**BAILEY WATER & SANITATION DISTRICT**

**PO BOX 422**

**BAILEY, CO 80421**

**Agenda of Meeting of the Board of Directors**

**Regular Meeting of the Board of Directors**

**Tuesday, May 28, 2024**

**at PCCC at 6:00 P.M.**

1. Call to Order.
2. Approval of Minutes from April 14, 2024, Special Meeting Mins.
3. Approval of Agenda for May 28, 2024, Agenda.
4. Guests.
	1. Dan Rayburn (Exemption).
	2. Bryce from Citywide.
	3. Craig.
5. Legal.
	1. Updates from Anita.
6. Operator Reports.
	1. April.
		1. Water syste
	2. May.
7. Engineering.
	1. Updates from Will.
8. Administrative.
	1. Adjustments.
	2. Billing Register.
	3. Past Due Customers.
	4. System Totals Report.
	5. Sales and Receivables.
	6. Balance sheet.
	7. Transaction list by Vendor.
	8. Deposit detail.
9. Old Business.
	1. Citywide Bank.
		1. Finish setting up account.
		2. Discuss online options.
10. New Business.
	1. Discuss board member.
	2. Colotrust update.
	3. Consider adding Dave Gruber as employee instead of 1099.
11. Adjournment.

**April 14, 2024 Meeting Minutes**

1. **Call to Order (9:00 am).**
2. **Attending.**

|  |  |
| --- | --- |
| **John P** | **Chip T** |
| **Darrel E** | **Miguel G** |

1. **Approve April 14, 2024 Agenda.**
2. **Motion to approve the agenda.**
3. **CT motion.**
4. **MG seconded.**
5. **Approved.**
6. **Engineering.**
7. **Review engineer loan and resolutions.**
8. **Motion to approve 2 board members to sign the resolution and loans for the engineering and design.**
9. **JP motion.**
10. **CT seconded.**
11. **Approved.**
12. **Updates on Bezzant property.**
13. **Pursuant to the Zoom meeting Anita and Will attended with the Bezzants and their attorney on March 26, 2024, Will provided an updated map and Anita provided a draft easement to the Bezzant’s attorney. There was no solid acceptance or counteroffer.**
14. **Motion to send an offer for the appraised price with the easement to the Bezzants and file the condemnation if they do not hear back from the Bezzants or they refuse the offer.**
15. **JP motion.**
16. **CT seconded.**
17. **Approved.**
18. **Public Comment (None).**
19. **Adjournment (9:10 am).**
20. **Motion to adjourn.**
21. **CT motion.**
22. **DE seconded.**
23. **Approved.**

