

# RECORD OF PROCEEDINGS

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## MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF THE

ST. MARY'S GLACIER WATER & SANITATION DISTRICT

Held: Monday, February 23, 2015 at 6:00 p.m., at 271 Silver  
Creek Road, Idaho Springs, Colorado.

### Attendance

The special meeting of the Board of Directors of the St. Mary's Glacier Water and Sanitation District was called and held in accordance with the statutes of the State of Colorado. The following Directors, having confirmed their qualifications to serve on the Board, were in attendance:

Kat Thompson – Vice President  
Sean Hedgecock - Secretary  
Gaile Mink - Treasurer  
Absent: None.

Also present was Colin B. Mielke, Seter & Vander Wall, P.C.

### Call to Order

Director Thompson noted that a quorum of the Board was present and that the Directors had confirmed their qualifications to serve, and therefore called the special meeting of the Board of Directors of the St. Mary's Glacier Water and Sanitation District to order.

### 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.

### Discussion re Public Comment Policy

Mr. Mielke presented the Board with a resolution and policy regarding public comment at Board meetings. The Board reviewed the policy, and upon motion, seconded, and unanimously carried, the Board approved the policy and directed the policy to be posted on the District's website.

### Changes to Agenda

The Board reviewed the agenda, and upon motion, seconded, and

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be posted on the District's website.

## Changes to Agenda

The Board reviewed the agenda, and upon motion, seconded, and unanimously carried, the Board approved modification of the agenda, such that the Affidavit of Qualification and Conflicts of Interest items would be addressed after the appointment of any new Board members.

## Approval of Minutes

The Board reviewed the minutes from the January 13, 2015 Board meeting. Upon motion by Director Thompson, second by Director Mink, the minutes were approved, with Director Hedgecock voting against approval of the minutes.

The Board next reviewed the minutes from the January 20, 2015 special meeting. Upon motion, seconded, and unanimously carried, the Board approved the minutes of January 20, 2015.

## Discussion re Appointment of Directors to Vacancies

Director Thompson announced that the Board is seeking candidates to fill the two vacant positions on the Board, and stated the names of persons who had submitted their interest in serving on the Board. Director Thompson addressed the public to determine if there were any other interested persons. At this time, Dawn Czajka, a member of the public, expressed her desire to serve on the Board and stated her qualifications.

Director Hedgecock moved to appoint Dana Henry to the Board. Director Thompson and Director Mink stated their desire to discuss additional candidates prior to voting on any individual candidate. Director Hedgecock's motion failed for lack of second, and the Board proceeded to discuss the other candidates.

Upon completion of discussion, Director Hedgecock moved to appoint Dana Henry to the Board, and upon second by Director Mink, Mr. Henry was appointed to the Board. Director Thompson voted against the appointment. At this time, Mr. Henry verified his qualifications to serve on the Board and completed his oath of office, thereafter taking his seat as director.

The Board proceeded to discuss other candidates to fill the remaining vacant position. The following candidates were not appointed, due to failure to secure the requisite number of votes by existing Board members: Dan Parsons, Tom Meyers, John Pacetta, and Dawn Czajka. Nicole Arambide, who expressed her desire to serve on the Board at the previous meeting, withdrew her application prior to the current meeting. Having no further

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candidates to discuss, the fifth position on the Board was left vacant.

## Report from Operator

Mr. Chris Oeland, employee for the District, provided his report to the Board regarding the status of the District's water and wastewater system. Mr. Oeland informed the Board that two new pumps have been installed at the District's plant.

Mr. Oeland informed the Board that he received a report that the bed and breakfast building had experienced an interruption of water service, but that water service has since been restored.

## Accounting

Director Mink presented the Board with the District's financial statements and payment of claims. After review by the Board, and upon motion, seconded and unanimously carried, the financial statements were accepted as presented and the payment of claims were approved.

The Board discussed past due accounts and instructed legal counsel to conduct research on manners in which the District can collect the outstanding amounts due to the District.

The Board discussed a request from Troy Mackley that the District reimburse Mr. Mackley for lost and damaged tools, in the amount of \$24,189, and reviewed a list of items provided by Mr. Mackley for which he requests reimbursement. The Board discussed the need to inspect the tools that were damaged and the possibility of obtaining an accounting for the tools that were lost prior to any reimbursement.

The Board discussed a request for reimbursement from Mr. Mackley for gasoline expenses related to District work in the amount of \$713. After discussion, and upon motion, seconded and unanimously carried, the Board approved reimbursement of gasoline expenses in the amount of \$713.

The Board discussed reimbursement of costs to Mr. Mackley for application fees to test for his D-certified operator license. Upon motion, seconded and unanimously carried, the Board approved reimbursement of the fees paid by Mr. Mackley for his D-certified operator testing.

The Board discussed paying for Mr. Oeland's application fees to take his D-Certified operator testing. Upon motion, seconded and unanimously carried, the Board approved paying the application

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fee for Mr. Oeland to take the D-Certified operator test.

Discussion regarding District Grants      The Board discussed the denial of its grant application for a Small Community Assistance Grant. Director Thompson updated the Board on the status of the Preliminary Engineering Report being performed by Frachetti Engineering, Inc.

