**ROUND MOUNTAIN WATER AND SANITATION**

**BOARD OF DIRECTORS MEETING**

**THURSDAY, August 17, 2023**

**2:00 P.M. – 3rd Street Gallery Building Conference Room**

**Call to Order at 2:01 p.m.**

**Roll Call: Charles Bogle, Steve Lasswell, Randy Wilhelm, Mark Dembosky, Connie Thompson**

**Dave Schneider, Peggy Quint and Carlan Cardenas (via zoom)**

**Elliott Jackson, Tribune reporter**

**Pledge of Allegiance led by Charles Bogle**

**Additions to the September 21, 2023, Board of Directors Meeting Agenda**

1. **SDA Conference report from attendees**
2. **Report from Dave Schneider attending National Rural Water Association Conference**
3. **Steve will not be here in person, but will try to zoom in**

**Administrative Reports**

1. **Assistant District Manager – Peggy Quint**
* **Update on SDA Attendance and Scholarships granted. Carlan Cardenas and Mark Dembosky have been awarded a $900 CSD Pool Scholarship to attend the Special Districts Association Conference.**
	+ **Dave’s breakout session will be Wednesday – time is TBD.**
* **Audit is completed and filed. The cost of auditing was higher than in previous years. Budget for 2024 will be adjusted to reflect the increase.**
* **Retirement proposal will be discussed later in the meeting.**
1. **ORC – Steven Koch – Steven was not in attendance. ORC Report shows a very busy Summer.**
2. **District Manager – Dave Schneider**

**Meters – currently 717 meters that are reporting. There are several duplicate meter numbers, and the report is not totally accurate, but it is being worked on.**

**Smith Well – Well permit extension has been received. The oversized well pump continues to be an item of negotiations. Iconergy is reluctant to replace the pump. CDPHE inspected our finished system and failed the chlorine system. Dave will work towards a way to resolve the issue. The well is running great and producing incredibly good water and very consistently at 290-300 gallons/minute.**

**Reservoir – We petitioned Water Resources Division II to review our decrees with the Johnson Ranch and the Gallery Well to see if we could use the Gallery well as an alternative point of diversion for our Johnson Ranch augmentation water. Division II approved the district’s request recognizes the Gallery Well as an alternative point of diversion. Dave suggested that the oversized pump at the Smith well be used on the Gallery Well because it can pump 450 gallons per minute. Then an appropriately sized pump could be put on the Smith Well. Division II will allow us to make the Gallery Well Decree absolute. If we can pump 450 gallons per minute filling the reservoir. This decision knocks $2million off the price of the reservoir installation. Dave has discussed this with the Gerouxs and they are interested in negotiating an easement across their property. This will be gravity drained. No pumping will be required. A meter can be installed on both ends and we will know exactly how much water there is. Dave met with Upper Ark to discuss operations designs. They asked for permission to put the well and our reservoir into their blanket water decree so that they could use it for a source of augmentation water and a source of fill exchange for them. This will allow us to sell or lease water to Upper Ark. It would be a simple exchange process. The reservoir has 135-acre feet. Upper Ark will get 1/3 of the storage for 1/3 of the cost. That will leave 80–90-acre feet for RMWSD and Upper Ark gets the other 30. Even with Upper Ark owning 1/3 of the reservoir capacity, RMWSD can still fulfill its obligation. Round Mountain is water rich, and the district wants to keep it here. We have enough water rights to add projected growth to make it through 2050 unless the growth in the district is more than predicted.**

