

Timber Creek Water District
Minutes of the Regular Meeting of the Board of Directors
Wednesday, August 9, 2023

The Board of Directors of the Timber Creek River Water District (TCWD), Summit County, Colorado, met via online Zoom conference on August 9, 2023, for their regular quarterly meeting. The meeting was called to order by Executive Director Scott Price at 5:00 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. Also present: Michele Tonti – Water District Consultant; Eric Hann – Water District Consultant; Scott Price – Executive Director and District Administrator; Donald Jones - District Accountant.

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. President Petty stated that he and Secretary Ward had previously reviewed the draft minutes and approved them. Mr. Nelson made a motion to approve all items on the Consent Agenda. Mr. Petty seconded. The motion passed unanimously.

TIMBER CREEK ESTATES HOA MEETING REVIEW

Mr. Price stated that he presented for fifteen minutes and gave a handout with a focus on the ownership of curb stops. There was brief discussion by constituents about the improvements in system pressure, especially at the highest elevation on Kerrigan Court. One constituent recounted his story to the HOA about a significant leak, and he showed failed parts from his plumbing. He attempted to persuade other homeowners to force the TCWD to take ownership of the curb stops. This constituent explained how the curb stop is owned by the homeowners rather than the water district. Mr. Price agreed with that statement of ownership, but expressed that all water service line components that are on the homeowner's property should understand that those water pipes and valves are assets of the property. It is clearly a responsibility of the homeowner to maintain the pipes and valves. In the situation with this constituent, the curb stop was buried under the boulders that were installed as the retaining wall for the driveway. Thus, the original builder broke the curb stop and made it unusable. It would be illogical to force the water district to pay to fix that problem. Mr. Price committed that his team will continue searching for missing curb stops and trying to operate the valves to make an inventory of what is working and available.

Mr. Price stated that a few comments made by homeowners were inaccurate. Mr. Petty agreed, and he emphasized that one owner asserted that the water district's easements go all the way into the houses. That is incorrect. Ms. Tonti stated that the District needs to share information to overcome these erroneous assumptions by constituents. Mr. Konz stated that some attendees had an attitude of conflict because one constituent said that his attorney felt the language in TCWD's rules and regulations are not clear on the ownership of curb stops. Ms. Tonti stated that people have a tendency to be willing to take a

stand when they obviously do not have the facts. Mr. Petty addressed the damage caused by a service provider such as a snow plow running over a curb stop, and it would be ridiculous to hold the water district responsible.

Ms. Tonti mentioned that the subdivision went through revisions with changing developers where some curb stops are not connected to anything. Mr. Price acknowledged that his team found some of those that were “stub outs”. Mr. Petty asked if the Board felt it necessary to take any action on the curb stop ownership. Ms. Tonti expressed that she does not believe that the district needs to do anything differently.

EXECUTIVE DIRECTOR’S DISCUSSION ITEMS

Mr. Price reviewed the Operations Report. The production is averaging about 16,000 gallons per day in July and slightly more in August. June’s production was lower than normal because it was a wet month, so there was less irrigation. The average daily production for this year to date was approximately 14,764 gallons per day, for a total of 2,704,643 gallons.

Mr. Price reviewed the status of curb stop operability in the district. Most of them are working correctly. The majority of inoperable curb stops have bent pipes that prevent the key from reaching the valve at the bottom. The latitude and longitude has been recorded for all found curb stops by using the coordinates from a cell phone. However, those are not as accurate as desired, so a Garmin device was purchased to use satellites which should produce more accurate locations.

A discussion ensued regarding the district conducting a best efforts to find the curb stops. Others emphasized that we should notify the owners, make suggestions for repairs, possibly recommend contractors/plumbers, and inform them that the district cannot conduct the repairs. Mr. Petty suggested that if we are sending letters or emails to constituents, that we should get the attorneys to review it first.

