**ROUND MOUNTAIN WATER AND SANITATION**

**PUBLIC HEARING and BOARD OF DIRECTORS MEETING**

**THURSDAY, March 23, 2023**

**2:00 P.M. – 3rd Street Gallery Building Conference Room**

**Call to Order of Public Hearing at 2:00 p.m.**

**Roll Call: Board Members: Steve Lasswell, via Zoom, Randy Wilhelm, George Mowry, Connie Thompson. Charles Bogle was absent. Staff Members: Dave Schneider, District Manager, Peggy Quint, Assistant District Manager, Carlan Cardenas, Administrative Assistant. Public: Elliott Jackson, Wet Mountain Tribune, Mark Dembosky, new board member starting in May of 2023.**

**Pledge of Allegiance led by Connie Thompson**

**There were no public in attendance.**

**PUBLIC HEARING – Rate Increases for Water/Wastewater and Bulk Water**

1. **Presentation of Proposed Rate Increases**

**Dave presented the proposed rate chart and updated the board on the history of rate increases. Mark Dembosky inquired about the district’s fiscal year and requested an explanation of “out of district” rates. KLZR urged the public to attend the Public Hearing. With a 3% increase in water and wastewater rates, our district customers historically do not attend. Bulk Water customers will pay .04/gallon with this increase. There were no additional questions.**

**Public Hearing was adjourned at 2:05 p.m.**

**BOARD OF DIRECTORS MEETING**

**Call to Order at 2:05 p.m.**

**Additions to the April 20, 2023, Board of Directors Meeting Agenda**

1. **Excuse Charles Bogle**
2. **District Property use by district employee’s policy change.**

**Administrative Reports**

1. **District Business Manager – Peggy Quint**

**Board had previously received a request via email for a $2 increase in Carlan Cardenas’ hourly wage. The board members had responded in approval for the increase. Carlan’s raise will be in effect on April 1, 2023. Carlan is a team player and is extremely helpful, resourceful, and learning Caselle, Invoice Cloud, Portalogic, and all supporting tasks for district operations.**

**Peggy’s computer crashed on Thursday, March 9th. After contacting CBS of Colorado (the district IT support company) they built a computer that day. Logistics to get the computer to the office were discussed. Carlan’s daughter was going to be in Denver on Friday. She took the computer to Arvada and swapped it with Peggy’s old computer. By noon on Monday morning, Peggy’s computer was up and running! The hard drive was saved from the old computer and shipped to Round Mountain and received this week.**

**Cathy and Corbin Fromm have scheduled an on-site visit for Friday, March 24, 2023. This will be a kickoff for the 2022 Audit. Peggy is hoping for a monthly on-site visit until the Audit work is completed. This will ensure that the audit will be done on time this year.**

**In the early part of the 2nd quarter of 2023, Peggy would like to replace Carlan’s computer. To be proactive in the purchase of a replacement is much easier than waiting until it’s too late. Dave’s computer was bought at the same time as the other two, so his will be next in line to replace.**

1. **ORC – Steven Koch**

**Steven provided an ORC Report to the board. Dave explained the highlights of the survey for the lead and copper rules. Basically, they are homing in on removing lead. Lead service lines are the priorities. There have been a lot of questions as to what that really means for RMWSD and districts like us. They are making the rules as they go along. The way that they are defining service lines, we do NOT have any lead service lines even though we have a few old ones that have goose necks or lead pigtails that are connected to a galvanized service line. Other than surveying and letting them know what we do or do not have, we will not have to replace any service lines in our system unless they redefine what a “service line” is. For decades we have done a required lead sampling and we have never come close to a lead hit in our system. Galvanized lines are not necessarily bad, but if they’re connected to more than 24” of lead pipe upstream, you would not only have to replace the lead service line, but the whole galvanized line as well because it will hold on to the lead as it breaks down in the system. Galvanized itself was not required to be replaced because they didn’t have a sufficient reason to do so. Lead and Copper have always been tested at the same time. Unless you have highly corrosive water (which we don’t) these lines are usually protected by the oxidization. They are not really concerned about the copper line, but they are concerned about the lead solder that was used until 1976.**

