



## Round Mountain Water and Sanitation

### Board Meeting via Zoom

August 20, 2020 – 2:00 p.m.

### Minutes

Call to Order at 2:02 p.m.

Roll Call: Charles Bogle, Steve Lasswell, Peter Ewing, Greg Smith, Randy Wilhelm, Peggy Quint, Dave Schneider, Abi Schneider, Tracy Ballard (The Valley Beat)

Pledge of Allegiance

Due to the current situation with the Corona Virus, meeting will be either by conference call or video conference. Public input will continue to be limited to 3 minutes.

Additions to the September 3, 2020 Board Agenda

1. CEBT Renewal Documents and Recommendations
2. Recommendation for Delinquent Accounts
3. Discussion regarding SGM

Administrative Reports

1. District Operations Manager – Dave Schneider
  - a. Appendix A modification – Tap fees – This modification is for equipment fees. There is no mark-up, but shipping costs have been added. Greg suggested we mark up the costs and pay sales tax on parts in the future. We do not pay sales tax currently. Dave will research it for future discussion. Motion for approval was made by Greg Smith, seconded by Peter Ewing. Vote passed unanimously.
  - b. Dave has not received any updates on the Gallery reservoir. Wet Mountain Valley water study documents were sent to the board for their perusal. The District is not financially bound to that study. One of the main reasons for this study was to find different ways that districts can store water. One concept is to store augmentation water in the ground. This may become a water storage option for the District in the future.
  - c. Iconergy – Currently filling out a grant application to DOLA to pay for some of the financing for the engineering. We are looking at options for meters.
  - d. Developments – Sewer main installation at the Haga project is almost completed. They are attaching to our existing system on Hermit Road. They will start water main installation next week. No updates on the other developments in the district.
  - e. WWTP Update – Dave sent out some documents that came from our engineer. These are the costs for going-to-bid. The total cost is very discouraging. It has increased from \$6 million to \$12 million, which is more than the district can afford. Dave talked to SGM and asked them how this could be such a large increase from the original cost estimate. SGM did not have any really good answers. SGM has had three different lead engineers on this project and it was

extremely underestimated. Dave does not feel that firing SGM would be the answer. The current plant design is what is needed satisfy CDPHE and the Federal Government's requirement for the effluent limits that they have given us. Dave has done some figuring to see what kind of increase would have to take place. He feels that the sewer enterprise, as we stand right now, could pay back \$4 million on a 40-year note at 2% interest or lower. Anything above that will cause businesses to shut down, especially now with the COVID 19 situation. We would have to raise the ERU fee to a point that our business customers would close. He is ready to go to the Feds and the State and say that \$4 million is our threshold. We will need them to step up and help us. Charles stated the SGM needs to meet with us to explain this huge discrepancy. The administration/shop building is an important part of this project since we are paying rent now. We need a shop to store valuable equipment. Discussions will need to be conducted with SGM. We need to know what has happened so that we can have the explanations for DOLA and USDA. The BOD needs to go line item by line item with SGM. A workshop will be scheduled for Friday, August 28, 2020, 10:00 a.m. at the Round Mountain Office Building in the conference room. This meeting is open to the public; however, they are not allowed to attend in person but can attend via Zoom.

## 2. District Business Manager – Peggy Quint

- a. Auditors are scheduled next week for the annual audit. Fromm will be present for questions as they have done all the preliminary work.
- b. CEBT Renewal is coming up – Peggy will send the documents to board members and include them in board packets

## Consent Agenda

1. Approval of the Minutes of the July 16, 2020 Regular Board Meeting
2. Approval of the Minutes of the August 6, 2020 Regular Board Meeting
3. Financial Report and Approval of Checks for July 2020

Motion to Approve the Consent Agenda was made by Randy Wilhelm, seconded by Steve Lasswell. Motion passed 5-0

Adjourn at 3:50 p.m.