

Mesa Cortina Water & Sanitation District

Board of Directors Meeting

Tuesday, October 4, 4:30PM

Summit Community & Senior Center

83 Nancy's Place, Frisco, CO 80443

Attendance **Board:** Greg O'Neill, Matt Hickam, Stan Wagon, Randy Rehn, Jon Whinston
Staff: Jeff Leigh, Manager; Kelsey Andersen, Assistant Manager; Michael Kurth, Bookkeeper

Meeting was called to order at 4:33PM

Minutes: *A motion was made by Greg O'Neill to approve the minutes of the September 6, 2022, meeting, seconded by Jon Whinston. Motion approved.*

Financials: Financial reports through the end of August, 2022, were emailed to the Board. Year to date income is at \$238,880 and is \$22,776 above budget. Operating expenses are \$190,689 and are \$54,995 below budget. Operating year to date net income is \$53,780 and is \$77,771 above budget.

Business:

- Kelsey and Jeff updated the Board on the progress of the water line replacement project. Kelsey, Randy, Greg and Jody walked the whole water line replacement project and have assembled and presented a punch list to RKR on September 12. Kelsey informed the Board that RKR has begun work on the punch list. Once the list is completed, the District will most likely receive a final invoice from RKR. The warranty period will begin once a satisfactory final inspection is completed.
- A public notice will need to be published in the Summit Daily once the final invoice is received to ensure all claims and liens have been satisfied, and all vendors and contractors have been paid.
- Kelsey met with AJ from Viking regarding the exterior of the water tank. They will provide two cost estimates. One estimate will include removal of the foam, sanding and painting of the tank, as well as a mixer for the inside the tank, to prevent the water from freezing. The other estimate will be to fill in the holes on the existing foam, adding an additional layer of foam and re-painting. This project will most likely happen next year.
- There was a water line break on Shooting Star last week. The leak was isolated and detected on Wednesday. RKR was unavailable to complete the repair. Stan Miller completed the job with a stainless-steel sleeve on Thursday.
- As a result of the water line break, there was some damage inside a home at 112 Shooting Star. An insurance claim has been submitted on the MCW&S Special District Insurance. The homeowner will submit a claim on their policy as well.
- There is no update on the JSA - EQR redefinition project. However, per Kelsey, the project is still moving forward.
- Mike presented a draft budget for 2023. The draft included scenarios for 3%, 5% and 6% increases. The JSA will be increasing their rate by 6%. There was some discussion related to the current water rates and tiered rate structure. The Board discussed the potential increases and would like to go with a 6% rate increase at this point and will

fine tune line items dependent on the increase in water cost expected from Buffalo Mountain Metro District.

-Randy Rehn moved to sign a letter of engagement with Tim Flynn's new law firm of Collins Cole Flynn Winn & Ulmer. Motion carried.

-There was some discussion on roles of Jeff & Kelsey and District Manager, Assistant Manager roles. Kelsey expressed some concern on his personal liability exposure connected with the District Manager role. It was suggested that Tim Flynn be consulted with regarding liability exposure for the District Manager, Operator, employees and Board members and insurance coverage. Jeff expressed his intention to reduce his District Manager role involvement in coming years. Clearer definition of roles needs to be outlined and potential backup personnel options explored.

-There was some discussion of potential projects for the upcoming year. Jon and Kelsey spoke about the clay sewer line offset on Royal Buffalo. Jon asked that the project be given higher priority as he feels it could be a direct threat to his home. It was suggested that cost estimates be obtained so future action can be considered.

Next Meeting: The next meeting is scheduled for Wednesday, November 2nd, at 4:30PM, at the Summit County Community & Senior Center.

Adjourned at 6:53PM