

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

**HELD**

Tuesday, June 28, 2022  
At 5:00 p.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 held as shown above, and in accordance with the applicable statutes of the State of Colorado with the following Directors present and acting:

Branch Russell – In Person  
Frank DeFilippo – In Person  
Jim Hurd – In Person  
Bob Leland – In Person  
Cynthia Corbett – In Person

Also present in person were:

Chris Brownell, District Manager  
Bob Calley, Superintendent  
Erin Carriere, Director of Administration  
Gary Anderson – Liaison to the Water Board  
Christina Jantzeff – Accounting consultant  
Michael Meyers – Resident  
Peter Wajda – Resident  
Marty Carriere - Resident

By Zoom video teleconference:

Dave Pezzutti, Resident  
Barb Stanton, Resident  
Jim Treitman, Resident  
Chris Garlasco – Resident  
William Cottrell – Resident  
Bob Dalton – Resident  
Joy Spatz – Resident  
Joyce Russell – Resident  
Chad Hoffman – Resident  
Beth Moran – Resident  
Bill Saigh – Resident  
Diane Davies – Resident  
Laurie DiBattista – Resident  
Lorrie Linnquist – Resident

**CALL TO ORDER**

President Hurd called the meeting to order.

President Hurd proposed changes to the agenda. Director Russell objected stating that with the last-minute change to the agenda (Discussion and possible vote on construction and financing options for reservoir No. 1), customers might not attend until later in the meeting when Reservoir No. 1 will be discussed, and the public will have a chance to comment. President Hurd withdrew his statements and the meeting continued as the original agenda stated.

**ENTERPRISE BUSINESS:**

**DISCUSSION TO CHANGE LEGAL COUNSEL**

Proposed new legal counsel - Mr. Woods discussed his firm and the details of his work. The proposed firm explained that they represent Kitteridge. Director Russell asked a what-if question - if there was a time when Genesee and Kitteridge were in a legal situation what would happen? Mr. Woods explained that the firm would need to represent their longest client and therefore Genesee would need to find other legal counsel if that was the case. The other outcome would be that the firm would need to recuse itself.

Director Russell spoke with current legal counsel, Ms. Steffl who was unaware of the Board's proposed change, and asked that the Board give her a shot.

A few residents asked why the change, and what continuity do we lose by this change. President Hurd said that the current legal counsel is not a good fit for the board and that the legal fees have become quite large, so they are looking for a way to manage them going forward in a cost-effective manner. He also mentioned that he would like local counsel who can come to meetings. Manager Brownell mentioned that we have kept legal counsel out of meetings to save money as they charge for meetings. Mr. Woods said their firm charges to attend meetings as well.

Another resident mentioned that it might be best to find legal counsel that would not have a conflict of interest, noting that while we do not have conflicts currently but could possibly have that in the future. The resident mentioned having a list of criteria to help the District to make a good decision. Director DeFilippo mentioned to the resident that he initiated this issue, and he was having a hard time finding qualified people to work for a water district.

Motion to retain Dillon and his firm as legal counsel: Director DeFilippo  
Second: Director Leland

Mr. Woods stated that their firm will be increasing its fees in September. Mr. Woods also confirmed that his firm is more expensive than the current legal counsel's firm in all services.

Director Russell asked to defer the discussion to an executive session. President Hurd responded by asking for a vote to pass the motion to hire new legal counsel.

Vote on the motion: President Hurd  
Second: Director Leland  
Votes: 4 yes, 1 no  
Motion Passed

MANAGERS REPORT

- A) Water Withdrawn and Water Returned to Bear Creek & Stream Flow was reviewed and included in the board packet.

SUPERINTENDENTS REPORT

- A) AWTF Monthly Operating Report is included in the board packet.

ADMINISTRATION REPORT

- A) Christina was introduced as our accounting consultant, helping with the financial statements and accounting for the District. She reviewed the current financial statements. President Hurd asked her to present, and she said she is not familiar enough yet with the District to present. Discussion about the financials took place.

