

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE IDLEDALE WATER & SANITATION DISTRICT HELD June 9, 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 9th day of June, 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

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 Vandegrift, seconded by Director Gardner and, upon vote, unanimously carried, the Agenda was approved.

Minutes: The Board reviewed the Minutes of the May 12, 2020 Special Meeting.

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

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Director Vandegrift and, upon vote, unanimously carried, minutes of the May 12, 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 \$20,911.93.

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. Sedgley reported that she does not yet have the information needed to prepare the quarterly financials. She is working on getting access to the data and will hopefully have first quarter financials for the next Board meeting.

Accounts Payable using Bill.com: Ms. Sedgeley advised the Board that the platform is close to being functional. Administrative access to the District's Quick Books software is still needed. They are working with Mr. Richardson to get this resolved.

Grant Funding: Mr. Gardner discussed the potential to seek grant assistance or low interest financing through the USDA. He also discussed the timing for the work required to meet The Colorado Department of Public Health and Environment's (CDPHE) regulations for water systems using ground water deemed to be under the direct influence of surface water, also known as GWUDI regulations. He explained that due to the impending deadlines for conformance, it will be impossible to pursue grant funding for the work. He further explained a design grant in the amount of \$5,000 was awarded to the District for GWUDI filtration design.

Mr. Beckman reported that the Department of Local Affairs (DOLA) has not yet provided the design grant contracts for the Preliminary Engineering Report (PER) or the GWUDI design. He explained that he discussed this matter with DOLA earlier today and was informed that due to personnel and resources being diverted to combat the COVID-19 pandemic, DOLA has not been able to provide the contracts. Mr. Beckman and Mr. Orsatti will discuss the status of the projects with DOLA to determine what options the District has, to maximize the use of the grant funds awarded. Following discussion, the Board directed Mr. Beckman, Mr. Orsatti, and Mr. Pintor to address the funding and project timing issues with the

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CDPHE as well to see if completion deadlines may be adjusted to better align with the awarded grant funding.

OPERATIONS MATTERS

Operations Report: Richard Pintor Jr. reported that the service line replacement is in process for the home on Shady Lane that had the major water leak. He has been overseeing and coordinating with the contractor. Following discussion, the Board directed Mr. Beckman to write a letter to the property owner explaining the extraordinary expense the ongoing water leak has cost the District.

Mr. Pintor then reported that he recently assisted the District's Engineer and the Fire Department with fire hydrant testing. He was able to perform system flushing at the same time. Mr. Richardson cautioned the Board that there were several complaints following the system flushing by residents who experienced temporary low pressure or dirty water issues. He explained that the flushing stirred an extraordinary amount of debris because the District has been unable to flush the system for the past several years due to the ongoing water shortage.

Mr. Orsatti noted that the Fire Department was very accommodating. Mr. Orsatti will prepare a technical memorandum regarding the overall status of the fire hydrants and the flow rate observed.

Water Use Restrictions: The Board discussed the current "Yellow" status and determined that the District can continue without change to the current restrictions imposed.

Pressure Reducing Valves (PRVs): Mr. Richardson reported that he has requested a quote from John Tetter, who is a private contractor, who specializes in PRV repairs. Mr. Richardson estimates the cost for Mr. Tetter to repair the District's three PRVs to be approximately \$3,000. He will provide the quote to Mr. Beckman once it is received. Discussion ensued regarding the addition of remote flow and pressure monitoring. Mr. Orsatti will be addressing such improvements in the PER.

ENGINEER'S REPORT

GWUDI Classification by CDPHE: Mr. Orsatti addressed the Board regarding the improvements necessary to meet GWUDI filtration requirements. He reported that the design is in process. He discussed integrating the District's nearby surface water sources into the filtration design in order to maximize water production. Mr. Beckman reported that he has directed Mr. Pintor to follow up on the water tests requested by Mr. Orsatti. The samples will be submitted and analyzed as soon as possible.

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Preliminary Engineering Report (PER): Mr. Orsatti reported that he is working on the report which will consider all water sources and the best means to improve the system so that it will provide sustainable water to the District. Once an optimal project is determined it will be presented to the CDPHE and DOLA for approval and financial assistance. Mr. Orsatti explained that upon completion of each milestone in his scope of work, a technical memorandum will be prepared and reviewed with the District.

LEGAL MATTERS

There were no legal matters to discuss.

EMPLOYMENT MATTERS

Job Description for Operator in Responsible Charge ("ORC"): Mr. Beckman reviewed the draft job description with the Board. He explained that comments from the prior Board meeting have been incorporated. Mr. Richardson noted that he has reviewed, and the only item that he found that he would like to see changed is the language referring to work on service lines. Mr. Beckman agreed with the comment and will strike the language from the job description.

Following discussion, upon motion duly made by Director Gardner, seconded by Director Vandegrift and, upon vote, unanimously carried, the Board approved the Job Description as amended.

Performance Milestones for Operator in Responsible Charge: Mr. Beckman discussed performance milestones and suggested that the Board consider two primary milestones to be achieved by Mr. Pintor in order for his requested pay increase to be granted. The first milestone would be the development of a Preventive Maintenance Program. Mr. Beckman and Mr. Orsatti will assist with review and guidance of the program. Once a suitable program is developed and approved by the Board, Mr. Pintor would receive one half of the requested pay increase. The second milestone would be sustained execution of the adopted program. After two to three months, or a time deemed sufficient by the Board to demonstrate adequate performance, the second half of the pay increase would be granted.

Following discussion, upon motion duly made by Director Gardner, seconded by Director Vandegrift and, upon vote, unanimously carried, the Board approved the Performance milestones and pay increase for Mr. Pintor as discussed.

OTHER BUSINESS

There was no other business.

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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.

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Jim Jordan
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President