

# 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, September 26, 2016 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:

Sean Hedgecock  
Jan Wood  
Dennis Horton

Absent: Dawn Czajka (absence excused).

Also present were: Colin B. Mielke, Seter & Vander Wall, P.C.; Kristan Buck (via phone) and Tisha Higgins, Centennial Consulting Group (f/d/b/a Metro District Management); Chris Oeland, District Employee; and various members of the public.

### Call to Order

Director Hedgecock 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.

### Public Comment

Director Hedgecock opened the meeting for public comment.

A member of the public addressed the Board regarding service to

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571 Alice Road and requested that the service fee be changed to an Availability of Service Fee because a fire destroyed the home on the property and the property is no longer using water. The Board explained the difference between service fees and Availability of Service Fees and explained that the property's existing tap precludes the property from being assessed Availability of Service Fees. The Board described the notice process and public meeting held for adopting the Availability of Service Fee and the multiple meetings held afterward at which the Board reiterated the purpose of the fee.

There being no further public comment, Director Hedgecock closed the public comment period.

### Public Hearings regarding Delinquent Accounts

Director Hedgecock opened the public hearing on delinquent accounts. Mr. Mielke asked if any members of the public were present for a hearing on a delinquent account and no members of the public responded in the affirmative. There being no persons present for the public hearings on delinquent accounts, Director Hedgecock closed the public hearing on delinquent accounts. The District's manager confirmed that delinquent accounts that were scheduled for hearing at the meeting will have water service shut off.

### Approval of Minutes

The Board reviewed the minutes from the August 15, 2016 regular Board meeting. Upon motion, seconded and unanimously carried, the minutes were approved as presented.

### Financial Matters

#### Discussion regarding Service Termination

Ms. Higgins updated the Board regarding water service shut off to properties that had public hearings for delinquent accounts scheduled at the last public meeting and for which no payment was received and no property owners appeared at the public hearing.

#### - Payment of Claims and Financial Statements

Ms. Higgins presented the Board with the payment of claims through August 2016. The Board reviewed and discussed the payment of claims.

The Board discussed invoices from Ramey Environmental Compliance, Inc. ("REC"). Ms. Higgins informed the Board that the District has continued to withhold payment of a \$5,000 portion of REC's May invoice because Board approval has not yet been granted due to the discrepancy in the amount to be charged under

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REC's Operational Contract, which the Board discussed at its meetings in June, July, and August. The Board discussed its continued disagreement that any amount of the additional \$5,000 is owed to REC, but discussed ways to settle the issue and avoid further disagreement with REC over the disputed amount. Upon motion, seconded, and carried by a majority of the Board members present, the Board agreed to split the \$5,000 amount with REC 50-50, such that the District will pay REC \$2,500 of the invoiced amount. Director Hedgecock voted against splitting any amount with REC and stated his position that REC should be paid none of the \$5,000 invoiced.

Ms. Higgins presented the Board with the unaudited financial statements ending August 31, 2016. The Board reviewed the financial statements and discussed that there is currently \$54,000 in receivables owed to the District. Upon motion, seconded, and unanimously carried, the Board accepted the financials and ratified and approved the payment of claims, except for the \$5,000 amount from REC that the Board previously approved splitting 50-50 with REC.

### - Discussion regarding Authority to Release Liens

Ms. Higgins discussed with the Board her request for authorization to sign releases of liens against properties within the District when past due payments are made in full. Ms. Higgins explained that authorizing Centennial Consulting Group ("CCG") to sign the releases would facilitate timely releases between board meetings and would assist with property owners' sale of property within the District. After discussion by the Board and upon motion, seconded and unanimously carried, the Board authorized CCG to execute releases of liens when property owners fully pay outstanding invoices owed to the District.

### District Water Issues

#### - Discussion regarding PRVs

Ms. Higgins presented the Board with pricing from two companies to complete PRV work that Dan's Custom Construction refused to complete. The Board reviewed and discussed the work to be completed and the proposed pricing. Upon motion, seconded and unanimously carried, the Board approved CCG negotiating an agreement with Site Structure Construction ("SSC") contingent on Ms. Buck confirming that there will be only one mobilization fee charged by SSC. The Board will consider approval of the agreement at the following meeting.

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- Discussion regarding  
District Operating Plan

Ms. Higgins presented the Board with an Operating Plan drafted by REC and explained the recommendation to adopt the plan. The Board reviewed the Operating Plan and upon motion, seconded and unanimously carried, the Board approved and adopted the Operating Plan.

- Discussion regarding Loan  
and Grant Funding

Ms. Buck updated the Board regarding the status of loan and grant funding and provided an overview of the different options that the District is pursuing.

Operator Report

Mr. Oeland provided the Board with a report on the District's operations. Mr. Oeland confirmed that there remains only two manholes to inspect within the District.

Mr. Oeland updated the Board regarding the proposed dig at the Parsons' property. Mr. Oeland informed the Board that he met with the County and has acquired culverts that he will install as soon as a traffic spotter is available for the work. Mr. Oeland confirmed that the Parsons' curbstops are working.

Mr. Oeland and Ms. Higgins informed the Board that it has been confirmed that Lot 933 is beyond 100 feet of the District's water and sewer systems and that CCG has retracted all Availability of Service Fees assessed for the property.

The Board discussed that the Bed & Breakfast has 10 bedrooms according to its website but that the owners have reported only having 7 bedrooms to the District. The Board calculated that for 10 bedrooms the service fees for the Bed & Breakfast should be five times the rate of a single home, as opposed to the currently charged four times the rate of a single home. The Board tabled action regarding any changes to the Bed & Breakfast's fees.

Ms. Higgins and Mr. Mielke informed the Board of a request from Ms. Hohne to utilize a District easement to construct a service line through neighboring properties so that the service line could operate by gravity as opposed to a lift station. Ms. Higgins further informed the Board that the Board need not consider the matter because Ms. Hohne recently informed CCG that she planned to construct a lift station and pump sewage to the District's main line in an adjacent public right-of-way.

- Combination of Property

The Board discussed a request from the owner of 125 Elk Road (Lot 148 in St. Mary's Glacier Subdivision Unit 2) and Lot 149 in St. Mary's Glacier Subdivision Unit 2 to combine the two lots

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("Lots") into a single lot, and specifically (1) that the Board waive any objection to the combination of those Lots, and (2) the Board vacate easements that exist between the Lots.

Mr. Oeland reviewed the request and determined that no existing District infrastructure is located within the easements and that there are no plans for the District to place infrastructure within those easements in the future.

After discussion, and upon motion, seconded and unanimously carried, the Board determined (1) it does not object to the combination of the Lots, and (2) the District agrees to vacate the easement interests it may have solely for the 5-foot side lot utility easements located between the Lots and that separate the Lots from each other, subject to the combination of the 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.

### Executive Session

At approximately 8:15 p.m., Director Hedgecock 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 legal advice related to disputes from property owners of Lot 117 regarding taps to the District's systems; litigation with the property owners of Lot 310 regarding taps to the District's systems; and litigation against the District by a former employee. Upon second and unanimous vote, the Board approved the motion to enter into executive session for the above-stated purposes.

The Board reconvened from executive session at approximately 8:55 p.m. and affirmed that no actions had been taken during executive session.

### Meeting Schedule


The next regular Board meeting is scheduled for October 17, 2016 at 6:00 p.m. at 271 Silver Creek Road, Idaho Springs, Colorado.

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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 9:00 p.m.

  
Secretary for the Meeting

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