

Mesa Cortina Water & Sanitation District
BOARD OF DIRECTORS MEETING
Tuesday, April 5, 2016
Silverthorne Fire Station

Attending Board members:

Jon Whinston

Randy Rehn

Billy Jack

Others attending:

Deborah Polich

NP Services, Inc.

Jeff Leigh

District Manager

Stan Wagon

36 Spring Beauty Drive

The meeting was called to order at 5:12 PM.

Minutes. *The minutes of the March 1, 2016 meeting were approved as written. (Rehn/Jack,3-0).*

Administrator. *A motion was approved to terminate the NP Services, Inc administration contract with a 30 day notice with the ending date of May 13, 2016 (Rehn/Jack,3-0). A motion to approve a proposal as modified by the attorney with Summit Bookkeeping effective May 1, 2016 was approved. (Rehn/Jack,3-0).*

Financial. A preliminary financial summary for the 1st quarter ending in March was provided via email to the Board. Jeff Leigh provided a summary of capital funds available for water line replacement. The ending 2015 reserves were \$248,000 with 2016 contribution anticipated to be \$71,000. Other capital expenses included I&I repairs and the Alpine loan repayment. Based on projected expenses as budgeted, the worst case reserve balance at the end of 2016 would be \$19,000 plus a contribution from the Association and savings from operations. At the February meeting, the Homeowners Association had indicated funding available to \$50,000.

I&I video and repair work. There was a discussion of the video work planned with DRC. The area of the 1525 Royal Buffalo Drive service line I&I and the abandoned tap that was the responsibility of the District would be videoed. A repair recommendation and proposal will be requested from DRC. Options included trenchless repairs or excavation. The I&I repairs would need to be completed by October 1, 2016. Snowbridge remained an option for trenchless repair.

Water line replacement. RKR was the only bidder on the water line replacement project. Adjusted for reduced asphalt replacement the cost was \$240,000 for 1,500 linear feet. The cost is approximately 12% greater than the cost of the 2012 water line replacement.

The Board discussed not allowing reserves to drop below \$50,000. There was a discussion of financing a portion of the project through a new or modified loan with Alpine Bank, or alternate financing methods. The benefit of paying for long-term projects through financing to spread the cost over future years of use was discussed. While the water line project could be broken into two separate projects, rising costs and continued breaks on the line made completion of the replacement as soon as possible the desired approach. Jeff Leigh indicated he will contact Alpine Bank regarding financing options.

The Board discussed the timing of the project and felt it should be completed no later than the end of September. The bid documents allowed 45 days for the work to be completed in. There was also the negotiation with the contractor to lower the overall cost of the project and planning to avoid any extra charges. *A motion was approved to accept the RKR water line replacement bid pending coordination with the contractor on timing of the work, final costs and funding. (Jack/Rehn,3-0).*

Bashore. The next step for the option of utilizing the Bashore well for water was the legal procedure for the water rights and the updated feasibility study. The water line replacement was a priority and may not leave any available funds for the preliminary Bashore work in 2016.

Operations. Jeff indicated the new production meter heads have been installed and work was proceeding to connect them to the controls. The alarms were activated. The Star meter system DCU has not yet been connected and the problem may be in the new water plant router. Three of the four PRV vaults have some water that will be pumped out and infiltration checked as time allows.

I&I and Sewer violation penalty language. Jeff indicated he was working with the 366 Spring Beauty Drive owner to have the video completed on their service line or be subject to the violation penalty. The owner contacted Jeff following receipt of a demand letter sent via certified mail. Jeff provided updated penalty language to the Board via email and it was read at the meeting.

The Board may assess a penalty of \$25 per day for any ground water inflow or infiltration (I&I) or any other prohibited sewage emanating from an individual sewer service that discharges into the District sewer system. With regards to ground water discharges the affected property owner, upon written notice, shall correct, repair and stop the source of discharge by October 31st of the year notified. Penalties shall commence November 1st of the same year and continue until the correction or repairs have been completed as verified by the District Manager or Engineer. Other prohibited sewer discharges shall be dealt with on a case by case basis.

There was a discussion if the language should be a revision to the rules or an addendum as a clarification to the enforcement procedure. *A motion to approve the updated language and penalty was approved. (Rehn/Whinston,3-0).* The violation penalty procedure was in effect as of April 5, 2016. The website should be updated with the new policy.

Other. The meter reading for the BMMD connection was repaired and can be used again to monitor the BMMD billing through the Star system. There is some variation from the register on the production meters and the new flow meter for the control system. There was a discussion regarding reading the Star meter reading on alternate computers that require access through the East Dillon internet firewall. The Treatment Tech monthly contract fee will be reduced as they will only visit the system once per week.

Next Meeting. The next meeting will be May 3, 2016 in the Silverthorne Fire Station.

The meeting was adjourned at 7:14 PM.