1. **District Operations Manager – Dave Schneider**

**Well/Meter Project – The meters are working fairly well. We still have a handful that are not transmitting consistently. Field Techs are working on that daily. The challenge that we are looking at now are numerous meters that need to be removed in Aquahawk. The portal needs to be cleaned up so that we only have active meters on the portal. This makes monitoring customers’ accounts a bit more complicated than it should be. Peggy is communicating with Charlie at Aquahawk/Amcobi.**

**The well now has power. The solar is hooked up and the lights are on! Testing will be done before the end of the month as required. The additional plumbing parts are in and with the frost being out of the ground, the final connection of the well to the distribution system can be done in the next few weeks.**

**WWTP - We have been waiting on confirmation samples. Two samples ago, we met our permit limits. As strict as they were, we were able to meet them. We wanted to redo the test just exactly the same as the last time, so that we are sure it wasn’t just a coincidence. The test came back even better than before. We feel confident that we have dialed in the new plant and the treatment techniques. The updated demonstration report has been sent to CDPHE. We have to prove to CDPHE that we can treat our water. We send our water down to Texarkana to the microbial lab and it is treated and returned so that it can be run through the Electrocoagulation unit. For the past 18 months, we have been dialing in the process and getting the results that we need. Dave will have a meeting with CDPHE and Powell Water next week to see how close we are. If CDPHE approves, the final engineering design would then be sent to CDPHE. The new technology is usually backed up by the old, proven technology. They are concerned about how we use microalgae to produce oxygen in the ponds instead of blowers. Dave is quite sure they will want some kind of a blower as a backup. CDPHE is also concerned about how the process will take out bacteria and viruses even though every test that we have done has come back “nondetectable”. They will probably still want us to put in some kind of redundant system. There will be negotiation back and forth regarding this due to the fact that we do not have the money to build two plants. Once that is approved, we will move forward with Request for Proposals (RFPs). During that time waiting for their approval, Dave will be looking for financing. We have $1 million that we have financed. We have lost (deobligated) the original USDA grant/loan package. A reapplication will need to be done with USDA and SRF (State Revolving Fund) and see who will give us the better deal. There is money out there, but the application process will have to be done. Starting now, it will be late Fall before we know what kind of funding we will get. There is usually a five-year process to have new technology approved.**

**Reservoir – We have officially signed and approved the IGA with Upper Arkansas Conservative District. Dave is still working with Mr. McGuire on the easement. We have the reservoir pretty much funded. We need about $500k - $600k to completely fund the project. Dave is looking at a grant or another entity that can assist us. Final design is complete and at a review process at the engineering office and should have the final design very soon. Then it can go to out for RPFs. Dave is hoping that the reservoir will start late Summer/early Fall.**

**Geroux Water Objection – George Mowry asked about this. Dave stated that the water referee will look this over and work with the two applicants and meet with them. They will decide how legitimate the objections are. Then they will try to settle the objections with the parties involved. Dave does not project that anything will be done in 2023. Dave doesn’t feel that only case will make it past the referee’s court. The other case will have to go through the whole process to appease the objectors. Worst case scenario would be that we may have to install a measuring device to measure the water that is being made by the springs down at the Gallery well site. There is an original water decree when Silver Cliff purchased that back in the early 60’s. There was supposed to be a measuring device put in back then, but never was. We will not lose water rights. Not sure how to measure a marsh.**

**Consent Agenda**

1. **Approval of the Minutes of the February 16, 2023, Regular Board Meeting**
2. **Financial Report and Approval of Checks for February 2023**

**Motion to approve the Consent Agenda was made by Randy Wilhelm and seconded by George Mowry. Motion carried by unanimous vote of 4-0.**

**New Business**

1. **Approval of Rate Increases presented at Public Hearing**

**Resolution 2023-7 to Approve the Rate Increases for 2023 was reviewed. These increases will be for Water/Wastewater base rates and fees and consumption rates and Bulk Water Rates, all effective April 1, 2023. We had a 30-day Public Notice to let the public know of these increases. Connie Thompson moved to approve said resolution. George Mowry seconded the motion. Motion carried with a 4-0 vote.**

