

PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF BEAR CREEK WATER AND SANITATION DISTRICT, CONVENING ON OCTOBER 12, 2020 AT 7:00 PM. DUE TO THE COVID-19 SITUATION AND STATE OF COLORADO AND CDPHE ORDERS AND RECOMMENDATIONS REGARDING PUBLIC MEETINGS, THE MEETING WAS HELD USING THE ZOOM APPLICATION.

CALL TO ORDER

Presiding: Chairman Miller

ROLL CALL

Present:	Dale L. Miller	President and Chairman
	Neil A. Johnson	Vice-President and Vice-Chairman
	Barbara J. Coria	Treasurer
	Samuel E. Hundley	Director
	Linda M. Larsson	Director

Also Present:	Jan C. Walker	District Manager/Board Secretary
	Carmen L. Doyle	District Accountant
	Barney J. Fix, PE, PMP, VP	District Engineer, Merrick & Co.
	Russell W. Dykstra	Legal Counsel, Spencer Fane, LLP

Excused Absences: NONE

CALL TO PUBLIC / PUBLIC PRESENTATIONS – The video meeting was set up to be publicly accessible and the agenda gave information for the public to participate if they chose to do so.

ACCEPTANCE OF MINUTES

R-20-056 RESOLVED, upon motion by Director Hundley seconded by Vice-Chairman Johnson and unanimously carried that the Minutes of the Regular Meeting of September 14, 2020 were approved.

DISTRICT ENGINEER'S REPORT

2020 Field Operations and Maintenance (O&M)

T-20-062 DISCUSSION. District Engineer Fix reported that the next O&M Meeting with staff will be held on October 21, 2020 at 11:00 a.m. C&L Water Solutions has finished all the valve and hydrant inspections and will begin working on the grease trap inspections.

Hodgson Park Waterline Phase 2 Project

T-20-063 DISCUSSION. District Engineer Fix reported Ricor Services, LLC has signed the contract documents and the pre-construction meeting was held on September 21, 2020. Ricor Services will begin the construction on Oct 12, 2020. This project is the extension of the Hodgson Park water line. The water line will go north in South Hoyt Court to West Wesley Drive then east in West Wesley Drive to South Hoyt Street. This project will also replace an 8-inch main in West Wesley Place that will run from the intersection of West Wesley Place and South Hoyt Court then West for 200 feet.

DISTRICT ENGINEER'S REPORT [CONTINUED FROM PAGE 1]

Bear Creek Terrace Development

T-20-064 DISCUSSION. The contractor is working on the on-site water and sanitary sewer lines. The contractor has one sanitary manhole to install in Morrison Road.

2020 Cured-in-Place-Pipe (CIPP) Project

T-20-065 DISCUSSION. The 2020 CIPP Project is complete. The District Engineers will publish the notice for final payment in which retainage will be paid to C&L Water Solutions and Guildner Pipeline Maintenance.

C&L began the project on May 4, 2020 and has installed all of the CIPP lining and all of the LMKs. Guildner Pipeline Maintenance, Inc. has completed the manhole rehabilitation in the open space area and in the Westgate neighborhood.

3523 S. Balsam Street

T-20-066 DISCUSSION. District Engineer Fix has met with the Project Engineer for the Balsam project and Denver Water to discuss the water line that will need to be extended to the east of the project and connected to the water main in S. Wadsworth, along the Hampden Avenue (US 285) Service Road. This project is located in the Havenwood neighborhood, on the south side of Hampden Avenue.

Requirements for Connection to Water or Sewer to be added to the Rules and Regulations of the District.

T-20-067 DISCUSSION. Chairman Miller brought to the attention of the Board that properties within the Kemo neighborhood had connected to sanitary sewer via a long service line rather than extending the sewer main which makes it harder for properties to connect to sanitary sewer. After discussion, the Board asked Legal Counsel Dykstra and District Engineer Fix to provide the Board with language for an Amendment to the Rules and Regulations to require properties that include into the District to grant an easement for water or sewer mainlines, if required, for these future main lines as depicted on the approved masterplan or within other District approved planning areas. Further, the language would include the requirement that there be a minimum footage of the lot along and adjacent to the main line in order to connect to water or sewer.

Acceptance of the District Engineer's Report

R-20-057 RESOLVED, upon motion by Treasurer Coria, seconded by Director Larsson and unanimously carried, that the District Engineer's Report be accepted.

Preceding this action, the District Engineer's report of activities for September 2020 was presented. A copy is attached hereto and made a part of the record.

TREASURER'S REPORT

Approval of Payment of Invoices and Payroll

R-20-058 RESOLVED, upon motion by Director Hundley, seconded by Vice-Chairman Johnson, and unanimously carried, the payment of invoices and payroll presented in the amount of \$293,470.13 was approved. A list is attached hereto and made a part of the record. Preceding this action, Treasurer Coria reported that upon review of the checks, Automated Clearing House (ACH) payments and payroll, she found them to be in order, for approval by the Board.

Approval of Treasurer's Report

R-20-059 RESOLVED, upon motion by Director Larsson, seconded by Vice-Chairman Johnson and unanimously carried, that the Treasurer's Report based on unaudited financial reports as of September 30, 2020 was accepted as presented. A copy is attached hereto and made a part of the record.

Preceding this action, Treasurer Coria reported that the Federal Funds Rate remains at 0 to 0.25%. Two callable Government Entity Securities were called in September. The District has reinvested the funds. District Manager Walker and Treasurer Coria have continued to consider various investment options to maintain the safety of the investments, to receive the best rate possible and continue the laddering of the investments.

