

Timber Creek Water District
Minutes of the Regular Meeting of the Board of Directors
Wednesday, November 8th, 2023

The Board of Directors of the Timber Creek River Water District (TCWD), Summit County, Colorado, met via online Zoom conference on November 8th, 2023, for their regular quarterly meeting. The meeting was called to order by Executive Director Scott Price at 5:15 p.m.

ROLL CALL

The following members of the Board of Directors were present, constituting a quorum: Mark Petty – President; Larry Nelson – Vice President & Treasurer; Nick Konz – Director; Kristin Ward - Secretary. Also present: Michele Tonti – Water District Consultant; Eric Hann – Water District Consultant; Scott Price – Executive Director and District Administrator; Donald Jones - District Accountant.

Mr. Petty stated that Director Steve Schiell had resigned via email from the Board because he was unable to attend the meetings.

DISCLOSURE OF CONFLICTS OF INTEREST

Mr. Price asked everyone if there were any known conflicts of interest on the Timber Creek Water District Board. Mr. Price acknowledged that none were expressed.

CONSENT AGENDA

Mr. Price asked if anyone had questions or comments regarding the minutes or the financial reports given to the Board. Mr. Petty made a motion to approve all items on the Consent Agenda. Mr. Konz seconded. The motion passed unanimously.

PUBLIC HEARING FOR APPROVING TCWD 2024 BUDGET

Mr. Price began the public hearing and asked Mr. Jones if he would begin the discussion. A discussion ensued regarding the tax revenue reduction of about \$20,000 because the District's bond was paid off, which eliminated one of the mill levies previously collected. Mr. Petty stated that all constituents in our District have their property taxes reduced because of our fiscal responsibility. Mr. Nelson expressed his satisfaction with the payoff and the elimination of the liability. Ms. Tonti and Mr. Hann agreed.

The budget was reviewed and it was acknowledged that both revenue and expenses were budgeted for lower amounts in 2024. It was noted that Depreciation and Capital Improvements are not budgeted. Any money spent on capital projects will be tracked as an expenditure, but at year-end those expenditures will be removed from the Income Statement and re-classified as an asset on the Balance Sheet; thus, those expenditures will not have a budgetary expense impact. Mr. Price asked if anyone had questions, and none were expressed.

Mr. Petty stated that no Tap Fees were budgeted, but it is possible for some fees to be collected for the new CDOT condo. He mentioned that a real estate agent is working to sell a house that has unpermitted additional bedrooms and bathrooms. Mr. Price stated that he had communicated with both Fortunato Property Management for the condos and the Town of Blue River Manager to confirm that tap fees will be due at the proper time. The owners of the new condo unit have already agreed to pay the tap fees. Michele Eddy replied that the town will not approve a construction permit without having a receipt for tap fees.

Mr. Konz asked if, in hindsight, the Board believes that paying off the bond early was a good idea. The discussion covered different perspectives, and the general consensus was that it was good because property taxes are lower for constituents. If additional revenue is needed later, then water fees can be increased without an election-type of vote. Mr. Nelson expressed satisfaction with paying off the liability.

Mr. Petty made a motion to adopt the 2024 budget as proposed. Mr. Nelson seconded the motion. It passed unanimously.

EXECUTIVE DIRECTOR'S DISCUSSION ITEMS

Mr. Price reviewed the Operations Report. The production in October was averaging less than 7,000 gallons per day. He explained that the Water Commissioner had agreed to using the newly installed well meters beginning on November 1, which is the start of the Water Year 2024. He stated the diversion reporting will finish Water Year 2023 by using the readings from the pump house meter, and the average daily production was approximately 13,137 gallons per day, for a total of 4,794,862 gallons.

