

HAMILTON CREEK METROPOLITAN DISTRICT

BOARD OF DIRECTORS REGULAR MEETING MINUTES

Tuesday, June 8th, 2021

Attending Board Members:

Bob Bruno

Ruth Carroll

Wendell Bond

Chip Harris

John Jones

Others Attending:

Tom Oberheide

Kelly Baldwin

Matt Willitts

Vicki Sullivan from Colorado Special District Property and Liability Pool

Joe Ben Slivka

PROPERTY AND LIABILITY INSURANCE PRESENTATION

Vicki Sullivan from the Colorado Special District Property and Liability Pool provided a presentation to the board on current P&L coverage for HCMD.

Following the presentation, the board voted on increasing the insurance coverage for the water plant to \$750,000. The motion was approved (CH/JJ, 5-0).

APPROVAL OF MINUTES

The March 9th, 2021 meeting minutes were approved as presented (RC/WB, 5-0).

WATER OPERATIONS REPORT

Matt discussed the following operations report:

□ WSI contacted Plummer Engineering to engage them to design and get CDPHE approval for replacing the existing flocculation rack and replacement of membrane modules in water filter #2 at the water treatment plant. We are waiting for their Agreement to review and sign to start the project.

• WSI has contacted RKR, Inc. to get an estimate on installing a new "insert" valve at the intersection of Eagle Wing and Hamilton Creek Road. The two existing valves previously reported on needing repaired in this intersection have been reevaluated and determined that they sufficiently operate and do not warrant repair at this time. We are waiting on RKR's estimate to approve this work to be completed.

- WSI attempted to operate the inoperable tank isolation valve but was not able to complete due to a lightning storm. WSI contacted the Town of Dillon to evaluate their newly installed water storage tank ladder and locking mechanism. WSI will be contacting the tank manufacturer to determine if we can purchase the security cage directly from them which then can be fastened to the tank. We think this will be a better product and cheaper than having a local welder manufacturer the cage.
- WSI staff have been responding to daily locates for the electric underground project and staying ahead of their progress.
- I understand that there has been some discussion regarding an emergency response plan for the district water system. Attached to this agenda is the District's Emergency Response Plan which has been reviewed and approved by CDPHE during previous Sanitary Survey's. Although it does not have a response plan for every possible emergency, it does provide the necessary information to satisfy CDPHE's requirements.

Bob B asked Matt about a backup power switch to be able to connect a generator to power the plant in case of prolonged power outage. Matt said he will contact some local contractors for an estimate to install a transfer switch.

Matt said he would also follow up with the appropriate contractors to discuss cyber security and determine level of existing security for the system. Bob B also asked Tom to get more information from CSD Pool on their \$4500 cyber security audit.

2020 PRELIMINARY AUDIT

Chip asked about the "unassigned" fund balance on the Balance Sheet in the preliminary draft of the audited financial statements. Bob B explained that that fund balance is unassigned or unrestricted in terms of what HCMD expense those funds can pay.

Bob B liked that the audited financial statements found no material irregularities in the financial records, and no recommended improvements are noted.

Bob B said he will ask opinion of an attorney on the language regarding pending litigation before having the final report issued.

The board voted to accept the preliminary audit pending the edits to the litigation section of the report (CH/RC, 5-0).

2021 YTD FINANCIAL REPORTS

Kelly noted there is a discrepancy between HCMD records and statements from Norton and Smith. Kelly said she will provide a summary of HCMD records and their statements. Tom said he would attempt to contact them to straighten this issue out.

Bob B asked about the Summit County treasurer fees, and why the amount collected has gone down but the fees have gone up. Tom said he would look at and confirm the fees as a percentage of the amount collected.

Kelly will reclassify website and TENORM expenses to professional fees/other.

“Litigation” and “Legal” expenses should be combined.

The expense under the heading of “Water System Maintenance” will be reclassified as a “Maintenance” expense.

Tom will investigate further the accounts for Zupan, Dendorfer, and Schlipf to correct non payment or overpayment.

Bob P has not been able to review the financial statements for his third party review by the meeting.

ROAD MAINTENANCE/REPAIR

Red Buffalo: Joe Ben Slivka summarized the efforts by residents on Red Buffalo Trail to replace/repair the asphalt. They have been working with Civil Insight to produce a proposed plan for grading, asphalt, and drainage. Joe Ben reviewed the plan with the board. Joe Ben said the plan will impact the Hamilton Creek Road tie-in, and he also asked for the board to discuss what contributions the HCMD may contribute to the project.

Joe Ben said he would send cost estimates and the plan to Tom for HCMD records and additional review. Tom also asked for plan and profile of the plan with proposed surface elevations and water and other utilities.

A discussion followed on how the District designates what roads are to be maintained, including asphalt repair or installation, by homeowners versus HCMD. The board generally agreed to investigate this issue further and discuss at future meetings.

Road replacement project: Tom said the replacement project is still on schedule for this summer. The start date will be delayed allowing Xcel to complete their project within the road replacement extents before beginning the HCMD work.

Tom notified the board that he recommended having Civil Insight provide additional engineering services during the road replacement project to process any additional change orders, submittal reviews, coordination meetings, and principal review/oversight. The board was in general agreement to allow the additional expense.

The board reviewed and approved Change Order # 1 in the amount of \$131,215.00 for an additional 1,100 feet of road repair (WB/JJ, 5-0), recognizing that this will require a budget amendment.

Tom summarized the work for Change Order # 2 to pave the remaining gravel section of Timberwolf Trail. The board approved the anticipated Change Order #2 if the total change order is less than \$24,000 with the understanding that the last two homes on Timberwolf will contribute \$2,000 each to the project (CH/WB, 5-0).

Hamilton Creek Trail asphalt damage: Tom summarized an email from Tim Brandt on requesting that HCMD repair asphalt in very poor condition Hamilton Creek Trail. A simple asphalt patch would be a temporary repair, but the right way to repair it may involve additional subgrade repairs as well.

Ruth said she felt that asphalt issues on private property should be the sole responsibility of the homeowner.

The board directed Tom to reply to the owners on Hamilton Creek Trail that the board requires some time to better define HCMD responsibilities on roads. In the meantime, Tom can get an estimate from Emore for some asphalt patches on Hamilton Creek Trail and the homeowners can determine if they wish to pay for the work, but the HCMD will not contribute at this time.

The board also asked Tom to search for some options for general counsel that specialize in special districts.

TENORM DISPOSAL

Tom summarized the status of the project to remove the TENORM material that has accumulated through the water treatment process.

WEBSITE UPGRADE

Tom reports that the website upgrade is almost complete and should be a better source of information for the community.

The meeting was adjourned by Bob B at 5:45 pm.

Respectfully submitted by:

Tom Oberheide