

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE IDLEDALE WATER & SANITATION DISTRICT HELD June 22, 2021

A Special Meeting of the Board of Directors of the Idledale Water & Sanitation District (referred to hereafter as "Board") was held on Tuesday, the 22nd day of June, 2021, at 6:00 p.m. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Jim Jordan, President
Mike Richardson, Treasurer
Todd Vandegrift, Vice President
Hugh Gardner, Assistant Secretary
John Rieser, Assistant Secretary (*absent*)

Also In Attendance Were:

AJ Beckman, District Manager
Bob Orsatti, Orsatti Water Consultants, District Engineer
Tom Dea, Colorado Water Well
Debra Sedgeley, CliftonLarsonAllen, LLP, District Accountant (*via telephone*)
Allison Weber, Idledale Resident
Shawn Donovan, Idledale Resident
Sandy Bowen, Idledale Resident
Susan Sweeney, Idledale Resident
Phil Sweeney, Idledale Resident
Linda Hogan, Idledale Resident
Joyce Lemelin, Idledale Resident
Mary McKenney, Idledale Resident

ADMINISTRATIVE

Disclosures of Potential Conflicts of Interest: Mr. Beckman advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. The Board reviewed the Agenda for the meeting, following which Directors Richardson, Vandegrift, Gardner, and Jordan confirmed that they have no conflicts of interest in connection with any of the matters listed on the Agenda.

Agenda: Mr. Beckman distributed for the Board's review and approval a proposed Agenda for the District's Special Meeting.

Following discussion, upon motion duly made by Director Jordan, seconded by

RECORD OF PROCEEDINGS

Director Richardson and, upon vote, unanimously carried, the Agenda was approved as presented, and Director Reiser's absence excused.

Minutes: The Board reviewed the Minutes of the March 16, 2021 Special Meeting.

Following discussion, upon motion duly made by Director Jordan, seconded by Director Gardner and, upon vote, unanimously carried, minutes of the March 16, 2021 Special Meeting were approved, as amended.

FINANCIAL MATTERS

Accounts Payable: The Board considered ratification of the payment of claims for the period ending June 15, 2021, in the amount of \$32,968.69.

Ms. Sedgeley joined the meeting at this time, and reviewed the payables with the Board. Following discussion, upon motion duly made by Director Richardson, seconded by Director Jordan and, upon vote, unanimously carried, the Board approved the payment of claims in the amount of \$32,968.69.

Ms. Sedgeley then reviewed the credit card charges with the Board. Following discussion, upon motion duly made by Director Richardson, seconded by Director Jordan, and, upon vote, unanimously carried, the Board approved the charges in the amount of \$8,293.47.

Unaudited Financial Statements: Ms. Sedgeley reviewed the statements with the Board. Following discussion, upon motion duly made by Director Gardner, seconded by Director Richardson, and, upon vote, unanimously carried, the Board approved the statements.

2020 Draft Audit: Ms. Sedgeley reviewed the draft audit with the Board. She noted that the Auditor provided a clean, unmodified opinion. Mr. Beckman inquired as to the unauthorized but unissued debt. Ms. Sedgeley advised that the Board is approximately \$260,000 in authorized but unissued debt.

Following discussion, upon motion duly made by Director Gardner, seconded by Director Richardson and, upon vote, unanimously carried, the Board approved the draft audit.

Public Comment: Mr. Sweeney asked if the District would be installing meters sometime in the near future. Director Jordan answered that the District would like to install meters if funding for the improvements can be obtained. Discussion ensued regarding the District's mill levy and taxes.

RECORD OF PROCEEDINGS

Mr. Beckman explained that the District has been in the unfortunate position of having to fund emergency operations, such as hauling water to meet the overall demand, with capital reserves for the past two years. The District has been in a budget shortfall position due to unprecedented drought conditions and other unforeseen challenges, such as leaks on private water lines that affect the overall water system.

The Directors and consultants discussed the District's desire to pursue grants and low-interest loans to fund system-wide improvements intended to provide long-term solutions for the District's water sources and infrastructure needs.

OPERATIONS MATTERS

Operations Report: It was noted that Mr. Pintor was absent. There was no report.

Status of Well 1A: Director Richardson reported that presently the well is keeping up with demand. It was noted that there are presently no drought conditions. Mr. Dea addressed the Board, explaining that Colorado Water Well experienced unforeseen issues in the work on Well 1A.

Engineer's Report: Mr. Orsatti explained to the members of the public that he has been engaged by the District to perform general engineering services and to prepare a Preliminary Engineering Report needed to pursue grants and low-interest loans. The Preliminary Engineering Report will consider several options to secure a reliable year-round water source and to address the District's infrastructure deficiencies. Mr. Orsatti reviewed the purpose and scope of the engineering work he is performing for the District. He highlighted options considered for water source and infrastructure options including:

- Connecting to Genesee Water District
- Drilling an additional well
- Constructing a water line from the Ridgeway Well to the water tank
- Adding water meters to all service lines
- Repairing broken valves and fire hydrants

Mr. Orsatti reported that he expects to have the Preliminary Engineering Report finalized within the next few weeks.

Addendum to Engineering Contract: Mr. Orsatti explained that the additional work outlined in the Addendum is necessary to pursue grant funding through the United States Department of Agriculture (USDA). The Board discussed the need to continue the pursuit of all sources of grant revenue.

Following discussion, upon motion duly made by Director Gardner, seconded by

RECORD OF PROCEEDINGS

Director Richardson, and, upon vote, unanimously carried, the Board approved the Addendum.

Update to Grant Funding Opportunities: Mr. Beckman reported that he is working with the Board and Mr. Orsatti to pursue low-interest grants or loans through the Colorado Department of Public Health and Environment (CDPHE) and the USDA, and will pursue any other known opportunities. Director Gardner discussed the recent income survey, which he was instrumental in organizing. The survey will define the District's median household income for purposes of grant funding and low-interest loans.

LEGAL MATTERS

Public Hearing Regarding Exclusion of Property Located at 2744 SE Grapevine Rd.: Director Jordan opened the public hearing.

Mr. Beckman reported that notice of the public hearing was published in the *Canyon Courier* prior to the Board meeting. No comments from members of the public were made prior to the meeting.

Ms. Hogan addressed the Board. She explained that she attempted to be excluded from the District in 2019; however, due to an error in filing the request, she was unable to complete the process. She added that she owns two parcels, neither of which are served by the District.

There being no further comment, Director Jordan closed the public hearing.

The Board approved Resolution 2021-06-01, excluding the property owned by Ms. Hogan from the District.

Status of Damage to Raw Water Collection Line: The Board discussed and determined that no action is necessary at this time.

OTHER BUSINESS

There were no other matters brought for discussion.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Jordan and seconded by Director Gardner, the meeting was adjourned at 8:51 p.m.

RECORD OF PROCEEDINGS

Respectfully submitted,

By  DocuSigned by:
482ACBBC824846D...
Secretary