There was a discussion regarding the ability to shut off water in the case of nonpayment. It was mentioned that someone could use their own key to turn the curb stop valve back on. Mr. Petty expressed concern that there are currently a number of accounts that are behind. Mr. Jones noted that most of the outstanding amount was attributed to the DOT Condos because they had left their autopay at the previous year’s amount. Mr. Price explained how other districts apply a large shutoff fee and a larger fee to turn the water back on. He assured the board that if nonpayment becomes a serious problem, that he will make administrative adjustments, possibly including increases to penalties.

Mr. Price provided an update on the water plant and distribution system. A lightning strike fried the HMI last week. A replacement has been ordered and installation scheduled with the vendor. Additionally, Mr. Petty experienced a significant issue with air in his service on Timber Court. The air relief valve on booster pump #1 was repaired to correct the problem. Mr. Price asked if any other board members experienced any water issues such as air in the line. None were expressed.

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. The exterior is in poor condition.

In June, the Red, White, and Blue Fire Department tested the fire flow throughout the TCWD, and the District passed the test. Our SCADA system was upgraded to enable the fire pumps in automatic control based on system pressure settings. The system is working as expected.

The well meter project is progressing, and the engineer is updating a construction drawing for the plumber to order parts and install the meters, piping, ball valves, new source water sampling valves, and check valves.

Mr. Price presented a summary of three quoted solutions for a customer water meter system. The board discussed the cost and challenges with homeowners providing access to install the meters. Mr. Price emphasized that the primary benefits are billing equity and leak detection. Mr. Nelson stated that the budget and reserves do not support the large expense for a meter system next year. Mr. Petty expressed that the fee structure would need to be modified, and the process is complicated. Mr. Nelson said that the fiscal responsible action of paying off the bond has put the district in a good position, but he would not vote for the project in the current budget. Mr. Price stated that there is no impending event that requires the meter system immediately. Mr. Petty stated that a portion of the mill levy will decrease because the district paid off the bond debt, and there is work to be done to understand how that will affect the revenue. Mr. Price expressed that most of the capital improvement projects will be completed this year. Mr. Nelson stated that the reserves are low and it is not prudent to put the district in a bad position if a catastrophic event occurs that disables the water system. Mr. Price agreed.

The board reviewed the second quarter financial reports. There were questions about the Bond Debt Reserve, and Mr. Jones stated that the funds are expected to be received soon. Mr. Price explained that while the total assets would not change, the current assets will increase; thus, the funds will show up in the checking account as spending money. Mr. Petty summarized that the district is in a fantastic financial position, and that the district has made many investments which resulted in a reliable system. Yet, he is still concerned about rebuilding the reserves. Mr. Nelson expressed his agreement with that assessment.

Mr. Petty asked Mr. Jones about preparing the budget according to the state schedule. Mr. Jones stated that he will make revisions based on new information received, such as the property valuations. Mr. Price said that the draft budget from Mr. Jones' updates will be sent to the board before October 15. Then it can be discussed at the November meeting in an official public hearing. If everyone agrees, it can be approved in November. Otherwise, a December can be scheduled specifically for the budget approval.

ADDITIONAL BOARD & ADVISOR MEMBER DISCUSSIONS

Mr. Nelson stated that the DOT Condos are creating a new unit from existing space in one of their buildings. There was discussion on how that could be accomplished with the Town of Blue River and the agreement for density caps. The unit is being advertised as a one bedroom. Mr. Jones asked if a tap fee would be due. Mr. Price explained that he strongly believes one tap will be required for the new unit. Mr. Petty quoted the TCWD Rules and Regulations. Mr. Nelson stated that he does not believe proper channels and rules were followed to add the unit. Mr. Jones stated that the title company will reach out to him regarding payment of tap fees before the title is transferred. Mr. Price agreed that the normal process should ensure the district is compensated fairly for the water service, and he pledged to work with the property management company. Mr. Petty directed Mr. Jones to send an invoice for the tap fee to the property manager. Mr. Price will call Michele Eddy and Jonathon Jones to clarify the relationships and the impact on the water district.

ADJOURNMENT

Mr. Petty made a motion to adjourn the meeting at 6:37pm. Mr. Nelson seconded the motion, and it passed unanimously.

Respectfully Submitted,

Kristen Ward
Secretary

Approved by the Board of Directors

Mark Petty
President