

CUCHARAS SANITATION AND WATER DISTRICT
16925 STATE HIGHWAY 12
CUCHARA, COLORADO 81055
Regular Meeting Minutes of the Board of Directors
April 9th, 2021 (Amended)

1. CALL TO ORDER:

Jim Berg opened the meeting at 9:03 am

2. PLEDGE OF ALLEGIANCE:

Pledge of Allegiance was led by Jim Berg

3. ROLL CALL:

JAMES BERG: Present

JAMES ALT: Present via Telecom

RONALD BARBEE: Present

LARRY DASENBROCK: Present

DAVID GEORGE: Present

Staff present: Shannon Shrout, Leslie Cordova

Visitors present: Mike Moore

4. APPROVAL OF AGENDA:

James Berg asked if there were any additions or changes to today's Agenda. Jim Berg requested to move New Business Item, Mike Moore-Snow Making, to directly following the Approval of the Agenda and move the State of the District to the end of the New Business item list.

David George made a motion to approve the April 9th, 2021 Agenda as amended. Larry Dasenbrock seconded the motion. All in favor. Motion carried.

5. NEW BUSINESS:

Mike Moore – Finalize Snow Making Water Agreement

Mike is representing the Panadero Ski Corporation (PSC) and presented a Snow Making Water Agreement to the board. After discussing what was presented, Jim Berg said there wasn't enough detail in the agreement and that the agreement will have to include details related to the measuring, recording and reporting to the local water commissioner water consumption used for snowmaking. Mike requested some type of documentation from the district, to present to potential investors, confirming that the board is willing to move forward and support the snow making project. The board agreed to present PSC a letter of intent to proceed with the snow making project by the next CSWD regular board meeting. Mike agreed to re-transmit to the district data he had previously located regarding snowmaking operations.

David George made a motion to approve presenting a Letter of Intent in favor of snow making to PSC. Ron Barbee seconded the motion. All in favor. Motion carried.

6. MINUTES CORRECTION AND APPROVAL: March 12th, 2021 Regular Meeting Minutes:

Board members reviewed the March 12th, 2021 regular meeting minutes prior to today's meeting. Jim Berg asked if there were any corrections needed. Jim Alt requested the removal of two requests for help with the minutes in section 8-c (**Water Stewardship Committee Report**) and in Old Business item: **Commnet - Approve Amended Agreement:**

Jim Berg made a motion to approve the March 12th, 2021 Regular Meeting Minutes Amended. David George seconded the motion. All in favor. Motion carried.

7. TREASURER'S REPORT:

Jim Alt shared the financial documents for March 2021 with the board, reviewed financial reports and gave the board a chance to ask questions. Discussion took place regarding the district's financial status. Jim Berg mentioned that the staff and budget committee need to take special interest on how we book Capital Expenses and reminded the board that loans require a percentage to be held in our Loan Reserve Fund. He suggested Leslie and Jim Alt get together and confirm we're obeying the loan requirements. Discussion took place regarding the capital improvements at the Wastewater Treatment. Jim Alt also pointed out that both capital expenses for March on page 1. of the treasurer's report should have been categorized under capital sewer, not capital water. Jim Alt advised that this month the district's Operating Income was high due to a large property tax deposit and that the district's financial status is in good standing.

Ron Barbee made a motion to approve the Amended March 2021 Treasurer's Report. Larry Dasenbrock seconded the motion. All in favor. Motion carried.

8. PUBLIC FORUM:

None

9. REPORTS OF OFFICERS, COMMITTEES AND PROFESSIONAL CONSULTANTS and STAFF:

a. Operations Status Report: Reported by Shannon Shrout

- We have two more Commercial businesses to finish up with Backflow Cross connection surveys
- Jason Wessling will be here May 7th to put the new valves in the PRV by Brad Snows, We'll have all valves located and cleaned out so we can shut water off when Jason gets here.
- Working on new water line install at Wastewater Treatment Plant (WWTP) when time allows