**May 28, 2024 Meeting Minutes**

1. Call to Order (6:01 pm).
2. Attending.

|  |  |  |
| --- | --- | --- |
| John P | Chip T | Dennis G |
| Darrel E |  |  |

1. Approval of Minutes from April 14, 2024, Special Meeting Mins.
	1. Motion to approve the April 14, 2024 Special Meeting Minutes.
		1. CT motion
		2. DE seconded.
		3. Approved.
2. Approval of Agenda for May 28, 2024, Agenda.
	1. Motion to approve the May 28, 2024 Agenda.
		1. CT motion.
		2. DE seconded.
		3. Approved
3. Guests.
	1. Dan Rayburn (Exemption).
		1. Dan Rayburn is here today to ask that the district excludes his property (60315 US HWY 285 Bailey, CO 80421) due to it not being feasible to hook up to the water system. His application lays out the legal description and the reasons why he is unable to hook up to the district. Mac confirmed the reasons are valid at the last meeting.
		2. Motion to exempt 60315 US HWY 285 Bailey, CO 80421 from the Bailey Water and Sanitation District.
			1. JP motion.
			2. CT seconded.
			3. Approved
	2. Bryce from Citywide.
		1. Discussion about previous meeting needs and what he has compiled for BWS new account.
		2. Fraud Risks
			1. Discussion about different risks that personal vs business accounts have and the protections. Businesses do not have the same protections.
			2. Positive pay.
				1. Protects the account.
				2. They verify the check info before the checks are sent out so they can cross reference it when it comes through. If not, it will start the review process.
				3. ACHS and CC are way more secure if possible. If you have to write checks, then this is the best option.
				4. The District approves getting positive pay for the business account.
			3. Remote deposit scanner.
				1. The District does not need the scanner.
			4. Credit Card.
				1. Can do limits.
				2. The card can have a cash back option.
				3. Discussion about what could be used for and how it would affect the two signatures.
				4. The board will talk about this later.
			5. Website payment portal.
				1. Would put everything online.
				2. Can do the fee for the card part of the payment.
				3. Could do ACHS (no charge).
				4. The customer gets to enter in the amount they are willing to pay or do autopayment.
			6. Money working for BWS
				1. Does have options to help build money through account.
	3. Craig.
		1. Discussion about having a separate account for any grants and expenditures for the project. Will brings up that would need separate accounts for the WT project and the WWT project.
		2. Discussion about how the account would work and whether a lot of it would be reimbursement based. We could do a money interest account set up, but we need an account that can be at zero at certain times and not get charged for it.
		3. Craig is weary about not wanting to comingle the funds during the project and make it as simple as possible for any auditors.
		4. We need a request for proposal out (Craig will draft). He wants recommendations for accounting firms so we can send out requests for proposals. There is an audit requirement in the loan that was just signed. We will have to do a single audit for this loan as long as we are in the loan.
		5. The district can try to waive the audit, but that is unlikely they will approve.
		6. Craig recommends we draft an employee manual. We should also look into our insurance policy and make sure it will work for the projects.
4. Legal.
	1. Updates from Anita.
		1. Exclusion.
			1. A public hearing was held and approved for the exclusion.
			2. Discussion about the next step for the exclusion and what paperwork to submit.
		2. Letter from Ms. Berstein.
			1. Discussion about what has been happening up to this point with the Bezzants and negotiations regarding the property acquisition will be done in executive session at the end of this regular meeting.
			2. Motion to approve the Resolution of the Bailey Water and Sanitation District Approving Acquisition or Condemnation of Certain Property. A formal authorization by the Board to acquire the property either by sale or condemnation. This is just to ensure the Board has approved acquisition of property to avoid any possible challenges to it having the authority to do so in the future.
				1. CT motion
				2. DE seconded.
				3. Approved.
5. Operator Reports.
	1. April.
		1. Water system.
			1. Water pumped: 22,400 gal/day.
			2. Water sales: 16,600 gal/day.
			3. Water quality parameters were within limits during the month. Turbidity was 0.013 to 0.032 NTU. Chlorine was 1.03 to 2.05 mg/l.
			4. Maintenance: normal.
		2. Sewer system.
			1. Wastewater influent: 17,100 gal/day.
			2. Normal maintenance.
			3. Effluent quality was acceptable.
	2. May.
		1. Water system.
			1. Water pumped: 22,300 gal/day.
			2. Water sales: 31,000 gal/day.
			3. Water quality parameters were within limits during the month. Turbidity was 0.013 to 0.036 NTU. Chlorine was 1.02 to 2.30 mg/l.
			4. Maintenance: Normal.
		2. Sewer system.
			1. Wastewater influent: 22,000 gal/day.
			2. Normal maintenance.
			3. Effluent quality was acceptable.
	3. Questions.
		1. MOC: will this project help the infiltration system. Mac: yes it will allow a second system and streamline the whole process much better.
		2. MOC: how long will this system last as is? Mac: part of the problem is not the system producing the water. It is the standards for the water keep tightening. John: CO and Clean Water Act are tightening the rules and this system is going to get more and more expensive to run. John: in two years we will be out of spec at this rate.
		3. Chip: We started this 4 years ago and keep hitting roadblocks. Mac: if we are working on it, the state will probably work with us and allow us the time.
		4. Chip: has the water changed from previous years. Mac: it has this spring. I am not sure why. MOC said that this is all run off and DW will not open the tunnel back up till spring.
		5. Mac: a lot of the water comes from Geniva creak, and it is not known to be the cleanest in the world. Once we start getting water from the tunnel, it makes the water less turbid. Clay has been running down too which should hopefully be washing away now. Our filter usage is way higher than what we were using before due to the water.
		6. MOC: what is the grant you just received. Will: it is for the water plant project. It will include the infiltration gallery and help with the copper and materials in the water.
6. Engineering.
	1. Updates from Will.
		1. Water Treatment Facility.
			1. Design and Engineering Grant is done.
				1. District can now use those funds.
				2. The district will pay for what is needed then send the invoices in to be reimbursed.
				3. Motion to approve the $215,000 for Will’s design.