1. **Variance requested by Town of Silver Cliff Update**

**Dave talked to Jeff Parker, our attorney to find out his opinion on what is being requested by Silver Cliff. Silver Cliff was wondering if there was any way they could continue building while during the moratorium or if there was a way to continue to have growth in the towns without water and sewer availability. There were three ideas were; 1) No 2) Maybe prepaid taps that cannot be installed until approval, 3) Letter of availability basically promising that the water/sewer tap would be available once the moratorium was lifted. The attorney’s opinion was that we can make any of those work. We can add verbiage to protect the district. It’s best to leave it as is. There might need to be changes in the event that Silver Cliff decides to let building happen. That means, that if they allow building to take place, and the property is ready to connect, then we could have several connecting all at once when the moratorium is lifted. If we do not have the capacity at that time, that could impact the district’s ability to process the wastewater. We cannot tell the towns what they should do, however, Dave feels that we need to hold fast to the moratorium and change the wording to state that we will remove the moratorium when we have the capacity for additional effluent. This was recommended by the attorney. If Silver Cliff does NOT allow additional building, then we could possibly lift the moratorium when we are sure we can handle the additional effluent. It might mean that ten houses could sit empty until the moratorium is lifted. Since 2015, we have been out of compliance with CDPHE. We would like to not put ourselves in a position of being fined and a Cease-and-Desist situation. Technically, the WWTP has been out of compliance since 1991. So far, Westcliffe has not approached RMWSD as Silver Cliff has. Dave is aware of one person who has been given the “green light” to build in Silver Cliff. Connie Thompson stated, “this jeopardizes the whole district”. The new verbiage removes any specified time period and gives us flexibility to decide when we lift the moratorium and that RMWSD will not sell a tap until we have the capacity to handle the additional effluent. Upon approval, Dave will contact Town of Silver Cliff and Town of Westcliffe to update them on the decision and explain to them why the board decided on this resolution. Steve Lasswell wanted to sum it up by saying “We will not be adding any new services until the wastewater plant is online. The bottom line is that we do not have additional treatment capacity”. George Mowry stated that it is important to let Silver Cliff and Westcliffe know what is in the resolution, but not add anything into the resolution to address the towns. Carlan Cardenas suggested that a letter be written to inform the parties involved to explain the resolution and explain why the board agreed on it. Dave feels the push will come to shove when someone has built a house and is waiting until the moratorium is lifted, while paying for a house in the district and a paying for the house where they are currently living.**

1. **Resolution 2023-6**

**A Resolution Amending the Moratorium on Water and Wastewater Tap Availability Connie Thompson moved to approve the Resolution as presented. George Mowry seconded the motion. Motion carried with a 4-0 vote. Town of Westcliffe and Town of Silver Cliff will receive explanation of the resolution.**

**Old Business**

1. **Election Update-Carlan Cardenas**

**After no additional interested parties submitted interest in the vacant board position, the May 2nd, 2023, Election was officially cancelled. Mark Dembosky will be sworn in after May 2nd in order for him to be able to vote in the May 18, 2023, Regular Board Meeting. Mark took a moment to introduce himself and give the current board members a brief background on his experience, which includes engineering and water law.**

1. **Policy changes in Personnel Policy regarding district property use.**

**The current policy states “Use of District Property** District property is to be used only for official District business, in an appropriate manner, and in accordance with all applicable rules, operating procedures, or directives. No employee shall remove District property or the property of any other employee from District premises or work sites without proper authorization and a completed Release from Liability form. Any employee who steals District property or the property of any other employee, or who abuses, misuses, damages, or destroys District property shall be subject to discipline, up to and including immediate discharge.” **After discussion, it was agreed that Dave will draft a new policy prior to next month’s meeting and have the board look it over. Our attorney feels that off-site use by employees of district heavy equipment should not be permitted. Dave presented a “release of liability” form. Dave contacted CSD Pool, the district’s insurance provider, and they said the district would have to add a “rider” to the current policy. All agree that the heavy equipment should not be allowed to be used by employees. There will be examples written in the changes that will be made to the Employee’s Policy Manual.**

**Peggy Quint wanted to let the board know that Dave was able to fix the large copier last week. It was a huge saving to the district!**

 **Adjourn at 3:10 p.m.**