- This past week worked a couple of days on locating and digging off man hole lids looking for I & I (inflow and infiltration). We found one real bad manhole and a lot of water coming out of the resort. Still a little too much snow to be poking around in the resort. Discussion took place regarding how to better manage manholes.
- Jim Alt and Shannon have made a lot of headway on the iamGIS mapping. Thanks Jim.
- Tim passed his “D” wastewater exam and is now signed up to take his “D” water. It is impressive that all Cucharas Sanitation and Water District (CSWD) field workers are licensed operators. Makes the district real good. Thanks to the board for encouraging training and employee advancement.
- Christian Fellowship Church’s frozen water line unthawed on Easter morning, after a week of trouble shooting and praying. Amen!
- Dog Bar and Grill has been experiencing sewer problems and on April 6, 2021 we investigated all possibilities and believe their sewer line is frozen in front of their building. They had a small leak inside the building several weeks back. The low flow and frozen ground in front is what caused the line to freeze.
- I have sent all documents to Nella (CSD-Pool Insurance Inspector) which shows we issued a PO for the roof and she was in approval of the documents received. No positive due date has been set for Drury Brothers Roofing Inc. to start construction on the WWTP roof.
- CSWD’s heavy equipment and trucks have been serviced and field workers are ready to start putting in meters as the weather allows.
- Master Meter representatives will be here April 14th and 15th for new meter reading system staff training. Steve Sloan from Front Range WinnWater will also be here as well as Hayden Alworth (CSWD IT).
- Tim and Glenn will be attending the CRWA Annual Conference on April 19th – April 22nd in Denver, CO.
- All sampling complete and sent to the lab this Wednesday, results pending.
- Discussion took place regarding how the plant is performing. Jim Berg asked about the need for the fan press. Shannon explained he is attempting to land apply twice this year, as a test, to see how the plant performs while Cuchara residents occupy their homes this summer. This will provide more information regarding the need for the fan press.
- Shannon reached out to RMS for a bid to replace a line under the river north of Art Pierce, which currently feeds the Bruce Johnson and Tubb properties by boring under the creek and tying in a pex water line. The bid also included installing two vaults, 1 at Panadero Villas and the other at Aspen Leaf Condos which would include two new 4”meters and all new valves. The bid was priced at \$30,000. This would be \$60,000 less than what we budgeted for in 2021. Discussion about the need for other bids will be discussed later with Shannon, Jim Alt and Jim Berg

b. Administrator Report: Reported by Leslie Cordova:

- Kristan, Rheanne and I make a great team, we’re getting things done that Kristan and I couldn’t get caught up on due to the new billing conversion. Rheanne is currently training and she will work a 1 to 3 days a pay period as needed.
- Caselle, Utility Management billing software, continues to prove a great purchase by the District. We continue to work on updating customer information and continue to encourage them to sign up for ACH. The District opted out of the Cash Receipting
- We have all the pond agreements for all the new properties that have sold, signed, collected and all filing has been complete.
- The policy committee continues to work on the “Other Policies” and will be meeting later this month to go over the rest of them.
- Hayden was here the late in March and replaced the hard drive on my laptop due to the old one getting close to full capacity. It’s made a world of difference in less lag time. He also worked on a lot of little projects we had concerning all the computers and cameras. Hayden also ordered the District a laptop for the office staff for training and other multiple uses. Alt is the laptop administrator and has been overseeing use for security purposes. This equipment will be paid for with the remainder of the Coronavirus Relief Fund that was awarded to the District.
- Now that legislation passed the stimulus package, more funding will be available through DOLA. We need to decide if we are going to reapply and what we would use the funds for. Might be a good idea to put a committee together to manage.
- I spoke with a customer service representative of Colorado State Unemployment regarding what the District has in place for unemployment benefits. The District established an account back in 1981 as an independent, which means we don’t pay any premiums throughout the year. If an unemployment claim were to be filed, the state would pay the claim and the District would then reimburse the state. Because the District is a government entity the premium would be based on the employee’s annual salary as if we were municipal and a rate would be established by the state. Being that the District has a staff that is dedicated, I would suggest we remain an independent, the premiums would be more costly versus a claim. We can discuss further if you all have questions. Jim Berg requested that Leslie receive a premium quote for Unemployment Insurance.
- The office staff continue to work on the easement spreadsheet in which I’ll report on later in the meeting.

