

RECORD OF PROCEEDINGS

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

HELD

Monday, May 14, 2018
6:30 p.m. at the Administration Building
1111 County Road 48
Grand Lake, CO 80447

A regular meeting of the Board of Directors was called to order by Chairwoman Farmer, at 6:30 p.m.

The following Directors were present and acting:

Pat Farmer
Les Shankland
Julie Gasner
Matt Reed
Scott Huff

Staff present: Katie Nicholls, District Manager
Mike Gibboni, Chief Operator

INSTALLATION OF NEW BOARD

Scott Huff, Julie Gasner, Matt Reed and Les Shankland took their Oaths of Office. By **MOTION** and second, the Board elected Pat Farmer as Chairman of the Board. By **MOTION** and second, the Board elected Julie Gasner as Vice Chairman of the Board. By **MOTION** and second, the Board elected Les Shankland as Secretary/Treasurer of the Board.

COMMENTS BY THE CHAIRWOMAN

Chairwoman Farmer had no comments.

INTRODUCTIONS OF PUBLIC PRESENT

Richard Schliep – 626 GCR 48 and 39 GCR 48.
Jennie Schliep – 626 GCR 48 and 39 GCR 48.
Will O'Donnell – Mountain Lake Properties

ACCEPTANCE OF MINUTES

By **MOTION** and second, the April 9, 2018 Minutes were approved as presented.

MATTERS BEFORE THE BOARD

Consideration of Temporary Variance for Lot 40, Lakeridge Subdivision Filing 2 – John E. Struckhoff

Katie stated that John E Struckhoff, owner of Lot 40 Subdivision Filing 2, more commonly referred to as 748 GCR 47/Lakeridge Drive is seeking a temporary variance from connection. His property previously held a temporary variance which was cancelled with the upgrade to the lift station. Connection to the main requires him to cross private land, to which the easement was denied verbally to the homeowner as well as the District Manager. Connection via public right-of-way exceeds 400 feet. She noted that the septic inspection has not occurred but is scheduled for the 24th of May. By **MOTION** and second, the Board moved to approve the variance for Lakeridge Subdivision Filing 2, Lot 40, Grand County, Colorado with owner John E. Struckhoff Trust DTD as presented.

Consideration of assessment given of property located at 39 GCR 48 – Sloopy’s Grill

Katie stated that annually the District sends out assessment notification letters to all commercial properties. During this process it came to Staff’s attention that Sloopy’s Grill located at 39 GCR 48 has been excluded from the process and therefore would require reassessment. The property has one tap of record with a use rating of Snack Bar. An onsite assessment took place on March 27, 2018. Staff determined that the Snack Bar usage rating does not apply and the property should be rated as a Restaurant. The customer service area was measured at 428 square feet, which equates to 2.00 SFE. Purchase of a new tap and increase in user fees would be required under this new rating. She concluded that Jenny and Richard Schliep are present contest the assessment made by the District.

Jenny and Richard Schliep passed out a letter to the Board members and stated that they felt the reassessment was unfair and the extra tap creates a large financial burden upon their business. They stated their willingness to pay the extra user fees, but asked the Board to consider waiving the tap fee.

A discussion ensued regarding the usage rating, previous modifications to the property, historical tap fees, back user fees, funding by promissory notes, rate study expectations and use assessments of comparable properties were discussed. By **MOTION** and second, the Board reaffirmed the 2.0 SFE rating assessed by District Staff, waived the option to collect back user fees for five years, applied the tap fee rate at the 2006 rate of \$7,000, offered the option of a promissory note, and allowed 90 days for the property owner to either secure independent financing or sign a promissory note with the District for 1 SFE tap. All voted aye except Director Reed who voted nay.

Consideration of Resolution No. 2018-5-1; a resolution providing indemnification of Directors and Employees of the District

Katie stated that it had been six years since the last indemnification of Directors and Employees was signed. The District’s Attorney advised re-signing the indemnification. By **MOTION** and second, the Board approved Resolution no. 2018-5-1; a resolution providing indemnification of Directors and Employees of the District.