**DISTRICT BUSINESS:**

2021 DISTRICT AUDITED FINANCIALS – APPROVAL

- A) Manager Brownell briefly read through some of the final notes on the audit report.  
Motion to adopt 2021 audit and send to the state: Director DeFilippo  
Second: Director Russell  
Votes: All  
Motion passed unanimously

MINUTES

- A) Motion to approve minutes with changes: Director DeFilippo  
Second: Director Corbett  
Votes: All  
Motion passed unanimously

LEGAL

No legal report. Director DeFilippo asked if the board could see the past few months of bills from Moses Wittemeyer so that the Board can see what they have been working on to justify their work. Director Russell said that the firm has been asked to come out and present to the Board, and that is in the works to schedule. Director Leland asked if we get to dictate what our water rights lawyers work on, and Manager Brownell explained that the firm sends us the information on what is going to be a potential problem and their recommendations. Therefore, the answer to Mr. Leland's question was no we do not dictate what they do for us.

OLD BUSINESS

- A) Update on website improvement – all of the Board requests have been put on our website to date. The other site that the Board asked staff to look into was looked into and the dates to apply for the microgrant has already passed. So the District is now in the system and the microgrant can be revisited next year before the deadline and we can apply.
- B) Update on 5-year Capital Improvement Analysis – Manager Brownell stated that staff believes we can responsibly maintain the system (short of unknowns) for about \$218K for the next 5 years with the current annual CFR funds being collected. Major capital replacement and

## RECORD OF PROCEEDING

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improvement projects required over the past several years have been completed. Beginning in 2022, a small increase in CRF fees is slated for contingency and hopefully reserve. There are likely higher-end capital replacement needs looming shortly beyond the 5-year timeframe, but some of our long-term debt ends at the same time. President Hurd asked how capital expenses will end up in the current year. Manager Brownell said the unexpected capital expenses early in the year will be offset by adjusting planned equipment upgrades.

### NEW BUSINESS

- A) Discussion on how to improve customer communication – President Hurd wanted to know all of the ways that we communicate. The website is the main way. Mr. Calley mentioned Facebook might be an easy way to let people know of things happening such as a hydrant flushing. Mr. Hurd wants to find a way to reach more people in ways such as an email blast. The District currently does not have a large list of customer email addresses and there are only ~50 people who have subscribed to our newsletter. There were a few ideas put out there to try and get more people to sign up for newsletters. It will most likely start with asking title companies when new residents move in or gathering all emails when we move over to Invoice Cloud.
- B) Discussion on the potential need for rate increases for 2023 – President Hurd presented to the customers how the district operates. He described the District’s different funds and briefly spoke of how they work. There was then much discussion about budgets and fees.

### DISCUSSION/VOTE ON CONSTRUCTION AND FINANCING OPTIONS FOR RESERVOIR NO. 1

- A) Manager Brownell briefly explained water rights and storage rights, and there was a discussion about the topic. There were 3 “plans” explained which consisted of:
- **"Plan A"** - Reservoir No.1 Expansion Project (chosen after feasibility study): Expand current storage and augmentation Reservoir No. 1 from its current 16-acre ft capacity to 46-acre ft and add infrastructure required to tie the reservoir into the advanced water treatment facility and wastewater treatment facility for recycling ability.
  - **"Plan B"** - No expansion of current Reservoir No. 1. Replace reservoir liner and add infrastructure required to tie reservoir into the advanced water treatment facility and wastewater treatment facility for recycling ability.
  - **"Plan C"** – Do nothing.
- B) President Hurd then opened the meeting to public comments. 13 residents on Zoom spoke, as well as a few residents in person. All who spoke were in favor of Plan A. 2 previous Water Board Presidents spoke as well, in favor of Plan A. The District Manager and District Superintendent voiced their reason in favor of Plan A. After the public discussion was closed, President Hurd asked the Board to speak on their opinions. Director Leland spoke in favor of Plan B. Director DeFilippo spoke in favor of Plan B. Director Corbett spoke in favor of Plan B. Director Russell spoke in favor of Plan A. President Hurd spoke in favor of Plan B.

“Motion to go ahead with plan B as quickly as possible and also incorporate it into the possibility to recycle”: Director Leland  
Second: Director DeFilippo  
Votes: 4 YES, 1 NO  
Motion passed by majority

**ADJOURN**

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