

Tabernash Meadows Water & Sanitation District
Board of Directors Meeting Minutes
779 Aster Drive, Tabernash, CO 6:00 p.m.
September 12, 2023

1. **Call to Order:** 2 minutes.
 - a. Anderson called the meeting to order at 6:02 p.m.
 - b. Attendance – Board Members and Staff present: President Bill Anderson in person, Treasurer James Drewett in person, Member-at-Large Richard Tarde in person, Member-at-Large Scott Cote via video, Member-at-Large David Peters via video, and Manager Thom Yoder in person.

Consultants: Russ Newton General Legal Counsel via video, Matt Stoffel PFM Financial Advisors LLC via video.
Public attending: None.
 - c. Ratification of Disclosures: None.

2. **PFM Presentation and Proposal:** *Matt Stoffel PFM Financial Advisors LLC.* 51 minutes.

Stoffel gave a short presentation to the board to review the information they had received at the last meeting. He introduced his company and explained what they would be doing for the district, emphasizing that they are not attorneys or engineers, just advisors to help execute financing and rate structure development. He explained their scope of services, describing that they will help tie the district's financials, audit, and budget to set a fair rate for the district that will provide positive cost recovery. Drewett explained that he would be interested in seeing Stoffel build a model to which they can base rates changes on in the future. Stoffel said he is currently working on a timeline but would like to complete building models by the end of the year. Yoder asked if Stoffel would suggest revamping their rate structure based off the findings, Stoffel said he would suggest it and can help in doing so. He also explained that Newton has an execution copy, and that he does not plan to send an invoice for the work within this calendar year. The board mutually requested the motion be moved into the Seter Status Report.

3. **Possible Approval of Financials:** August 2023. 55 minutes.

Yoder reviewed the financials and the check register for the board. Yoder expects legal fees to increase as they get later into the year but as of right now have not exceeded the expected amounts. Tap sales are at over 300% because they did not budget a lot in that revenue section. Yoder explained that the CISCO bill was high as it was a year's supply of chlorine. Yoder informed the board that Ms. Schmidbauer found fraud on the Manager's credit card, however she disputed it and won. Anderson motioned to approve the financials as presented, Drewett Second. Motion carried 5-0.

Sysco

4. **Possible Approval of Minutes:** August 8, 2023. 9 minutes.

Newton suggested an edit to the minutes under Legal Status item C. "Newton reviewed analysis on blank, informed the board there is no restriction or cap on rooftops on HOA Convenance, county zoning regulations should control that." Newton suggested a second edit for Page 1 Section 2) e. "Board requested PFM presentation at the next meeting and tabled discussion or decision until then." Drewett motioned to approve the minutes with noted changes, Peters second. Motion carried 5-0.

5. **Manager and Operations Report:**

- a. Operations Report: 13 minutes. Yoder informed the board that the affluent limits have been good, however flushing the fire hydrants in town threw off the drinking water's numbers. Yoder disclosed that there was a potential illegal dumping of marijuana grow operation byproduct at the lift station. Conroy is covering the costs of the illegal dumping and will be handling any actions necessary with the renters. Yoder said he took some samples at the station, but the investigation is ongoing. The wastewater well pump is failing as it is 25 years old, Yoder is buying a replacement for the pump. Two valves are inoperable and may need to be replaced in 2023 or 2024, performance monitoring is still good. Yoder is completing compliance testing in house and expects that lab fees will begin decreasing going forward. He also explained that they replaced the UV disinfection bulbs and have stocked chlorine for the year. The district has pumped 4.9 million gallons from the ground to be serviced to the community.
- b. Engineering and IT Contracts Update: 1 minute. Yoder said the engineering contract for updating the opinions of probable cost has been signed. The IT contract is still being worked through legal to be signed by Yoder.
- c. Water Rights Filing Update: 1 minute. Yoder is working towards setting hearing dates for November and December for a status hearing with the opposers, engineering will help answer questions for any opposers.
- d. Operations Staff Update: 1 minute. Yoder updated that Travis is leaving, he is considering finding help for the office but explained that this time of year is inopportune for training. Yoder explained that Hopper will continue to help with on call as needed, and the board gave support in potentially looking for administrative help. Yoder also plans to have a draft of the budget available to the board next month.

6. Seter Status Report: 2 minutes.

- i. Rules and Regulations: No change.
- ii. District Tap Fee Collection and Inventory: No change.
- iii. WWTP District and County IGA: No change.
- iv. Ward Property Inclusion: Newton said they requested the accounting that they are entitled to before submitting a deposit and replenishing, Yoder provided Newton with the necessary information, and he will send that over. Newton expects the deposit soon.
- v. Red Hawk Ranch Property Inclusion: Newton covered new information under the inclusion update. Newton said there is a potential addition to the Red Hawk Ranch of 150 units but it hasn't been guaranteed yet.
- vi. Facility Expansion: No update.
- vii. District Debt Service: Newton covered updates under the Debt Service Reserves section.
- viii. SB23-303: Election is approaching, Newton wanted to inform the board that the mill levy identification deadline will be extended to January if Proposition HH is passed, if not then their deadline will stay the same as it has always been.
- ix. Tabernash Waterline Update: No update.
- a. Old Town Waterline Cost Recapture Draft: 1 minute. Newton provided a copy of the redline draft and are still awaiting review and comment.
- b. Red Hawk Ranch Inclusion Update: 3 minutes. Newton and Yoder met with Bradley to discuss next steps and their current status. Bradley requested first draft of potential inclusion agreement, Newton will take former inclusion agreement from years ago and update to make it current. Newton said he will bring that draft to the board and hopes to have it complete within the week.
- c. Debt Service Reserves: 2 minutes. Newton explained that now that the interest rate is known he wants to keep ahead of the effective interest rate as it climbs.
- d. Possible Executive Session: Not needed.

7. Old Business: Fall Excavations and PFM.

a. Fall Excavations: 4 minutes. Yoder explained that last year there was still excavation being done with digging up curb stops well into October and he had concerns of frozen lines potentially being hit and causing much larger issues. He requested the board give him discretion to stop excavation on October 1st this year, he explained he has not decided on a start date for the spring yet but will inform the board as they get closer to then. The board agreed to give Yoder the discretion to stop excavation and allow it once he feels appropriate.

b. PFM: 9 minutes. The board mutually agreed that they would like quality information to be provided to the PFM Financial Advisors so that they can get quality output in return. Newton explained that the PFM will help the district pay financing debt and bonds. Drewett motioned to approve Yoder to execute both the water and sewer contracts that Newton has finalized and to engage with PFM, Cote Second. Motion carried 5-0.

8. New Business: IT Security, Phishing Emails. 5 minutes.

Yoder informed the board that Tarde received a phishing email, so he suggested they have a heightened awareness of any suspicious emails they are receiving. He said he would be happy to provide more cyber-security literature if any board members are interested or he can have Zivaro provide training as well.

9. Public Comment: None

10. Adjourn: Anderson adjourned the meeting at 8:04 p.m.

A large, stylized handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

9-12-23