

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS
GENESEE WATER & SANITATION DISTRICT**

HELD

Tuesday, January 25th, 2022
At 5:00p.m. at the Genesee Water & Sanitation District Administrative Bldg.
2310 Bitterroot Lane
Golden, CO 80401

ATTENDANCE

A Regular Meeting of the Board of Directors of the Genesee Water & Sanitation District of Jefferson County, Colorado was changed to a Special Meeting due to the fact that it started 30 minutes early. The Special meeting was held as shown above, and in accordance with the applicable statutes of the State of Colorado with the following Directors present and acting:

David Pezzutti – By Zoom
Branch Russell – In Person
Frank DeFilippo – In Person
Jim Hurd – In Person
Cynthia Corbett – By Zoom

Also present in person were:

Scott Jones
Chris Brownell, District Manager
Erin Carriere, Director of Administration
Katie Ostrander, Administrative Assistant
Carl Osborne, Operator

By Zoom video teleconference:

Gary Anderson –Liaison (to the Water Board)
Carolyn Steffl, Legal Council
Barbara Stanton, Resident
Becky Smith, Resident

CALL TO ORDER

Director Russell called the meeting to order.

DISTRICT BUSINESS:

Director Russell congratulated Mr. Brownell on his new position as District Manager.

RECORD OF PROCEEDING

LEGAL REPORT

Ms. Steffl asked about the status of the Superintendent position. Manager Brownell updated on the job posting and mentioned the deadline for resumes. The search committee will then review and interview. Ms. Steffl asked if the search committee or the manager would be making the final decision. Director Russell said the Board will give their advice to the Manager.

If there are water rights questions, those need to go to Moses Whitemeyer, et al.

Mr. Jones clarified that we will be holding a mail in election, but we will have a ballot box if people walk in to turn in their ballots. Also, there were no questions for Ms. Steffl about the election result ion that is on the agenda.

The Board inquired about charging tax exempt customers more to make up for the revenue in taxes that the District is not getting currently. Lookout Mountain charges their tax-exempt customers more and the Board was interested in doing something similar. They were hoping to propose charging the tax-exempt customers double everyone else. Ms. Steffl said she will need to research, but she did say that you can charge different classes of customers but there could be challenges. If the Board wanted to do this, they would need to charge comparable rates to what those customers would pay in taxes so that would need to be figured out which will be challenging. Ms. Steffl said the Board would also need to post the new rates and would need to have a public hearing. She said she understands Lookout is doing this, but she does not know any other Districts that are charging tax exempt customers more than others. The other thing that would need to be figured out is the difference between the nonprofit and for-profit properties. Director Hurd asked if we can treat all of these customers as one class. Carolyn said the District would most likely need to draw up contracts for each customer. Mr. Jones mentioned the three tax exempt categories that we have in the District are churches, educational (which could be considered government), government and the HOA. Ms. Steffl said that she will research and will come back to the Board at the next meeting.

MANAGER REPORT

Manager Brownell briefly spoke about the water withdrawn report and mentioned all of the numbers are in the Board Packets. All numbers are pretty average historically.

There has been a lot of ice which effects the stream reports.

Mr. Jones reviewed the EQR reports, confirmed we did not add any new homes to the District in 2021. There are 6 properties that remain in the District that could be built. Also, for the record, there is one lot remaining that has not paid tap fees. The Board needs to know that going forward, and it's written up that they would need to pay the current tap fees when they build. The District is allowed to serve up to 1750.33 EQRs. Water Rights were built around the maximum EQRs. Director Pezzutti mentioned that the original EQR plans were written up using 10,000 gallons, but current average usage is about 7,000 gallons so that could be adjusted in the future if needed.

Mr. Jones mentioned the EQR report will need to be included in the Audit, as an FYI. He also explained the different reports and deadlines that have to be done in a normal year. That will all be taken care of by staff as normal.

SUPERINTENDENT REPORT

Manager Brownell briefly reviewed the reports that are in the Board packets. GAC replacement for 2022 is being shopped now for cost comparison.

ADMINISTRATION

Ms. Carriere briefly reviewed the administration reports that are included in the Board Packets. She acknowledged the Boards concern with getting the financial statements later than normal and asked for some understanding as she is working through end of month and end of year which is much more than a normal month.

Ms. Carriere asked if there would be interest to set up a finance committee to review financial reports before certain meetings. Director Russell said that was actually on the agenda at the bottom to talk about.

Ms. Carriere discussed the fact that we have been trying to pay our invoices online to save on cost and time, but due to Wells Fargo charging for each transaction, it has been the opposite.

Director DeFilippo asked if they could get the reports by the Friday before Board meetings, and Manager Brownell said that his goal is to set timelines so that all reports are out in a timely manner.