**WWTP – Dave has received the nitrification/denitrification conceptual models that CDPHE had encouraged Dave to add to our system. Both are going to cost over $1m to implement and to install and will easily double the operational cost and time. Dave is proposing that we look for $1m on the front end and construct a pilot plant and call it Phase I. We have $.5m to add to the cost of $1.5 to $1.7 million to complete Phase I. Dave talked to State Revolving Fund reps and USDA and asked if a bridge loan to get a pilot project in could be used. Then, once the pilot plant is completed, and approved, then pursue the full cost of the total upgrades including the bridge loan and pay the bridge loan off with the lower interest rate loan. They said that is common practice. The open issue is where to obtain a bridge loan. Dave has asked Powell Water to put together a construction blueprint set of Phase I, which consists of the three empty ponds that would be finished out and lined. It will be identical to what is set up in Hydro, OK with the greenhouse to grow bugs and the EC unit on the back end. Phase II would be to double the size by rehabilitating the existing ponds and installing another ED unit for redundancy. Phase I would take care of our existing needs and Phase II would take care of anticipated growth. Because of the efficiency of the plant, we can take on what is now overloaded, and have additional capacity. The thought is to get the funds for the loan, then lift the moratorium once Phase I is done. That would give us the money to be able to pay on the bridge loan without raising rates excessively. Dave is creating a presentation that includes a demonstration report and construction drawings to take to different financial institutions to see if they would be interested in financing a bridge loan for $1 million. Dave feels we can dial in our pilot plant and reach the preliminary effluent limits, and there should be no objection to our plant from CDOHE. Dave will talk to funding agencies at the SDA Conference.**

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**Dave has found a state-run retirement program called CRA (Colorado Retirement Association) and would like the board to consider adding a more comprehensive retirement package to the staff of RMWSD. Peggy contacted the company and received an impressive packet of information. As we are looking at the budget now, the potential matching or adding to the funds that each employee has contributed to their account could be added to the budget. There could be an incentive to meet budget and have the district honor that by contributing funds to the employees’ accounts at the end of the year. CRA will be at SDA and Dave and Peggy plan on meeting with this company to discuss the possibilities. There are 237 member employees, including 62 municipalities and 51 of the 62 counties and 124 special districts. This is a state organization. This company’s reputation proceeds itself. The board will be updated at the next meeting.**

**Consent Agenda**

1. **Approval of the Minutes of the July 20, 2023, Regular Board Meeting**
2. **Approval of the Minutes of the July 28, 2023, Special Board Meeting**
3. **Financial Report and Approval of Checks for July 2023**

**Motion to Approve the Consent Agenda was made by Randy Wilhelm, Seconded by Steve Lasswell. Motion passed with a 5-0 vote.**

**New Business**

1. **Tap Repurchase discussion regarding WMV Properties LLC – WMV Properties LLC bought five taps in December of 2021 prior to the moratorium. They were not aware that the monthly fees are to be paid after 90 days of the tap purchase. Due to those monthly fees, in June of 2022, WMV Properties turned in their taps and received a refund. In November of 2022, the Board approved an extension on the deadline to connect to the system and to offer the refunded taps back to the original purchaser in December of 2022. WMV Properties LLC would like to repurchase their taps. WMV Properties LLC is in the process of dissolving their company and will become two new companies. They (Clark Maxam and Ed Stefanich) have requested to buy back their taps, but want to split them, two being bought back by one company and three being bought by the other. A motion was made by Connie Thompson to approve WMV Properties LLC to buy back the five previously refunded in the name of WMV Properties LLC, not the new companies. They will be unable to ask for refunds again. Mark Dembosky seconded the motion. Motion passed 5-0.**
2. **Approve Dave Schneider as RMWSD representative to sit on the Arkansas Basin Roundtable – Dave would like to represent Custer County at the roundtable. Each county has two representatives, so it would be Keith Hood and Dave Schneider. The group meets once a month in Pueblo at the Pueblo Community College and Dave would be using his personal vehicle and requesting mileage. Westcliffe and Silver Cliff have approved Dave as their representative. A motion for Round Mountain Water and Sanitation Board of Directors to approve Dave Schneider’s position as County Municipal Representative for Custer County on the Arkansas River Basin Roundtable was made by Mark Dembosky. Connie Thompson seconded the motion. Motion passed 4-0. Randy Wilhelm recused himself from the vote due to his position on the Town of Westcliffe Board.**

**Old Business**

1. **Update on potential solar array on 40 acres – Dave has been communicating with Pivot Energy regarding the 40 acres that they are interested in for their solar array. Since the District still uses that property when it is needed for discharge, Pivot Energy would lease 12 acres until the rest of the property would be available. Dave will draw up a lease that reflects the portion that they would have for their use and the future availability of the rest of the property. This would be revenue for the lease and electrical credits to the district, which would pay for the water and wastewater treatment production. There is an initial lease of 2 years and then if this is viable, the lease will be extended to 20 to 40 years.**

 **Adjourn at 3:34 p.m.**