

Alpensee Water District
Special Board Meeting Minutes
June 2, 2013

The following are the minutes from the Alpensee Water District (AWD) Board of Directors Special Meeting on June 2, 2013 at 6:30 p.m. 115 Omaha Dr, Breckenridge, CO. [Action items are in blue.](#)

Attendees

Directors

Dick Savidge
Candace Winkle
Mark J Miller
Don Skotty (not present but excused)

Persons of Interest owning property in the AWD

none

1. Call to order/quorum verification
Director Savidge called the meeting to order and verified a quorum. 3 Directors were in attendance.
2. Disclosure of potential conflicts of interest
Directors Savidge, Winkle and Miller stated that they were water users and residents of the District.
3. Approval of minutes
 - a. from 4/7/2013 meeting and 5/5 meeting. *Upon motion duly made by Director Savidge and seconded by Director Miller, the minutes from the 4/7 and 5/5 meetings were unanimously approved.*
4. Treasurer's report
 - a. Director Skotty forwarded the preliminary Profit and Loss with Budget comparison through May 31, 2013. The budget number is the full-year budget. We will not know if the county has taken back the \$211K received earlier and classified as "Miscellaneous Income" until the 5/31/13 US Bank statements are received. Without the \$211k, the AWD is at 85.8 percent of income budget. A large portion of this is from the Emergency Water System Fee. Expenses are under budget in about half of the line items, and over in the other half. Legal expenses have almost reached the budget for the year, primarily due to the legal responses to FKI related to the Emergency Water System Fee (EWSF), and the writing of the resolution for the EWSF. It was noted that anything above 36.4% in the "% of budget" column means it is over budget. There are sufficient funds in the Debt Service Account for the June bond interest payment which is approximately \$25K. This P&L does not reflect May 1 late penalties and interest that has not yet been billed.
 - b. Balance sheet. The month-end bank statements from USBank and Bank of the West will not be available until next week, so the numbers may not be accurate.
5. District Manager's Report (The AWD is managed by the AWD Board of Directors).

Alpensee Water District
Special Board Meeting Minutes
June 2, 2013

- a. On May 13th and 14th AAA operations were on site due to low pressure issues. The jockey pump is getting old and will need to be replaced. These calls cost \$1350. AAA is obtaining an estimate for a new jockey pump.
 - b. There was also a tank cleaning later in May costing \$1171.80.
 - c. A State Sanitary Inspection was conducted recently. Results were distributed to customers via e-mail and are available on the web site. AAA operations has sent some information and is working on the remainder. Results and responses from AAA are:
 - i. Gaskets for hatches on tank access hatches – AAA will contact the company of the hatch to see if they make gaskets. If not, AAA will make them and install them.
 - ii. Tank vent missing mesh screen. AAA will replace with 24 mesh stainless steel.
 - iii. Tank overflow uses plywood and is not watertight. Cost to fix is prohibitive so AAA will seal and abandon. Cost to fix mesh screen and overflow is 16 – 20 hours or \$960-\$1200.
 - iv. Electrical conduit for well 1 has a gap, well is not sealed. AAA estimates 4 hours (\$240).
 - v. Unable to find approval documents for system. AAA will try to find original plans with the engineer. The system is currently listed as a groundwater system, but per state definitions it would be a surface water system. If so, we may need to install cleaning/filtering systems.
 - vi. Monitoring plan/map. AAA has all the maps and will make copies for the state.
 - vii. Description/details on water source, treatment, distribution. AAA will find appropriate files and will work with Upper Blue Sanitation.
 - viii. Sampling requirements. AAA will obtain rules to put into the file.
 - ix. Backflow assembly testing. AAA will get a certified backflow tester and coordinate the test. Estimate is less than \$300.
 - x. Management/control/hazard identification. AAA will be working on the paperwork over the course of the next 45 days.
 - d. [Ask AAA about prioritization of these items and why tank was cleaned at that particular time.](#) Winkle
6. Unfinished business
- a. Quote from Operator to fix shutoff valves on Alpensee Ct. [Need quote for asphalt. Ask AAA if they will arrange this quote, and if not, what is area that needs asphalt?](#) Winkle. [Arrange for fix of asphalt once area is known.](#) Savidge/Miller
 - b. Emergency water system fee – part 2. List options and obtain cost for each. For ii. below, 3 options have been identified:
 - 1) A gravity fed system which is the “ideal” system
 - 2) A backup generator sufficient for supplying drinking water pressure
 - 3) A backup generator sufficient for supply water for firefighting. A bid from Konrad Electric has been submitted for this. This bid is for

