

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE IDLEDALE WATER & SANITATION DISTRICT HELD July 14, 2020

A Special Meeting of the Board of Directors of the Idledale Water & Sanitation District (referred to hereafter as "Board") was held on Tuesday, the 14th day of July, 2020, at 7:00 p.m. Due to the presence of Coronavirus the meeting was held by teleconference. 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

Also In Attendance Were:

AJ Beckman, District Manager
Richard Pintor Jr., District Operator In Responsible Charge (ORC)
Bob Orsatti, District Engineer
Deborah Sedgley, District Accountant
Stephanie Ceccato, Attorney for the District

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 Jordan, Richardson, Vandegrift, Gardner, and Reiser 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 Director Richardson and, upon vote, unanimously carried, the Agenda was approved.

Minutes: The Board reviewed the Minutes of the June 9, 2020 Special Meeting.

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Following discussion, upon motion duly made by Director Gardner, seconded by Director Vandegrift and, upon vote, unanimously carried, minutes of the June 9, 2020 Special Meeting were approved, as presented.

FINANCIAL MATTERS

Accounts Payable: The Board considered ratifying approval of the payment of accounts payable for the period ending May 14, 2020 in the amount of \$22,017.33.

Following discussion, upon motion duly made by Director Rieser, seconded by Director Jordan and, upon vote, unanimously carried, the accounts payable were approved as presented.

Second Amendment to 2019 Budget: The President opened the public hearing to consider the budget amendment and discuss related issues.

It was noted that Notice stating that the Board would consider adoption of the Budget Amendment and the date, time and place of the public hearing was published in a newspaper having general circulation within the District, in accordance with statutory requirements. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Sedgeley reviewed the Budget Amendment with the Board. Following discussion, upon motion duly made by Director Richardson, seconded by Director Vandegrift and, upon vote, unanimously carried, Resolution No. 2020-07-01 was adopted.

2019 Audited Financial Statements: Ms. Sedgeley reviewed the 2019 Audit with the Board. Following discussion, upon motion duly made by Director Jordan, seconded by Director Vandegrift and, upon vote, unanimously carried, the Board approved the Audit subject to final review by the Auditor. The Board further authorized the execution of the Management Representations Letter by Mr. Beckman.

Financial Statements: Ms. Sedgeley reported that there has been recent progress in getting information needed to prepare the financial statements. She can now access the District's files and has the bank statements from prior months. She expects to have first quarter financials for the next Board meeting.

Status of Bill.com: Ms. Sedgeley advised the Board that the platform is set up and a test transaction will need to be processed.

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Discuss emergency versus discretionary spending approval process: Ms. Sedgeley reported that emergency expenditures may be expedited through Bill.com when necessary. Mr. Beckman asked about credit card statements and noted that they should be backed up with receipts. Director Jordan asked if the District should implement an approval process requiring approval by the District Manager for items over a certain amount. Mr. Beckman suggested that expenditure over \$1,000 should be authorized in advance by the Manager except in case of emergency. Following discussion Mr. Beckman noted that he would draft a policy for Board consideration at the next Board meeting. Attorney Ceccato noted that spending threshold policies are quite common, and it may be worth checking the District's files to see if there is a policy already in place.

Ms. Sedgeley excused herself from the meeting at this time.

OPERATIONS MATTERS

Operations Report: Mr. Pintor reported that two of the District's three pressure reducing valves (PRVs) have been repaired by John Tetter, a local contractor. Mr. Tetter will repair the third PRV in the near future. Mr. Beckman inquired as to the status of the private water line that was leaking on Shady Lane. Mr. Pintor reported that the line is no longer leaking, however there is a fire hydrant leaking on Shady Lane. He will need to repair the gate valve to the hydrant in order to then address the fire hydrant. He is researching rebuild kits for this and other gate valves in the District. Mr. Pintor then reported that he has been exposing valves throughout the District in order to facilitate a leak detection inspection scheduled for July 20th and 21st.

Status of System Flushing: Mr. Pintor discussed system flushing and noted that given the recent decrease in water production, system flushing is not prudent. The Board was in concurrence with Mr. Pintor's observation. Discussion ensued regarding the recent decrease in water production. Mr. Richardson noted that Wells 1A and 1B were producing approximately 20 gallons per minute approximately a month ago, and they are now producing approximately 12.5 gallons per minute.

Integration of Ridgeway Well: Mr. Beckman reported that it has been verified that the electrical feed from the Ridgeway Well to the Forks Building is short circuiting in too many locations to warrant repair. He further reported that he met with Mr. Richardson and Mr. Pintor at the Forks Building earlier this month to assess the work necessary to install a new electrical feed. Discussion ensued regarding boring under the road versus digging an open trench. Following discussion, it was determined that an open trench would be a faster and less expensive option. Mr. Pintor reported that he will work on digging the trench and

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installing conduit for the electrical feed following the leak detection project. It was noted that once the electrical feed is replaced the District can begin utilizing the Ridgeway Well.

Engineer's Report: Mr. Orsatti reviewed his June 30, 2020 Fire Protection Assessment Memorandum, and July 10, 2020 Project Status Memorandum with the board, attached hereto and incorporated herein by this reference.

Mr. Orsatti discussed various options to improve the District's water production including incorporating additional surface water, adding additional wells and putting the Ridgeway Well back into service.

General Services Contract between the District and Orsatti Water Consultants:

Water Use Restrictions: The Board discussed the current "Red" status and determined that the District should continue under this status until the wells are able to fill the tank up to the upper set point limit. The Board discussed the need to explain the condition to residents and the fact that the status will likely be in place until next spring. The Board directed Mr. Beckman to draft an official communication to the residents and circulate for Board review.

2021 Eligibility Survey: Mr. Beckman reviewed the survey with the Board and explained that in order to qualify for potential funding assistance through the Colorado State Revolving Fund, the District's planned improvements must be listed on the Survey and filed with the State.

Following discussion, upon motion duly made by Director Gardner, seconded by Director Rieser and, upon vote, unanimously carried, the 2021 Eligibility Survey was approved. The Board directed Mr. Beckman to proceed with filing the survey with the State.

District Website: Mr. Beckman discussed the website with the Board noting that the website is hosted as a free service through the Colorado Statewide Internet Portal Authority (SIPA). He requested that the Board approve www.colorado.gov/iwsd as the District's official website and meeting posting location.

Following discussion, upon motion duly made by Director Jordan, seconded by Director Gardner and, upon vote, unanimously carried, the Board approved www.colorado.gov/iwsd as the District's official website and meeting posting location. Director Riser volunteered to help with the website maintenance.

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LEGAL MATTERS

There were no legal matters to discuss.

EMPLOYMENT MATTERS

Review Preliminary Operations and Maintenance Plan: Mr. Beckman reviewed the plan with the Board. He explained that Mr. Pintor prepared the initial list, and some formatting and the addition of checklists were added by Mr. Beckman. Mr. Beckman then discussed the Direction by the Board for Mr. Pintor to prepare the plan in order to meet the first milestone necessary for a salary increase.

Following discussion, upon motion duly made by Director Gardner, seconded by Director Vandegrift and, upon vote, unanimously carried, the Board approved the Operations and Maintenance Plan and an increase of \$2 per hour for Mr. Pintor Jr. bringing his wage to \$19.25 per hour. The Board determined to make the increase retroactive to July 1, 2020.

OTHER BUSINESS

There was no other business.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Richardson and seconded by Director Gardner the meeting was adjourned.

DocuSigned by:
Jim Jordan
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President