JP motion.

DG seconded.

Approved.

* + 1. Water Storage Tanks.
			1. Flatirons came out and surveyed the existing easement and made the new easement for the power.
		2. Water Reclamation Facility (WTT).
			1. Draft PER has been completed.
				1. Will reviewed draft and they will update.
				2. PER will be presented to board when ready.
				3. A floodplain evaluation may be required.

Proposal from Baseline Engineering Corp and ranges $30850 to $40400.

An additional survey would also be required. Flatirons Inc. estimated cost is $7500.

1. Administrative.
	1. Adjustments.
	2. Billing Register.
	3. Past Due Customers.
	4. System Totals Report.
	5. Sales and Receivables.
	6. Balance sheet.
	7. Transaction list by Vendor.
	8. Deposit detail.
2. Old Business.
	1. Citywide Bank.
		1. Finish setting up account.
			1. Will do the business account and do the fraud projection.
			2. Checks with two signatures.
				1. John: by law, we need two signatures.
				2. Bryce:

Initiator and someone who reviews.

Discussion about sending payments out through ACHS.

Order 300 checks and we will revisit.

* + 1. Discuss online options.
1. New Business.
	1. Discuss board member.
		1. Tom
			1. Resident in the district.
			2. He is an electronical engineer.
			3. Has assisted Mac and Logan with repairs and the district.
			4. Motion to appoint Tom K. to the board.
				1. CT motion.
				2. DE seconded.
				3. Approved.
			5. Dennis resigns from the Bailey Water Board.
	2. Colotrust update.
		1. All the board members are now on it.
	3. Consider adding Dave Gruber as employee instead of 1099.
		1. Started working during the winter. He is now doing daily operations with Mac and Logan. He started as a 1099 and would like to be an employee now. He does not need any benefits, just wants to be W2.
		2. Craig.
			1. I9 and W4 form to get him set up.
			2. Anita would like a contract with Dave and he can be added on the payroll via QB.
			3. He will have to send the forms and commit to the new handbook.
			4. He has his operator C WWT, C WT, and type 1 distribution.
			5. Motion to hire Dave Gruber as an employee.
				1. CT motion.
				2. DE approved.
				3. Approved.
2. Public Comment.
	1. MOC is wondering why there is no solid acceptance from the Bezzants.
		1. Anita: we are still negotiating with them.
		2. The board has been trying to negotiate with the Bezzants for 4 years now.
		3. Discussion about the grants and what is needed for the grants.
		4. The board has worked diligently to get this land amicably, but we are getting to the point that it is costing the district a lot of money and needs to be resolved.
3. Executive Session:
	* 1. Executive Session (held at the end of the meeting to accommodate guests).
			1. There was a motion by Director JP to enter an executive session with the District’s attorney (Anita) for the purpose of receiving legal advice regarding acquisition of the Bezzant property. The motion was seconded by CT and unanimously approved by the Board.
			2. The District’s attorney (ALM) stated that, as the District’s attorney, it is her opinion that the discussion of the matter announced in the motion to go into executive session constitutes a privileged attorney-client communication, and that she, therefore, recommended no further record be kept until the executive session has been concluded. The purposes stated are proper purposes pursuant to C.R.S. §§ 24-6-402(4)(b).
				1. The Board entered executive session at **7:13pm**. No record was kept of the executive session pursuant to state law.
				2. The executive session concluded and the Board returned to the public meeting at **8:09 pm**.
4. Adjournment (**8:11pm**).
	1. JP motion.
	2. CT seconded.
	3. Approved.