



RECORD OF PROCEEDINGS

REGULAR MEETING OF THE BOARD OF DIRECTORS THREE LAKES WATER AND SANITATION DISTRICT MONDAY, OCTOBER 14, 2019 6:30 PM

1. **CALL TO ORDER**

A regular meeting of the Board of Directors was called to order by Chairwoman Farmer, at 6:33 p.m. at the Administration Building, 1111 County Road 48, Grand Lake, CO 80447

Directors Present: Pat Farmer – Chairwoman
Les Shankland – Secretary/Treasurer
Judy Acierno – Director
Scott Huff – Director

Staff Present: Katie Nicholls – District Manager, Mike Gibboni - Superintendent

2. **COMMENTS BY THE CHAIRWOMAN**

None.

3. **INTRODUCTIONS OF PUBLIC PRESENT**

Donovan Stevens, Diane Stevens, Larry Poehler, Diane Temple, Kathy Klutsch, and Stan Spencer.

4. **ACCEPTANCE OF MINUTES**

By **MOTION**, second, and unanimous vote the September 9, 2019 Minutes were approved as presented.

5. **MATTERS BEFORE THE BOARD**

a. **Public Hearing: to receive public comment on a proposed increase in the quarterly user fees paid effective January 1, 2020**

Chairwoman Farmer opened the Public Hearing. District Manager Nicholls presented the matter explaining that the Board of Directors is proposing a \$6.00 a quarter, or \$2.00 per month increase in user fees for the year 2020. The Copper Removal project at the plant to meet new effluent limits, aging infrastructure, and decreasing residential property tax assessment rates are all contributing factors for the needed increase. A rate study was completed by an independent contractor in 2018 which has helped the Board to have a 10 to 20-year financial outlook.

Diane Temple, 15 GCR 476, read a letter written to the Board of Directors, which was passed out to the Board and Staff present. Ms. Temple had various questions pertaining to funding options researched, cost containment, use of independent contractors, grants, the District Manager's job and salary, and the financial study. The Board referred the questions to Staff for future follow-up.

Donovan Stevens, 2154 GCR 491, inquired about studies done on projects needed, availability of those studies to the public, and the funding options researched. District Manager Nicholls explained that an Asset Management Plan was conducted by the District's engineer identifying the repairs and

replacements necessary to maintain the system. Mr. Stevens inquired about getting an executive summary of the report. The Board encouraged Mr. Stevens to follow-up on his questions with Staff.

There being no further public comment Chairwoman Farmer closed the Public Hearing.

b. **Resolution 2019-10-1; a resolution setting sewer service fees**

District Manager Nicholls stated that the resolution was to set the quarterly user fees to \$105.00 a quarter effective January 1, 2020. By **MOTION**, second, and unanimous vote the Board Resolution 2019-10-1; a resolution setting sewer service fees.

c. **Public Hearing; Resolution 2019-10-2; a resolution of certification to the Grand County Treasurer of delinquent accounts for collection on its tax rolls**

Chairwoman Farmer opened the Public Hearing. District Manager Nicholls stated that all accounts on the list are eligible for certification with the county if they do not come current by the end of the month.

Larry Poehler, 73 GCR 4945, inquired about what happens if those listed do not pay and how payment is received. District Manager Nicholls explained that the unpaid accounts debt will be turned over to the county for collection with the taxes. When payment is received by the County, they will provide the District with the money owed by the customer.

Donovan Stevens, 2154 GCR 491, inquired about the past due accounts and general cash flow. The Board stated that they do not have any cash flow issues, and that accounts on the list are the past due accounts.

There being no further public comments Chairwoman Farmer closed the Public Hearing. By **MOTION**, second, and unanimous vote the Board approved Resolution 2019-10-2; a resolution of certification to the Grand County Treasurer of delinquent accounts for collection on its tax rolls.

d. **Consideration of temporary variance request for 177 GCR 442, Rick & Dee Mullinex**

District Manager Nicholls stated that Rick and Dee Mullinex, are seeking a temporary variance for their property located at 177 GCR 442. The property is located within 400 feet of a main, however, they have been denied the easement across their neighbor's lot which would be required for connection. A discussion ensued regarding the property location, other ways of potential connection, cost of connection, and if a line extension was ever considered in that area. By **MOTION**, second and the Board approved a temporary variance for 177 GCR 442. Secretary/Treasurer Shankland voted nay.

e. **Presentation of the 2020 proposed budget**

District Manager Nicholls presented the 2020 proposed budget noting that the funds have been reduced to two funds instead of five funds. New increases in operations were noted due to the Copper Removal project. A coordinated election was included for a possible ballot question in November 2020 to De-Bruce the District in response to decreasing residential property tax assessment rates. A discussion ensued regarding the Copper Removal loan, health insurance costs, vehicle replacement and life expectancy, and if there were any opportunities to trim expenses.

6. **PUBLIC COMMENT**

Stan Spencer, 1380 GCR 64, inquired into the District's position on camper trailers dispersing gray water or liquids not to be considered gray water on the surface of the ground. The Grand County Community Development department has asked Mr. Spencer to ask his questions. A discussion ensued regarding the issue, the county's versus the District's responsibilities, the District's lack of enforcement staff, and the public health department's responsibility. Mr. Spencer also inquired into the requirement for connection to the system, and what variances look like for connection. A discussion ensued regarding the requirements for a septic system and the county's requirements.

7. **FINANCIAL REPORTS**

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

8. **MATTERS OF DISCUSSION AS BROUGHT FORTH BY BOARD MEMBERS**

Chairwoman Farmer stated that she and Director Acierno went on a tour of the treatment plant earlier in the day with some of the Board members of Columbine Lake Water District. She thanked Superintendent Gibboni for the thorough tour.

9. **SUPERINTENDENT REPORT**

Superintendent Gibboni presented the Superintendent Report.

10. **DISTRICT MANAGER REPORT**

District Manager Nicholls stated that she, the Superintendent, and the Attorney for the District had a conference call with the Developer of the Grand Lake Lodge regarding the ground water issues on Woodpecker Hill. The developer has provided the District with an easement, but has not received the required as-builts. Additionally, the Board will need to officially accept the line, however, the attorney for the District has advised against acceptance until the water issues have been resolved.


11. **EXECUTIVE SESSION**

Executive Session: Review of Katie Nicholls, District Manager – pursuant to 24-6-402(4)(f) Personnel Matter

By **MOTION**, second, and unanimous vote the Board entered into executive session, pursuant to 24-6-402(4)(f) Personnel Matter related to the review of Katie Nicholls. The Board exited executive session. By **MOTION**, second, and unanimous vote the Board increased Katie Nicholls' salary to the next step of the step increase plan.

With no further business before the Board, the meeting was adjourned at 7:56 p.m.


Katie Nicholls, Reporting Secretary


Les Shankland, Secretary/Treasurer