

Mesa Cortina Water & Sanitation District
BOARD OF DIRECTORS MEETING
Thursday, November 12, 2015
Silverthorne Fire Station

Attending Board members:

Jon Whinston

Randy Rehn

Billy Jack

Others attending:

Deborah Polich	NP Services, Inc.
Tim Flynn	District Attorney
Jeff Leigh	District Manager
Stan Wagon	36 Spring Beauty Drive

The meeting was called to order at 5:07 PM.

Agenda. *The agenda was modified to have an executive session during the meeting regarding legal advice for contract negotiations. (Rehn/Jack,3-0).*

Minutes. *The minutes of the October 6, 2015 meeting were approved as written. (Rehn/Whinston,3-0).*

2016 User Rates. *The public hearing on the 2016 user rates was opened. The proposed 2016 rates were intended to provide a pass-through of the Buffalo Mountain Metro District (BMMD) rate increase of either 40% or 20%, plus an increase of 5% to build reserves for current and future infrastructure improvements and repairs. BMMD has recently indicated the 2016 increase would be 20% rather than the original proposed 40%, but had not yet formally approved the 2016 rate. There was a lengthy discussion regarding the 2016 Mesa Cortina rates and the calculation of the increase on the base rate, usage rates, standby rate and tap fees. A motion was approved to adopt the proposed 2016 rates reflecting a pass-through of the BMMD increase on the water base rate and sewer rate with a 5% increase in all rates for capital generation. (Whinston/Jack,3-0). The public hearing on the 2016 rates was closed.*

2016 Budget. *The public hearing on the 2016 budget was opened. The public hearing was closed. The 2016 budget presentation included modification to the water income, sewer income, sewer line rental income, water purchased, and the sewer line rental expenses pending if the BMMD increase was 20% or 40%. The budget included projected 2016 operating expenses and capital expenditures. Resolution 2015-11-1 was approved adopting the 2016 budget. (Rehn/Jack,3-0). Resolution 2015-11-02 was adopted to fund 2016 expenditures. (Rehn/Jack,3-0). Resolution 2015-11-03 was approved to adopt a zero mill levy for 2016. (Rehn/Jack,3-0). The final 2016 budget would be adjusted pending the BMMD increase and corrections to the budget message.*

Aclara IGA agreement. Attorney Tim Flynn was involved in the review of the Intergovernmental agreement on the sharing of the Aclara Star meter reading system with the East Dillon Water District, Hamilton Creek Metropolitan District, and the Dillon Valley District. The agreement was intended to formalize the cost sharing and use of the Aclara Star system as has occurred in the last four years. Approval was deferred to the next meeting.

Kings Court water line break. A water line break on Kings Court had been repaired. There had been four breaks on this section of line. The line replacement was expected to cost approximately \$100,000. The Board indicated the engineer should be requested to prepare plans for the line replacement.

Shooting Star vault. Jeff Leigh indicated the installation of the water control equipment was going well. The vault construction is materially complete, but there has been some difficulties in obtaining the final meter and electrical services from Xcel. The final certificate of occupancy is pending the

electrical installation. An upgrade to the communication radio was expected to add \$1,200 to \$1,400 in the total control equipment cost.

I&I service line repairs. Jeff reported two of the five identified sewer service line problems were repaired. Options for repair of the remaining three were still being explored.

Operations. The PRV's have been rebuilt and were expected to have a life of five to 10 years between rebuilds. Maintaining dry conditions in the PRV vaults was important and may require obtaining a generator to pump the vaults out in the spring. Water proofing of the vaults will improve the water infiltration problem. The cost of water proofing was estimated at \$1,000.

Options for repair and improving the water tank roof were being explored by Randy Rehn and Greg O'Neill. The work was expected to be a summer 2016 project.

2016 Board of Director election. The board positions of Greg O'Neill and Barry Westerland were up for election in May 2016 for four year terms. Barry indicated he would not be running for another term.

Legal. There was a discussion with Attorney Tim Flynn regarding the procedures for enforcing rules and regulations on service line repairs. Should the owner not perform required repairs, the District retained the right to perform necessary repairs and charged the owner. Various collection options were available.

Executive Session. *A motion was approved to enter into an executive session pursuant to C.R.S. sec. 24-6-402(4)(b)&(e) for the purpose of obtaining legal advice on contract negotiations. (Rehn/Whinston,3-0). The executive session was ended following the legal advice discussion.*

The meeting was adjourned at 7:25 PM.