Alpensee Water District
Special Board Meeting Minutes
June 2, 2013

\$50,794, NOT including a cement pad (the Board estimates \$3,000) and electrical permit. In addition, the bid is increased by \$18,860 to use gas instead of diesel plus another \$5-15K for gas line and other potential expenses. Director Winkle has requested a bid from Triangle Electric. Director Winkle also spoke with the fire department. Although the backup fire fighting generator is not currently a requirement, it will be required in the future for water districts for insurance purposes.

[Check federal regulations to verify this requirement.](#)

- i. Identify risks: engineering, fire department, loss of pressure, and penalties for non conformance
 - ii. List options and obtain costs for each. Include equipment, labor, land swap.
 - iii. Investigate funding options for each option such as grants and assessments.
 - iv. Hold reviews with fire department, homeowners, other interested parties.
- c. Emergency backup plan/pump house review. In process. [Talk to David Flanigan about reasons for natural gas backup generator.](#) Winkle
- d. Form for improvement funding. Director Skotty brought a form to complete to apply for improvement funding. [Director Winkle and her husband, David Flanigan, had planned to complete the form.](#) Update – the paper form is not valid and it must be completed online, and Director Winkle and David Flanigan are not available most of June. Director Miller offered his assistance.
- e. [Stabilizing and setting direction for the antenna](#) (Savidge). This is thought to be complete.
- f. Setting up fees or insurance for residences outside of district, split of water and fire districts. Contact special district association. Director Winkle contacted the SDA and was told that they had never heard of Districts doing either of those things. They suggested that we contact our attorneys.
- g. [Cell Module for alarm system.](#) (Skotty)
- h. [Follow up with notification to title companies of contact information](#) (Skotty).
- i. Fee schedule.
- b. Meter reading. Directors Miller and Skotty walked the neighborhood but were unable to read about half the meters. In some cases the meters weren't working, or residents had 2 meters with conflicting readings. Director Skotty requested homeowners to send him readings but that status is unknown. [Report meter reading progress at the next meeting.](#) Skotty
 - c. [Check with other small districts on fees.](#) Skotty
- a. Talk to Joel Cochran (emergency manager for county) about finding someone who writes grants, what are penalties for bringing up a water system after loss of pressure. Mary Probst spoke to Joel, who gave her the name of someone else who handles water problems, and she sent this to Director Skotty. Joel said the people who handle the water normally apply for the grants.
- b. Talk to fire department about potential loss of home. What does fire department consider an acceptable risk? Director Winkle spoke with the fire department. They

Alpensee Water District
Special Board Meeting Minutes
June 2, 2013


do not have anything like “acceptable risk” for losses. What they have is a priority. The highest priority is critical infrastructures such as police, fire department, hospitals. Next in priority are things such as water districts. There is no matrix for neighborhoods to service first, that is analyzed at the time of a disaster. They are working on a risk assessment for neighborhoods and will keep us informed of status.

7. New Business

- a. Bank reporting dates: All tasks are on schedule
 - Jan 31: annual budget and certified copy of mill levy.
 - March 31: audit exemption request. This has been approved.
 - July 31: Audit due, or if the AWD has been given an exemption, that letter. Also required is the Letter of certification that AWD is complying.
 - Sept 1: Preliminary assessed value of property
 - December 31: Final certified assessed valuation.
 - b. Sanitation inspection results – see District Manager’s Report above.
 - c. 2013 coordinated election. A response to the county is due August 27 if we want to have any ballot items on the next election. [Call the county to see if there is a charge, and what types of ballot items are valid.](#) Miller
 - d. Emergency water system fee. In the May meeting the due date for the fee was extended to June 30, and the associated Resolution was updated. The updated Resolution was signed at this time during this meeting.
 - e. Training and education. *Upon motion duly made by Director Savidge, seconded by Director Winkle and unanimously approved, the Board will invest in training and education of Board members, the budget not to exceed \$1200 per year, and each training opportunity needs to be individually approved by the board.* It was agreed that his year’s training budget can use contingency monies.
 - f. SDA workshop. The board reviewed a training opportunity and agreed that it would be prudent for board members to attend, and approved reimbursement of the \$30 cost plus mileage expenses.
8. Next Meeting is scheduled for July 7. Director Winkle is not available and will be excused. E-mails will be sent in advance to confirm that a quorum will be present. AAA has offered to attend the meeting.
9. Continuation / Adjournment. *Upon motion duly made by Director Savidge, seconded by Director Miller and unanimously approved, the meeting was adjourned.*