- I continue to work on the 2020 audit, seems like things are always extremely busy in this place. Debbie Johnson will be here April 21, 2021 to help me complete all accounts involved with the SPWSIP. Mike Dixon from Dixon and Waller will be here to conduct the audit Memorial week, starting after Memorial Day.
- Shannon and Leslie explained to the board about changing the district's third party credit card company. Leslie has been working with Paymentus to provide our customers with more options when it comes to paying their bill. We will continue to review options.

c. Water Stewardship Committee Report:

Jim Alt and Jim Berg attended the HCWCD board meeting on March 22, 2021 via virtual and provided a brief update to the board regarding the storage collaborative project. Berg stated that they are still moving forward with working out the details for the 50% design at the Bruce Canyon and Maria-Stevens reservoir locations. Berg mentioned the numbers for Bruce Canyon are complete but the numbers for Maria-Stevens are still evolving and HCWCD will do a final report on both of them in October of this year. Maria-Stevens design continues to go through transitions which in the long run will save quite a bit of construction money. In short term it will raise the design cost so the HCWCD will be juggling funds from construction to design.

d. Legal case updates:

The board members reviewed legal cases and discussed the email update provided by Stuart Corbridge. There is no action needed by the board at this time. Jim Berg mentioned that Stuart asked the district to keep in mind Britton Ponds Two and Three's due diligence will be up in five (5) years so that the district will be better at handling the situation what-ever that may look like. Part of it will be making sure we can operate the pond exchanges. Jim Berg encouraged Shannon to get with Ron Jameson and determine what work can be done on these ponds this summer. The Cucharas Coler Exchange Diligence has an objection by CDOT that is leading up to a survey of the district's intake structure at the Spanish Peaks Water Plant. CDOT will be working on a map or drawing of boundaries of that property to find out where their right of way is. Once completed the district will have to verify, agree and then both parties can decide how to move forward.

- e. Rules and Regulations Committee report:** Shannon and Jim Berg have been working on the Rules & Regs and have reviewed Sections 1 through 4 with minor changes. Jim requested that Shannon and Leslie get together to begin tractable changes on a copy of these Sections. Jim Berg asked Stuart Corbridge, Vranesh and Raisch, to review Section 7 to confirm that it is still relevant to the district. Stuart recommended a small discussion with the board before he moves forward with any implementation to Section 7. Section 8 has been revised and approved by the board. Sections 9-13 are extremely technical in which Shannon and Jim Berg will determine what changes, if any, will be made to these remaining Sections.

f. Personnel Committee: Nothing to Report

- g. Personnel Policy Committee:** David George explained that the Personnel Policy needs to be updated regarding the General Manager wording and will attempt to meet with the policy committee to make these changes.

- h. Information Technology Update:** Jim Alt has attempted to contact Huerfano County in hopes to receive an electronic map file of Cuchara's property boundaries and ownership to possibly incorporate into our iamGIS mapping. He has been unsuccessful in contacting anyone from Huerfano County, at this point, but will continue to try.

i. Reports of Officers: Nothing to Report

10. OLD BUSINESS:

• Job Safety Analysis:

David George and Shannon have put a great deal of effort into creating a Safety Work Practices (SWP) sheet and after receiving comments from Jim Berg and Jim Alt, it was decided to put the worksheet on a short hold due to other policy priority. Once Shannon completes reviewing the Other Policies and the Rules and Regulations, they'll return to working on the SWP. Shannon and his team assembled the new tripod and harness equipment at the WTP, which is extremely impressive. Once trained, the field guys will test it out at BP1, BP2 or BP3. Leslie submitted the equipment invoice to CSD-Pool for the Safety Grant Reimbursement Program, in which CSD-Pool will reimburse the district 50% of the purchase price. David George mentioned that once the SWP is completed and all the other safety items are in place, he would like Adam Johnson from CSD-Pool to come back out and conduct a follow-up site audit to confirm we are up to par with the suggestions he previously made at his first site audit visit. David believes Adam will be pleased with the districts safety progress.

• Commnet

Jim Berg stated that all documentation required to move forward with the SAC-Wireless project have been signed and submitted to Commnet, including the First Amendment to Lease Agreement and the Memorandum of Lease (MOL). Commnet will be recording the MOL document at the Huerfano County Courthouse. Shannon will be available for assistance to SAC-Wireless once the project begins this spring and will report their progress to the board.

• Spanish Peaks Water System Improvement Project (SPWSIP) Update:

Jim Berg stated that the district received paperwork of the final draw on the loan from GMS. Jim Alt questioned the acceptance of the paperwork as the final draw due to unresolved issues with the project. Discussion took place on how these issues can possible be resolved without GMS incurring excess expenses to the district. Leslie provided a worksheet to the board via email that shows the easement dates mailed, number of easements received, current complaints and an update on resolved easement issues. Jim Berg mentioned that the worksheets presented had too much information and requested a simpler summary worksheet for the board. He suggested putting one person solely in charge of the easements and to be point of contact to the customer, encouraging the signature of the easements. Discussion took place on how we

are going to accomplish this with resident's that continue to have issues with the project. Jim Berg suggested if they continue to refuse to sign the easement, move on to the next and we'll deal with the unsigned at a later date.