Treasurer Coria also gave a summary of the 3rd Quarter 2020 Budget-to-Actual Report. It was noted that the 3rd quarter report only reflected two quarters on the sewer billing since the 3rd quarter sewer bills were not sent until October 2020. Overall expenses were 67% of budget and are in line with what should be expected after three quarters of the 2020 budget cycle.

2020 Audit

C-20-013 CONCURRENCE. District Manager Walker reported that this is the time of year to discuss whether the District would like to ask for an Audit Engagement Letter from the current auditors, Crady Puca and Associates. Due to Covid-19 and the need to perform the audit electronically, District Manager Walker feels that it would be difficult to change auditors during this challenging time. After discussion, the Board concurred that the District ask Crady Puca and Associates to provide an Audit Engagement Letter for the 2020 Audit for review at the next Board meeting.

LEGAL COUNSEL'S REPORT

Schedule Public Hearing for Proposed 2021 Budget

R-20-060 RESOLVED, upon motion by Treasurer Coria, seconded by Vice-Chairman Johnson and unanimously carried that the First Draft of the 2021 Budget is accepted and the Public Hearing for the 2021 Budget will be held at the Regular Board meeting on Monday, November 09, 2020 at 7:00 p.m. to be held on the Zoom Meeting Application. Legal Counsel Dykstra explained that the first draft of the 2021 budget was required by statute to be presented to the Board of Directors by October 15, 2020. The Notice for the Budget Hearing for the 2020 Proposed Annual Budget and Proposed Utility Rate Increases has been published. District Manager Walker has also posted the 30-Day Notice for the potential utility rate increase discussion at the November 09th Board meeting on both the District and the Special District Association (SDA) websites.

Petition for Inclusion of Land for 9815 W. Wesley Court

R-20-061 RESOLVED upon motion by Director Hundley, seconded by Director Larsson and unanimously carried that the Petition for Inclusion of Land for 9815 W. Wesley Court be accepted and that the Public Hearing for the Inclusion be set for November 9, 2020 at 7:00 p.m. at the Regular Board meeting to be held on the Zoom Meeting Application. The Notice of Inclusion will be published for the Public Hearing.

Preceding this action, The District has received the Petition for Inclusion with payment for the inclusion fees and imprest deposit from Ronald and Yvonne Small, the owners of the property. Mr. and Mrs. Small would like to include their single-family home into the District so that they may connect their home to the Bear Creek Water and Sanitation District public water system. Legal Counsel Dykstra has reviewed the Petition and found it acceptable and will confirm the owner of record for the property with a title company.

DISTRICT MANAGER'S REPORT

Proposed 2021 Annual Budget — First Draft

T-20-068 DISCUSSION. The initial certification of property values has been received from Jefferson County and has been used in preparing the 2021 Proposed Budget, property tax limitations and the spending limit under TABOR. One amendment may be made to these valuations by Jefferson County by December 9th.

The preliminary 2020 Assessed valuation is **\$206,960,384**, an increase of .4636% over 2019 Final Assessed Valuation of \$206,005,384. After receiving the preliminary assessed valuation, District Manager Walker performed the TABOR calculations and determined that the 5% statutory limit is the most restrictive. The District will assess **3.970 mills** to collect **\$821,633** in property taxes plus an amount for refunds and abatements of **\$3,518** for a total of **\$825,151**. This is an increase in property tax revenue of **\$53,661** from 2019. To preserve a mill levy of 4.416, the District will give District taxpayers a temporary tax credit of **(\$92,304)** for 2020. This temporary tax credit was **(\$140,589)** in 2019. For the 2020 Budget, the District assessed a mill levy of 3.735 and is collecting \$769,430 plus refunds and abatements of \$2,060 for a total of \$771,490.

The first draft of the 2021 Annual Budget has been presented to the Board at the Regular Meeting held on October 12, 2020, which meets the statutory deadline of October 15th

Certify 2020 Delinquent Sewer Utility Accounts to JeffCo for Collection in 2021

R-20-062 RESOLVED, upon motion by Treasurer Coria, seconded by Director Hundley and unanimously carried to authorize Chairman Miller to sign the Resolution to certify 2020 delinquent sewer utility accounts to the Jefferson County Treasurer for collection along with property taxes in 2021. The utility accounts with balances of \$150 or more that are six months in arrears at the time of certification meet the requirements for this statutory method of collection. Those accounts that are not paid by October 29, 2020 will be certified for collection and liens will be recorded against those properties. To date, there are thirty-eight properties on the list to be certified as delinquent to Jefferson County.

DIRECTOR'S REPORT

Limit on Spending for Emergencies

T-20-069 DISCUSSION. Treasurer Coria attended one of the Special District Association (SDA) Conference Sessions presented by the Division of Local Government (DOLA) regarding crises emergency procedures and that the District Manager to have a higher spending limit for emergencies. After a brief discussion the Board ask District Manager Walker, Legal Counsel Dykstra and District Engineer Fix provide the Board with an amended emergency policy including approval procedures in case of an emergency and setting an appropriate emergency spending level

Continuation of October 12, 2020 Regular Board Meeting

R-20-063 RESOLVED, upon motion by Treasurer Coria, seconded by Vice-Chairman Johnson and unanimously carried that the regular meeting of October 12, 2020 be continued to Wednesday, October 28, 2020 at 5:30 p.m. for further work and discussion on the 2021 Budget.

Dale L. Miller, President and Chairman

ATTEST:

Jan C. Walker, Secretary, Board of Directors

SEAL