Mr. Price summarized the well flow meter project and stated that it was completed approximately \$10,000 under budget. He described the fire flow testing with the Red, White, and Blue Fire District and that TCWD passed the testing with automated control of the fire pump #5. He shared with the Board that Superior Underground recently connected to fire hydrant #1 for unauthorized water theft. It caused significant pressure problems and the hydrant was not operated properly. Mr. Price called the 911 dispatch and reported the issue to the Blue River police. They located the culprits and determined that the company had a temporary permit from Breckenridge, so they ruled that the unauthorized use was not a crime because there was no intent to steal the water. They advised Mr. Price that any further pursuit of Superior Underground would be a civil matter. Mr. Price contacted the company and got their agreement to pay \$2,500 for the violation.

Mr. Price summarized a failure of the pump house HMI which may have been caused by a lightning strike. Mr. Konz asked if the surge protection failed too. Mr. Price stated that the uninterruptible power supply in the SCADA cabinet is still functioning correctly, and it has built-in surge protection. It is difficult to understand how the HMI failed, but it is a relatively fragile piece of equipment. It has been successfully replaced without any downtime to the primary PLC unit which controlled the pumps and system pressure properly.

Mr. Price described improvements to the pump house, which include new road access to the well head and meter vault. Additionally, the driveway surface is being improved with roadbase. The building is being repaired, caulked, and painted.

A discussion ensued about the status of the curb stops. Mr. Price summarized the work done in the summer and the communications with the owners. He stated that he will continue communicating with the homeowners and discuss ideas for improvements such as repairs, secondary inside shutoffs, or other

alternatives. Mr. Konz stated that one of his neighbors told him that his extension rod is bent and will get it fixed.

Mr. Price stated that the isolation valve in the driveway to the pump house is inoperable. A preliminary quote from Rob Theobald to repair that valve would be approximately \$10,000. So, he will continue to upgrade piping in such a way that the entire pump house would not be shutoff. With the new well meters, the old mechanical meter in the header is not important for diversion reporting to the state.

REVIEW AND APPROVE THIRD QUARTER FINANCIALS

The board reviewed the third quarter financial reports. It was noted that the District received over \$53,000 in tap fees. A comparison of 2022 versus 2023 was positive. Comments were made that the District's reserves are recovering. Mr. Nelson made a motion to approve the financials. Mr. Konz seconded the motion. It passed unanimously.

CHAIN-OFF LANE STATUS

Mr. Price presented a summary of interactions with CDOT representatives. Mr. Petty stated that he had spoken with Michelle Eddy regarding the chain-off location. She said that the project has not been submitted to the town for approval. There are several documents that have not been provided by CDOT. Mr. Petty said that he discussed with a CDOT representative that if they will provide a guarantee in writing that their project would not affect water quality, then he will be supportive. However, CDOT discontinued any communication with the District after that. Mr. Konz asked if CDOT needs approval from CDPHE. Mr. Price stated that such an approval would be logical and appropriate, but some board members stated that CDOT can do whatever it wants without seeking approval from other agencies. Mr. Petty said that if CDOT gets town approval, then we can offer alternatives such as drilling a new well upstream from the chain-off lane.

ADDITIONAL BOARD & ADVISOR MEMBER DISCUSSIONS

Mr. Petty stated that Steve Schiell had resigned from the board because he was unable to attend the meetings. He will send a letter to the HOA to try to recruit new members. Mr. Konz stated that some new owners have moved into the neighborhood.

Mr. Petty asked if anyone has verified that we are charging correctly for Short Term Rentals. He suggested that Mr. Jones get an updated list from the TOBR showing which properties are renting so that we can confirm we are billing the correct fees.

Mr. Petty directed Mr. Price to work on a comprehensive review and update of the Rules and Regulations over the next six months. He stated that we should invest in the improvements and bring them up to date. Mr. Price stated that some references in the R&R to items such as meters are not accurate, but they do not have a negative impact.

ADJOURNMENT

Mr. Petty made a motion to adjourn the meeting at 6:15pm. Mr. Konz seconded the motion, and it passed unanimously.

Respectfully Submitted,

Kristen Ward
Secretary

Approved by the Board of Directors

Mark Petty
President