

Mesa Cortina Water & Sanitation District
Board of Directors Meeting
Tuesday, September 17, 2019
North Branch of Summit County Library - Silverthorne

Attendance **Board:** Randy Rehn, Jon Whinston, Stan Wagon, Billy Jack, Greg O’Neill
Others: Jeff Leigh, District Manager; Michael Kurth, Summit Bookkeeping, Kelsey Anderson, Owner

Meeting was called to order at 5:07 PM

Minutes: ***A motion was made by Stan Wagon and seconded by Randy Rehn to approve minutes of the August 6, 2019 meeting. Motion unanimously approved.***

Financials: Financial reports through the end of August 2019 were sent via e-mail to the Board members. Year to date Income is at \$205,366 and is tracking \$17,784 above budget. Operating expenses are \$175,476 and is \$18,238 below budget. Operating year to date net income at the end of August is \$39,541. YTD interest expense for the Alpine Bank Capital Loan is \$1,882.
Mike updated the Board on the status of the one delinquent account. The owner is making monthly payments toward their outstanding balance.
There was some discussion with regard to making an additional principal payment on the Alpine Bank Loan. The current outstanding loan balance is \$89,020. The consensus was to take a closer look at that as we get closer to the end of the year and with budget discussion.
Mike will get a draft of the 2020 budget sent to the Board for discussion at the next meeting.

Projects: **JSA I&I Penalties**
We received an invoice from the JSA for I&I penalties from the spring runoff. The amount of the penalty and cost to process the water was approximately \$5000.

Manhole Rehab
Jeff has been in discussion with CDL regarding the manhole rehab project. CDL is unable to do the rehab project this fall. There was some consideration of doing the project during the next spring runoff in 2020. Jeff will keep working on this project through the winter and should be receiving an updated proposal from CDL. Once a more detailed and defined proposal is received from CDL, Jeff will supply a copy to the Board members.

I&I Service Line Repairs
Jeff has been in contact with Bill Echhoff of Majestic Construction regarding the sewer line repairs for 6 and possibly 7 homeowners identified with the videoing of lines this past spring. The District will not be responsible for any part of these repairs. They are all the homeowner’s responsibility. Jeff is acting on behalf of the District to help facilitate the repairs and to insure that they are completed by the October 31, 2019, deadline. Jeff will continue to be in contact with the homeowners affected to proceed with the

repairs. The Board discussed the possibility of billing some of Jeff's Administration time to the owners for the origination and oversight of the project. ***Jon Whinston moved to divide all of the cost of Jeff's time on this project among the homeowners involved for the coordination of the sewer line replacement and repairs required by the District. Motion was seconded by Billy Jack. After some detailed discussion. Motion carried.***

The Board asked that in the future the District and Manager become more diligent in billing owners for work specific to an owner's property and that Jeff make changes to his time sheet to identify owner responsibility for reimbursement. Also Jeff is to make owners aware of the possibility of charges being assessed to owners as work is being performed.

Water Testing

Jeff informed the Board that Copper & Lead test samples were drawn and complete today.

MCW&S Contractors

Jeff informed the Board that Tim Flynn has prepared an "Agreement for Management Services" contract to be used as a template for the Manager and any other future contractors. There was discussion regarding the manager hourly rate, and Jeff's current and future commitment to the District. It was also noted that we currently have ORC Water Professional (formerly Treatment Tech) on contract as a backup for emergencies. After some discussion it was decided that the Board could not accept the contract in its current form. Each board member is tasked with reviewing and red lining the current contract document with the goal of getting a template that could be used by the District.

Jeff asked the Board to approve payment to Greg O'Neill through Mountain Temps for work he has completed for the District. Board was in agreement.

Executive Session

- The Board dismissed Jeff Leigh and Kelsey Anderson from the meeting.
- The Board elected to go into executive session at 7:10PM.
- The Executive session was terminated at 7:55PM by Randy.

As a result of the Executive session the Board proposed a contract for Jeff with a 2 year term minimum, with an annual one year commitment going forward at a rate of \$75.00 per hour, and with a cost of living increase scheduled. Merit increase would be at the discretion of the Board.

The Board also agreed to pay Kelsey an hourly rate of \$35.00 plus taxes, workers compensation insurance and liability insurance as billed through Mountain Temps. The Board would like Kelsey to submit time for hours already worked to be paid as soon as reasonably possible. The Board will periodically review the rate as the difficulty of the job tasks increases and adjust wage rates accordingly.

Next Meeting: The next Board meeting is scheduled for October 1st at 5:00 PM, at the North Branch of the Summit County Library in Silverthorne.

Meeting was adjourned at 7:59 PM