Discussion regarding District Office      The Board discussed whether to continue to lease the District's office in Idaho Springs. Upon motion, seconded and unanimously carried, the Board approved continuing to lease the office space.

The Board discussed obtaining office furniture for the office. Director Henry offered to research the costs of office equipment. The Board tabled the decision to purchase new furniture to a subsequent meeting.

Discussion regarding District Administrator      The Board discussed the need to hire a bookkeeper/administrator for the District. Upon motion, seconded and unanimously carried, the Board approved the publication of an advertisement for a bookkeeper/administrator.

The Board further discussed the creation of a committee to review bookkeeper/administrator applications. Upon motion, seconded and unanimously carried, the Board created a committee for such purpose and appointed Director Henry and Director Mink to the committee. Directors Henry and Mink will review applications, conduct interviews, and provide recommendations to the Board concerning a qualified bookkeeper/administrator.

Public Comment      Director Thompson opened the meeting up for public comment. Ms. Erin Johnson addressed the Board concerning the CDPHE Notice of Violation and the District's current schedule for jetting the District's sewer lines.

Executive Session      At approximately 8:30 p.m., Director Thompson moved that pursuant to section 24-6-402(4)(b), 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 specific legal advice pertaining to the following matters:

(1) A Notice of Violation/Cease and Desist Order received from the Colorado Department of Public Health and Environment;

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(2) Review of District billing and use of District resources by prior Board members(s); and

(3) Potential litigation involving the District's operator and a District employee.

Upon motion, seconded and unanimously carried, the Board approved the motion to enter into executive session for the above-stated purposes.

The Board reconvened from executive session at approximately 9:25 p.m. and affirmed that no actions had been taken during executive session.

At this time, the Board discussed the need to obtain additional legal advice related to workers' compensation matters related to an employee injury. At approximately 9:30 p.m., Director Thompson moved that pursuant to section 24-6-402(4)(b), 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 specific legal advice pertaining to workers' compensation matters related to a recent employee injury.

Upon motion, seconded and unanimously carried, the Board approved the motion to enter into executive session for the above-stated purpose.

The Board reconvened from executive session at approximately 9:45 p.m. and affirmed that no actions had been taken during executive session.

## Discussion regarding Safety Committee

The Board discussed the need to create a Safety Committee to institute and review District safety procedures. Upon motion, seconded and unanimously carried, the Board appointed Director Henry to oversee the operation of the Safety Committee.

## Annual Administrative Resolution

Mr. Mielke discussed a number of administrative matters with the Board, in accordance with Colorado law:

Mr. Mielke asked the Directors to complete an affidavit, which he distributed to each Director, confirming the Director's qualification to serve on the Board.

He next asked the Directors to review the information provided to each Director describing how to identify a conflict of interest,

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and the requirements under Colorado law for disclosure of such conflicts of interest by each Director. Mr. Mielke asked each Director to review the contents of the letter, and to identify all existing and potential conflicts of interest each Director may have in connection with serving as a member of the Board of the District, and to complete the enclosed disclosure forms to be returned to his office.

Following discussion, the Board determined to re-elect the officers of the Board as follows:

President – Kat Thompson  
Vice President – Dana Henry  
Secretary – Sean Hedgecock  
Treasurer – Gaile Mink

The Board reviewed and determined to continue to use its existing newspaper designated for publication of legal notices, identified as the *Clear Creek Courant*.

Next, the Board determined to continue to use its existing 24-hour posting place, identified as the community bulletin board located on Fall River Road.

The Board determined to hold regular meetings at 6:00 p.m. on the third Monday of each month at the Alice Schoolhouse, located at 271 Silver Creek Road, Idaho Springs, Colorado.

The Board determined to appoint Catherine T. Bright of the law firm of Seter & Vander Wall, P.C., to serve as the Designated Election Official for the District for its election activities.

The Board reviewed the employment of its legal counsel, Seter & Vander Wall, P.C., and determined to renew its legal counsel for 2015.

Finally, the Board reviewed the proposed form of resolution presented by Mr. Mielke that memorializes the above determinations in addition to certain other annual administrative actions providing direction from the Board regarding actions to be taken by its consultants on the Board's behalf. Upon motion by Director Henry and second by Director Mink, the Board unanimously approved the 2015 Annual Administrative Resolution.

Discussion regarding

The Board discussed whether the District has a current

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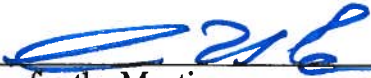
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Indemnification Resolution indemnification resolution in place, and determined that no such resolution exists. Mr. Mielke apprised the Board of the purposes for adopting and approving an indemnification resolution, which provides certain protections for Board members when they act in their official capacity for the District. The Board directed legal counsel to draft an indemnification resolution for consideration at the next Board meeting

- Meeting Schedule The next Board meeting is scheduled for March 16, 2015 at 6:00 p.m. at 271 Silver Creek Road, Idaho Springs, Colorado.

Adjournment There being no further business to come before the Board, and upon motion duly made, seconded and unanimously carried, the meeting was adjourned at approximately 10:25 p.m.

  
Secretary for the Meeting