Consideration of sale or rental of District owned real property located at 1450 GCR 491 and 207 Bella Vista Court # 114

Katie stated the Board needs to decide if they want to rent out the condominium and modular or sell the properties as discussed previously. She provided the monthly, annual and maintenance fees for each property and noted that Wes House has stated his desire to buy back the modular property.

By **MOTION** and second, the Board directed the District Manager to get appraisals for District owned properties at 1450 GCR 491 and 207 Bella Vista Court #114, prepare both properties for sale, contact Wes House regarding the sale of the modular, and contract with a realtor for the sale of the condominium and possibly the modular.

Consideration of Resolution No. 2018-5-2; a resolution approving revised Employee Handbook

Katie stated that the District’s Attorney had changes to the Drug and Alcohol section, Commercial Driver’s License section and a few minor changes that would prohibit this from being approved today. She reviewed with the Board the other proposed changes to the handbook.

PUBLIC COMMENT

None.

FINANCIAL REPORTS

By **MOTION**, and second the checklist for the month of April was approved. A question was raised about the credit card finance charges. A lengthy discussion ensued regarding the financial statements particularly their usefulness and formatting. 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.

DISTRICT MANAGER REPORT

Cost of Services Analysis

Todd Cristiano from Raftelis Financial Services has a scheduling conflict, which prohibits him from being able to present to the Board at the June 11, 2018 meeting. After a brief discussion three alternate dates were proposed for the meeting.

Bookkeeper Position

Robin Conger, tendered her resignation on April 18, 2018. The position was advertised, and to-date three applications have been received, one of which was from Diane Temple, the current receptionist. Diane was offered the position effective May 14, 2018, to which she has accepted. Advertising for a new receptionist will begin this week.

Diane Temple

Katie stated that Diane has been integral in the success of the District after the resignation of Robin. She jumped into a new position with an excellent attitude, learning things the hard way, and working extra hours to ensure business continued. Katie requested that the District provide Diane with a small bonus as a token of gratitude for helping keep the District running. After a brief discussion the Board agreed to provide Diane with a Lightning Bonus.

Coke Machine

The District owned coke machine will be sold as it is not utilized.

Copper Compliance

The pre-application meeting for funding through CDPHE for the copper compliance project has been scheduled for June 18, 2018.

Lawsuit

The District has been served on a lawsuit naming them as a third party. The lawsuit is related to a service line. The District's Attorney is responding.

Executive Session pursuant to C.R.S. § 24-6-402(4)(b) for a conference with an attorney for the District for the purpose of receiving legal advice on specific legal questions related to the District's Agreement for Consulting Services with Sally Blea

By **MOTION** and second, the Board entered into Executive Session for a conference with an attorney for the District for the purpose of receiving legal advice on specific legal questions related to the District's Agreement for Consulting Services with Sally Blea.

By **MOTION** and second, the Board exited Executive Session.

With no further business before the Board, the meeting was adjourned at 9:06 p.m.

Katie Nicholls, Reporting Secretary



Les Shankland, Secretary/Treasurer

May, 2018

Chief Operator Report

Lift Stations /Call Outs:

Highland Lift Station improvements have been completed. Sun Valley is the next one on the priority list.

All other Lift Stations are operating properly with regular checks and maintenance.

Treatment Plant:

Operating normally.

Engineering on copper compliance continues. I have a meeting with the engineers and filter manufacturer on 5/15 to discuss design for the upcoming plant upgrade. Also we received a permit extension until 2021 from CDPHE to come into compliance with the copper regs. Katie has submitted the application to the state for financing for that project.

Water Systems:

1. North Shore: Operating normally.
2. Columbine: Operating normally.

Other:

Columbine Lift Station is up and running. Clean up and grading should be completed this week. I will be meeting with the homeowners affected by the project as well as the Columbine HOA to discuss any issues they may have with it. I will let everyone know as soon as I do what those concerns are so we can address them.

Pump replacement at Beach Lift Station is happening on 5/10 with clean up and final grading as well as paving after that. I will meet with the town to address any of their concerns.

Mike