

Alpensee Water District SPECIAL MEETING

WHEN: January 28, 2022 from 2:00-3:00 PM

WHERE: Zoom

Join Zoom Meeting <https://trpconf.zoom.us/j/94756661668?pwd=N2pHVHhoa2ZSenpHSmdnM3JtRmhGZz09>

Meeting ID: 947 5666 1668 Passcode: 922083

Minutes

1. Jim Q called the meeting to order at 2:00 pm and verified a Quorum of 3. In attendance were Jim Quartarone, David Flanigan and Paul Sparks.
2. Disclosure of any conflicts of interest. There were no conflicts of interest.
3. Approve minutes of previous meeting. The minutes from the October 2021 meeting were unanimously approved.
4. Accept resignation of Alan Stremel. The board recognizes Alan's contributions and thanks him for his service. Bank account signature were not changed and will remain unchanged.
5. Review the need for expenditures for pumps and service contracts. Vote on resolutions for approval. Jim thanked Dave for his research and write-up (included in this document). The Board voted unanimously to approve all 5 resolutions below (2022-001, 2022-002, 2022-003, 2022-004, 2022-005).
6. Other business
 - a. There is an insurance grant for \$1600 available for safety improvements. The AWD qualifies given fencing and security cameras installed in 2021. Dave will follow up.
 - b. Pump room roof hatch: inspected and issues will be addressed Feb 4
 - c. AP begins pump repair: Feb 16, Charise from Alpensee 3 notified and Alpensee HOA will be notified in Feb 3 meeting
 - d. Generator: service and load test approved, fuel test being performed in Feb, load test summer 2022
 - e. Potential new board members: Dave to reach out to Trey and Mike
 - f. Breck water: tabled until the AWD issues are resolved
7. Adjournment. Jim motioned to adjourn the meeting at 2:18 pm, the motion was seconded and the meeting was unanimously adjourned.

Explanation of the Need for Alpensee Water District (AWD) Expenditures and Changes

Background

In 2019 due to poor performance of two pumps the AWD board asked the Operator AWWWS to supply options for remedy of two pumps. These options in 2019 looked like it would cost approximately \$160K+ to implement. AWD board member Jon Raymond was overseeing this work. In 2019, Jon Raymond met with Town of Breckenridge and Breckenridge Water (**BW**) to see if there might be a possibility of a merger or takeover of AWD. According to Jon, BW did not like this idea due to what was called “incompatible systems”. BW was asked what it would take to merge the 2 systems. BW considers the buried AWD distribution system a risk and therefore BW would require a tap fee (>\$30K) for each home or residence in the district, replacement of the curb top valves, etc. All these costs add up to more than it cost to build AWD originally. So no technical study was done.

Jon Raymond went on to say that his recommendation is for AWD to remain independent. The AWD bonds will be retired in just 4 years. Jon recommended AWD plan for deep line repair in the AWD distribution system and provided some idea of how to estimate the cost.

The \$160K cost was based replacing pumps with new ones. There were issues with the associated back-flow equipment that requires replacement and or rebuilding. The cost to replace with new was updated with quotes from 2 companies in the \$84K to \$111K depending on connection issues. The industry practice and alternative is to rebuild pumps and valves and two quotes were obtained and the diligence process was conducted. The AWD board chose Arvada Pump (AP) at \$51,554.60, which used better parts than the original pump. The lower cost proposal used parts the Board did not find suitable for drinking water service, had a guarantee of only 6 months, used no hygiene control process, and supplied very little detail.

The costs of the rebuild proposals did not cover all expected costs. It is estimated that electrical connect/disconnect, service to roof hatch, permits, etc. will cost about \$5000.00. So these expenses need to be planned for.

AWD has no preventative maintenance (PM) program for pumps. To get AWD pumps to go another 20 years reliably AWD needs to establish a PM program.

AWD has no estimate of what a deep line repair will cost. This type repair means AWD has a leak in the distribution piping which is more than 16 ft below grade. The worst cases include places where piping is under or crosses the road. So road bypass and repair is required. At this time it is therefore prudent to establish an emergency fund level of \$30,000.00. This means not drawing the operating account below \$30K plus one year's operations budget or establishing an emergency account.

The standby generator service contract was up. The board solicited bids from two companies to do Preventive Maintenance (PM). The board selected a Cummings Proposal which includes a load bank test at a total cost of \$3057.00. AWD is not committed to these costs and cancel at any time.

Alpensee Water District Resolutions

Date: January 28 20-2022

Resolution 2022-001 Votes for 3 Against 0 Approved? unanimously

The Alpensee District Water Board resolves to accept the proposal for rebuilding pumps and replacing valves at cost of \$51,544.60.

Resolution 2022-002 Votes for 3 Against 0 Approved? unanimously

The Alpensee District Water Board resolves to spend approximately \$5000.00 in support of Avarda Pump proposal for miscellaneous expenses related to the project.

Resolution 2022-003 Votes for 3 Against 0 Approved? unanimously

The Alpensee District Water Board in order to prepare for emergency repairs resolves to set aside \$30,000.00 for emergency repairs. The board will conduct a study and update this value in the near future.

Resolution 2022-004 Votes for 3 Against 0 Approved? unanimously

The Alpensee Water District Board resolves to accept the Cummings Proposal for PM and load bank testing in 2022 for a cost of \$3057.00.

Resolution 2022-005 Votes for 3 Against 0 Approved? unanimously

The Alpensee Water District Board resolves to establish a preventive maintenance (PM) program to improve operation, the life and reliability of the Alpensee Water District equipment.