Dated this 2nd day of June, 2013

The foregoing minutes constitutes a true and correct copy of the minutes of the above referenced meeting and was approved by the Board of Directors of the Alpensee Water District.



Secretary of the District

Alpensee Water District
Balance Sheet
 As of May 31, 2013

	May 31, 13
ASSETS	
Current Assets	
Checking/Savings	
USBank - Subordinate Bond Fund	142,000.99
USBank - Loan Payment Fund	98,603.50
USBank - Pledged Revenue Fund	34,290.05
USBank Reseve Fund	52,508.67
BOW - Operations	32,852.66
Total Checking/Savings	360,255.87
Accounts Receivable	
*Accounts Receivable	36,129.86
Total Accounts Receivable	36,129.86
Other Current Assets	
Undeposited Funds	4,230.00
Accounts Receivable	480.00
Total Other Current Assets	4,710.00
Total Current Assets	401,095.73
TOTAL ASSETS	401,095.73
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	1,546.40
Total Accounts Payable	1,546.40
Other Current Liabilities	
US Bank Series 2011 Bond	1,439,900.00
accrued expenses	-277.88
Total Other Current Liabilities	1,439,622.12
Total Current Liabilities	1,441,168.52
Long Term Liabilities	
Subordinate Bond	90,464.72
Total Long Term Liabilities	90,464.72
Total Liabilities	1,531,633.24
Equity	
Accumulated Bond Principal	-21,900.00
Opening Bal Equity	-1,510,987.91
Retained Earnings	73,675.37
Net Income	328,675.03
Total Equity	-1,130,537.51
TOTAL LIABILITIES & EQUITY	401,095.73

Alpensee Water District Profit & Loss Budget vs. Actual January through May 2013

	<u>Jan - May 13</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
Emergency Water System Fee	41,480.00			
Late fees	1,731.36			
Interest Income	8.06	125.00	-116.94	6.4%
Water Revenue	18,600.00	34,800.00	-16,200.00	53.4%
Miscellaneous income	211,297.61			
Property Taxes	83,933.51	132,262.00	-48,328.49	63.5%
Specific Ownership Taxes	1,926.00	5,000.00	-3,074.00	38.5%
Total Income	<u>358,976.54</u>	<u>172,187.00</u>	<u>186,789.54</u>	<u>208.5%</u>
Expense				
Banking	18.00			
Communications	194.60			
Repair and Maintenance	4,130.00	12,000.00	-7,870.00	34.4%
Contract Labor	7,037.20	13,200.00	-6,162.80	53.3%
Accounting and Auditing	857.50	3,650.00	-2,792.50	23.5%
Bond Principal	0.00	0.00	0.00	0.0%
Dues	557.25	650.00	-92.75	85.7%
Insurance	4,404.66	4,400.00	4.66	100.1%
Legal	5,506.72	6,000.00	-493.28	91.8%
Office and Office Supplies	0.00	550.00	-550.00	0.0%
Utilities	2,911.40	8,000.00	-5,088.60	36.4%
Treasurers Fees	4,196.68	8,000.00	-3,803.32	52.5%
Water Testing	487.50	800.00	-312.50	60.9%
Interest Expense	0.00	0.00	0.00	0.0%
Contingency	0.00	2,000.00	-2,000.00	0.0%
Paying Agent & Trustee Fees	0.00	0.00	0.00	0.0%
Total Expense	<u>30,301.51</u>	<u>59,250.00</u>	<u>-28,948.49</u>	<u>51.1%</u>
Net Ordinary Income	<u>328,675.03</u>	<u>112,937.00</u>	<u>215,738.03</u>	<u>291.0%</u>
Other Income/Expense	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.0%</u>
Net Income	<u><u>328,675.03</u></u>	<u><u>112,937.00</u></u>	<u><u>215,738.03</u></u>	<u><u>291.0%</u></u>