, upon motion duly made by Director Ramsey, and seconded by Director Brown, the Board directed the District Manager to be the primary

point of contact for the District Employee. The Board further directed the District Employee to communicate status updates, concerns, issues, etc. to the District Manager.

Discussion regarding Demand for Payment: Mr. Mielke reported that the owner of Lots 29 and 31 Eva Road alleges he was charged two service fees for numerous years but that he should only have been charged one service fee because he has only one service line for those properties. The owner has demanded he be reimbursed for the alleged overcharges. Mr. Mielke informed the Board that he researched the matter and the owner has made similar demands against the District since 2011, which the District has repeatedly denied due to the inaccuracy of the demands. Mr. Oeland provided an overview of the water connections for those properties. Mr. Mielke noted that the District's rules and regulations require separate structures to have independent water service lines, and that the structures at 29 and 31 Eva Road are connected by one service line in violation of the District's rules and regulations. Each structure is required to have a separate service line and be charged separate service fees pursuant to the District's rules and regulations. Mr. Mielke noted that the prior management company had charged only one service fee for the properties and that the properties were still being charged only one service fee. The Board discussed the properties' violations of the District's rules and regulations and upon motion duly made by Director Ramsey, and seconded by Director Brown, the Board directed Mr. Mielke to draft a Notice of Violation outlining the applicable rules and regulations to be delivered to the owner of Lots 29 and 31 Eva Road..

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 8:12 p.m.

By: 
Secretary for the Meeting