11. NEW BUSINESS:

- **District Fire Mitigation**
Ron Barbee, Shannon and Jim Alt met with Paul Branson to get an idea of what kind of mitigation is going on around the Cuchara area. Paul showed them a few projects and one is that the land owners have agreed to put in 25% funds and a grant would put in 75% to mitigate large areas up and down the Cuchara Valley. Discussion took place on what the district's highest priorities and places to get mitigated are for when funds become available. Shannon, Ron and Jim Alt came up with 5 locations, in which the highest priority is the Spanish Peaks Water Plant and the water tank. The other sites would be the district's water tanks. Ron mentioned that Paul stated there are mitigation funds, offered by the State, currently available to start mitigation. Ron referred Paul to Shannon to gather information about how large of an area around the tank the district would want mitigated. Mitigation could possibly be a 50% match for the district in which Ron stated it would be of high importance for the district to start making a plan to move forward.
- **Review and Approve Other Policies**
 - a. **Administration Mail Policy – David George made a motion to delete policy, Ron Barbee seconded the motion. All in favor. Motion carried.**
 - b. **Bank Check Policy - Jim Berg made a motion to approve policy, David George seconded the motion. All in favor. Motion carried.**
 - c. **Clothing Allowance Policy – David George made a motion to approve policy, Larry Dasenbrock seconded the motion. All in favor. Motion carried.**
 - d. **Credit Card Policy - Larry Dasenbrock made a motion to approve policy, Ron Barbee seconded the motion. All in favor. Motion carried.**
 - e. **Drug & Alcohol Policy – David George made a motion to delete policy, Larry Dasenbrock seconded the motion. All in favor. Motion carried.**
 - f. **Monetary Duties and Responsibilities Policies - Jim Berg made a motion to approve policy, David George seconded the motion. All in favor. Motion carried.**
 - g. **Official Minutes Policy – Ron Barbee made a motion to approve policy, David George seconded the motion. All in favor. Motion carried.**

Jim Alt presented a chart on Covid, which he created, to provide the board and staff with up to date facts and to encourage the board to be aware of and support the states recommendations on Covid.

- **State of the District**
Jim Berg brought up the district's financial status and emphasized that the operating income is predictable but operating expenses are not and the staff has to take special interest in keeping to budget. Jim Berg mentioned that Jim Alt created a five year capital expense plan and encouraged us all to get familiar with it so we keep within the guidelines. The staff also needs to be aware of the loan covenant and will have to really buckle down on spending since the district has taken on such a large loan. Eventually, the district will have to conduct a rate study. Now that Shannon has taken on the new role of Interim General Manager (GM) it will be a learning experience for all. In the past, the board was involved with operations due to the absence of a GM. In regards to expectations of the board, Jim Berg suggested each board member pick a district topic of interest to be involved with, add their expertise to, keep aware of and assist Shannon when needed. Jim Berg encouraged Shannon and Leslie to look into our insurance property and liability policy and start creating maintenance programs for the district's water, sewer lines and all that incorporates these systems. These maintenance programs should be designed to better secure our infrastructure so that if ever we had to file a claim, we would be able to demonstrate that we had a maintenance program. Jim Berg brought up the 2022 election in which point both Jim Berg's and Jim Alt's term are up. Larry Dasenbrock was appointed and will have to run in the 2022 election which leaves three board seats open for this election. David George and Ron Barbee will remain on the board until the following election which will take place in May of 2023, as the special district's election are switching from even to odd years starting in 2023. Jim Berg encouraged the staff and existing board member's to start thinking of good candidates, in Cuchara, that could possibly make up the future board. Due to the upcoming election Jim Berg will be stepping down as board chair and requested that the board re-elect officers during the May Board Meeting to make for a smooth transition..

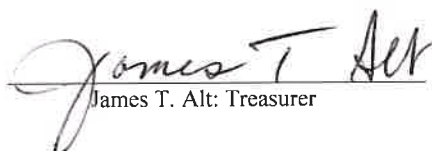
12. ADJOURNMENT:

Jim Berg made a motion for an adjournment of today's meeting. Larry Dasenbrock seconded the motion. All in favor. Motion carried. The meeting was adjourned at 12:05 pm.


James H. Berg: Chairman


David George: Vice Chairman


Ronald Barbee: Secretary


James T. Alt: Treasurer


Larry Dasenbrock: Director