

## RECORD OF PROCEEDINGS

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

#### HELD

Friday, October 13, 2017  
9:00 a.m. at the Administration Building  
1111 County Road 48  
Grand Lake, CO 80447

A special 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:

Julie Gasner  
Pat Farmer  
Les Shankland  
Matt Reed

Chairman Knox was not present, and by **MOTION** and 2<sup>nd</sup>, and unanimous vote, was excused.

Others present: Attorney Carolyn Steffl  
Sally Blea, Mike Gibboni, staff

#### CALL TO ORDER

Vice Chairman Farmer called the meeting to order and announced that the special meeting was called for the purpose of discussing existing inactive taps of record, including taps purchased through Columbine Lake Water & Sanitation District, Grand Lake Water & Sanitation District and Three Lakes Water & Sanitation District, and active taps of record for taps purchased through Grand Lake Water & Sanitation District.

Sally presented background information on the active Grand Lake property accounts, including estimated wastewater production in single family equivalents (SFE's) as originally assessed by Grand Lake Water & Sanitation District, and as assessed by Three Lakes. In many situations, the assessments differed.

Sally also provided background information on taps of record for vacant (never developed) land with tap fees originally paid to Grand Lake Water & Sanitation District, Columbine Lake Water & Sanitation District., or to the Three Lakes District. Also discussed was the fact that Three Lakes has inactive taps of record purchased throughout the years, at various costs, for which a Capital Improvement fee has not been applied. A Capital Improvement Fee is applied to taps purchased after the date of March 1, 1998, and not activated (connection made) within two years, but is not applied to taps purchased through Three Lakes, prior to that date. As well, a Capital Improvement Fee, at this time, is not applied to the Columbine Lake and Grand Lake Water & Sanitation District vacant land taps. All of the above situations were addressed at length by the Board.

The Board discussed developing policy changes to ensure a proper and fair record of taps for every property in the particular situations noted above and to treat all of them the same henceforth, once the record is established.

The Board also discussed when user fees should commence and whether user fees should be charged for inactive accounts following payment of tap fees, as is the current practice, or following physical connection.

After a brief break, by **MOTION** and second, and unanimous vote, the Board entered into Executive Session at 10:30 a.m. under CRS 24-6-402(4)(b) for a conference with the attorney for the District for the purpose of

receiving legal advice on specific legal questions related to taps of record that remain inactive at this time or with regard to recording of taps purchased from another District. The Board exited Executive Session at 2:40 p.m. by **MOTION** and second, and unanimous vote.


A discussion ensued regarding a Rate Study for tap fees and user fees. The Board directed staff to plan for a Request for Proposal (RFP) to be prepared in 2018. Various workshops will help determine the scope of work for the RFP. The Board also directed staff to propose policy changes regarding recording of taps and requirements for connection as per the discussions.

The Board then set a date of November 6 for the strategic planning workshop commencing at 9:00 a.m. Staff was directed to invite Jed Dindinger of High Country Soils to the workshop to speak to the Board on septic systems, including Grand County design regulations, soils testing, size of properties, etc. This information would help the Board to determine a long term program for temporary variances of the past and for the future. The Board also discussed at length the requirement of connection for those areas where a line extension is proper to service not only that property but other properties as well.

The following dates were discussed for future agenda items: The November 13 regular meeting of the Board will include the Budget hearing. The December 11 regular meeting will include an executive session to discuss any legal questions regarding the tap records discussed earlier, as well as a discussion on a proposed plan for recording the taps in question. At the regular meeting on January 8, the Board will hold a formal hearing on the tap records to receive public feedback on the proposal.

With no further business before the Board, the meeting was adjourned at 3:30 p.m.

  
Sally J Blea, Reporting Secretary

  
Julie Gasner, Secretary/Treasurer