Manager Hurd asked Ms. Carriere to check with the Foundation on how much they pay to have their billing outsourced. Ms. Carriere mentioned that we have been speaking with a few online bill pay companies that would allow customers to pay their bills online, texts, reminders, etc. It is not very costly to the District at all. Currently it is \$6,000 in postage to send our bills out, and very timely for staff to do our billing the way we currently do it. There is still a little more research that Ms. Carriere and Ms. Ostrander will do but it seems like a good way to go. The Board said they are on board.

UV PROJECT

Manager Brownell and Mr. Jones gave a quick update on the UV system. Mr. Jones explained the complicated process that we went through with the state. In short, the Health Department claimed we had not paid in December, yet the check cleared in early November. Once they figured that piece out, they told us we have to get clearance from Jefferson County Health Department. That was never communicated in the past, so we are working through that right now. Chlorination process is still in place until we are fully approved. Everything we are doing is going through our engineers.

RESERVOIR NO. 1

Mr. Jones briefed the Board on the latest meeting with the Engineers and the State. They reviewed risks and brainstormed any of the highest risks that could happen and how they would be able to mitigate that. The State engineers walked through risk assessments which was very helpful in the design process and saved the District a few months of planning and design.

Mr. Anderson asked when the RFQ process will begin and when is the new target for starting construction. Mr. Jones said that we will need to ask W.W. Wheeler to answer those questions. Mr. Jones said that he or Mr. Brownell will put a call in ASAP.

Mr. Jones said that he was planning to set up a meeting with the finance person who manages our grant and loan. Mr. DeFilippo wanted to be included in that meeting as well.

ELECTION RESOLUTION

Motion to adopt resolution: Director DeFilippo

Second: Director Hurd

Votes: All

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Result: Motion passed unanimously

Motion to appoint Katie as the DEO: Director DeFilippo

Second: Director Hurd

Votes: All

Result: Motion passed unanimously

AUDIT ENGAGEMENT

Wipfli would like to do our audit again, and would like to ensure their expenses are covered by billing for their time. Ms. Carriere will also be utilizing the help of an accountant to help with the audit prep. Director DeFilippo asked that the Board would have the audit draft by the June Board meeting.

Motion to adopt Wipfli engagement contract, and authority for Manager Brownell to act upon it: Director DeFilippo

Second: Director Hurd

Votes: All

Result: Motion passed unanimously

Director Hurd asked that there be an audit update on the Board Meeting agenda each month.

MINUTES

Motion to accept all search committee meeting minutes: Director DeFilippo

Second: Director Hurd

Votes: All

Result: Motion passed unanimously

All other minutes will be deferred to the February meeting.

NEW BUSINESS

Director Russell mentioned that we should have an active finance committee. He suggested Director Hurd and Director DeFilippo take the lead on that. It was agreed upon by Director DeFilippo and Director Hurd. Director DeFilippo said that it would need to be in close coordination with the Board and the public can sit in if needed.

Director Hurd asked Mr. Jones how do we raise a million dollars in capital replacement. Mr. Jones mentioned a few different ideas and all considerations to take into account. Director Hurd spoke to our capital replacement funds and compared it to the HOA. The idea of getting an outside source to come in and take a look at the infrastructure we currently have and give an idea of what future costs might be so that we can plan better and increase our capital replacement funds to cover what may be needed in the future. It was mentioned that the finance committee can help with this, along with Ms. Steffl. The finance committee can also possibly help gather some of the info that will be needed with the audit. Ms. Carriere wanted to make it very clear that in the 2020 audit for the most part when documents were asked for, they were provided in a very timely manner. There would be a large gap between requests, but we provided everything almost right away.

WATER RIGHTS

Moses Whittemyer, et al Report – District water rights legal counsel. They provided a report on all of our current water rights cases. Mr. Jones stated that the most concerning case we have at the moment is with Evergreen. Therefore, we need to make sure everything is written in our decrees so

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that we do not have any issues when the creek runs low. There was further discussion on all the different shares that the District has.

Director Russell and Mr. Jones said that they need to schedule the firm to meet with the Board at the March meeting.

OTHER BUSINESS

Director Corbett will be doing a study on the Dakota well. She will need to meet with Randy Rooney to get a license for lamGIS for the 3D mapping system to help with the study

OLD BUSINESS

Customer letter was sent out discussing the fee increases. Director DeFilippo stated he is happy to answer any comments and concerns and will answer any letters or calls that come in.

NEW BUSINESS

Director Russell and Director Hurd along with Manager Brownell will plan to meet and define the employee bonus plan and ensure there is a structure moving forward.

ADJOURN

Motion: Thereupon, motion made by Director Pezzutti and seconded by Director DeFilippo to adjourn the meeting. The motion passed unanimously.

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Board of Directors Meeting – January 25th, 2022

Chris Brownell, District Mgr.

David Pezzutti, President/Chairman

Branch Russell, 1st Vice President

Frank DeFilippo, Secretary/Treasurer

Cynthia Corbett, Vice President

Jim Hurd, Vice President