

RECORD OF PROCEEDINGS

MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS THREE LAKES WATER AND SANITATION DISTRICT

HELD

Monday, May 8, 2017
6:30 p.m. at the Administration Building
1111 County Road 48
Grand Lake, CO 80447

A regular meeting of the Board of Directors of the Three Lakes Water and Sanitation District was held in accordance with the applicable Statutes of the State of Colorado.

The following Directors were present and acting:

Pat Farmer
Bill Heffron
Dan Knox
Les Shankland
Julie Gasner

Others present: Dan Cudahy, Auditor
Scott Munn
Sally Blea and Mike Gibboni, Staff

CALL TO ORDER

Chairman Heffron called the meeting to order and opened for discussion the first agenda item.

COMMENTS BY THE CHAIR:

No comments by the Chair.

INTRODUCTIONS OF PUBLIC PRESENT

No other public present.

MINUTES

By **MOTION** and second, and by unanimous vote, the April 10, 2017 Minutes were approved as presented.

MATTERS BEFORE THE BOARD:

Audit Presentation: Dan Cudahy

Mr. Cudahy presented the audited Financial Statements for year 2016, firstly noting that it was a clean opinion. His Audit Letter to the Board stated that the audited statements present fairly, in all material respects, the financial position of the District at December 31, 2016 and in conformity with accounting principles generally accepted in the United States of America. He recommended that the District hire a CPA firm to essentially close the records at year end which will help take care of any necessary adjustments, as the Auditor should not be making those adjustments. He also noted that he would like to see the District use the Quickbooks Budget which will tie to the Balance Sheet. The District's Budget is a cash basis report completed outside of Quickbooks and is meant to tie only to the checkbook. He would also like to see a reconciliation between the District's Billing Program in ADG and Quickbooks. He noted that the District's assets should be inventoried each year and anything fully depreciated should be removed from the list. He stated that the District is in good financial condition with \$3.2 million in available resources at December 31 with a good cash position. He explained how Tabor laws require the four Funds to be set up in the fashion that they are, in order to accommodate the loans/grants the District received and continues to receive. Because there were some minor corrections to be made to the Audit, the Board deferred action to formally accept it until the next Board meeting.

Scott Munn on behalf of Pat Goode, Lot 34, North Sunnyside Addition to Grand Lake: Request for temporary variance from connection to sewer main

Mr. Munn stated that the Goode property is within 400 feet of the District's sewer main but the high cost to connect prompts them to inquire as to a temporary variance. They are building this summer with a determination on sewer treatment to be decided no later than the fall. Sally opined that in her review of service to the entire subdivision, an extension of the District's sewer main from Grand Avenue and crossing West Portal Road should be looked at, at this time, with eventual service into the subdivision. The Goode property could then connect into the extended sewer main. She suggested that an eventual sewer main extension into the subdivision could prompt a cost sharing program to get service to the many residences already in the subdivision. The Board agreed and directed staff to obtain a price to extend including engineering costs, and review the budget for availability of funds if it is possible to even get the short extension completed in this year.

FINANCIAL REPORTS

By **MOTION**, second and unanimous vote, the checklist for the month of April was approved. The Financial documents for April were reviewed and accepted as presented.

MATTERS OF DISCUSSION AS BROUGHT FORTH BY BOARD MEMBERS

None

CHIEF OPERATOR REPORT

See attached written report. Mike also reported that Sani King has closed its doors. An interested party wanting to provide the service of pumping septic tanks has inquired about dumping directly into the sewer system. Mike stated he is of the opinion not to allow direct dumping of a large amount of sewage at one time. The Board concurred.

DISTRICT MANAGER REPORT

Setting of Strategic Planning Workshop: The Board set the date for the workshop for June 19 from 9:00 to 3:00 p.m.
Setting of Bonus Committee Workshop: The Committee set the date for the workshop for May 24 at 9:00 a.m.
Setting of Hiring Committee date to review District Manager position applications: The Committee set the date for May 30 at 2:00 p.m. to review the applications received.

Town of Grand Lake/Community Center Assessment

Sally stated that the Town of Grand Lake has requested that the District start the new user fee rate for the Community Center as of the date of the Board/Town official meeting of March 13 instead of January 1, the date the District used to commence billing. Tap fees were also assessed in the amount of \$13,724 for 1.46 sfe taps. The Town has not paid the Tap fees. They continue to contest the fairness of the assessment and thought that there was going to be another meeting amongst Board representatives. Sally would like to propose that the District extend the time of payment of the tap fees to no later than January 5, 2018 so that the Town can budget for them in their 2018 Budget, and that an agreement be signed regarding same. The Board agreed to move the commencement date to March 13 2017 as the new user fee commencement date and request payment of the tap fees by no later than January 5, 2018.

With no further business before the Board, the meeting was adjourned at 8:28 p.m.


Sally J Blea, Reporting Secretary


Julie Gasner, Secretary/Treasurer