

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF  
GRANT WATER & SANITATION DISTRICT  
NOVEMBER 20, 2019, at 9:00 a.m.**

The regular meeting of the Board of Directors of the Grant Water & Sanitation District was held on Wednesday, November 20, 2019, at the hour of 9:00 a.m., at the Raccoon Creek Golf Course, 7301 West Bowles Avenue, Littleton, Colorado. Directors present were Darren Bradshaw, Mike Cowan, Bruce Guard, Sam Garza and Mike Mulholland. Also attending were Justin Meeks, Judy Simonson, Nicki Simonson, Rebecca Hill and Jennifer Bailey. Mr. Cowan presided.

1. **Disclosure of Conflicts of Interest.** There were no changes to the Board member disclosures.
2. **Open Forum.** The open forum was passed in the absence of any members of the public.
3. **Minutes.** The minutes of the regular meeting held on October 16, 2019 were approved with amendment on motion of Mr. Mulholland seconded by Mr. Garza.
4. **2020 Meeting Schedule.** The proposed 2020 meeting schedule was approved on motion of Mr. Mulholland seconded by Mr. Guard.
5. **Engineering Report.** Mr. Meeks reported as follows:
  - **2019 Capital Improvements Project.** Weather had delayed the final manhole adjustments but Martin/Martin will coordinate with the contractor to complete the work.
  - **2020 Capital Improvements Project.** Martin/Martin has ordered the

quality Level B utility locates for the Crossings project. Martin/Martin recommends Lamb-Star Engineering and has provided a standard contract for the District to consider. Ms. Bailey reviewed the contract and had no objections but sought clarification regarding the scope of the agreement. The contract is for the utility locates for the Crossings project only. C&L does the District's CO811 lower level locates. The Crossings sewer line project requires a Level B utility locate which Lamb-Star Engineering is able to provide, whereas C&L is not. A motion was made by Mr. Mulholland to approve the Lamb-Star Engineering contract, which was seconded by Mr. Bradshaw and approved.

- **Underdrain Cleaning and Remediation.** DRC has completed several lines along Grant Ranch Blvd. and is continuing its work this week. DRC provided an updated proposal for next year to have the underdrain remediation completed prior to June 1, 2020. This is contingent upon having adequate access to the system. They are requesting that the District hold a 10% retainage and DRC will forfeit the retainage if the work is not completed by June 1. Martin/Martin finds it a reasonable proposal. There is an opportunity to get some of the capital improvement manholes in by April or May which may facilitate DRC's underdrain remediation. Mr. Meeks indicated that three or four of the manholes would be installed along Grant Ranch Boulevard, coming out of the Regatta neighborhood and in front of Grant Ranch Elementary school, in trunk lines B and E respectively.

- **Bowles Crossing Re-Development.** The directionally drilled portion of the sanitary main extension is been repaired to be laid at a constant grade and all the sags have been removed. The contractors re-tested the tracer wire and everything tested out okay. The District never received a response from Vestar regarding removal of the trees, and they were

removed on November 5. The sanitary main extension on West Long Drive is progressing. They may put a hold on the sanitary sewer work and work on installation of the water line that is inside the property line. Mr. Meeks is meeting with them today. Ms. Simonson reported that she was contacted by one of the project managers, who wanted to come in and pay for their sewer tap fees before the end of the year. It is over \$1.4M in sewer tap fees that will be owed to the District, at \$4,500 per unit with 326 units. Their deposit for engineering inspections is also getting low, so Ms. Simonson asked Mr. Meeks to provide an estimate of additional engineering fees that she could provide to Alliance in order to have them to replenish their deposit.

- **Lake House Kitchen and Tavern.** Lake House Kitchen and Tavern is taking over the old Lucha Cantina location and will open a new restaurant in 2020. When Lucha Cantina bought the location in 2015, Martin/Martin advised that the interior of the grease interceptor should be re-lined. The liner is now degraded to the point where concrete and aggregate are now visible in several places. The owners are going to get the grease interceptor completely pumped down so that Martin/Martin can see exactly what kind of condition it is in. If it turns out to be a maintenance issue, i.e. it just needs to be re-lined, Lakehouse is responsible for the cost. If the grease interceptor needs to be replaced, the landowner is responsible. Lake House is pushing for replacement. They are considering a replacement with a hydromechanical grease interceptor, which is less expensive than a traditional grease interceptor and has been allowed in Littleton through the variance process. If the parties agree to this replacement, the District will need a stamped design, specifics, and a letter requesting a variance. The restaurant is targeting a January opening. Timing is an issue for them due to the need to present their request for a variance at a District Board meeting. Martin/Martin will check with the cities of Littleton and

Englewood for their thoughts on the hydromechanical grease interceptors.

- **Jefferson County Building Permits.** Martin/Martin is trying to get a meeting set up on December 10 with the Jefferson County Planning Department as well as the county Engineering and Building departments regarding processes for new development, remodels and tenant finishes.

- **Bowles Metro District Easement Coordination.** Martin/Martin and Simonson & Associates met last week with interim Bowles Metro District manager, Pat Shannon. They talked about looking at easements in Sunset Park first, to take advantage of the potential to move young trees and having no homes to deal with. A site walk is being coordinated for December. Their board is interested in participating in the site walk. Their board pushed back on the idea of an IGA and wants a detailed assessment of the trees that need to be moved and those that can stay. Mike Cowan and Bruce Guard agreed to participate. Mr. Mulholland mentioned a storm drain cover that is open in the middle of the park that a small child could fall into or climb into that needs to be brought to their attention. Nicki Simonson continues to attend Bowles Metro District meetings and Grant Ranch HOA Board meetings.

- **Columbine High School Petition for Exclusion.** The Notice of Hearing on the Petition for Exclusion will need to be published in a newspaper. Ms. Simonson has not heard anything about the subsequent inclusion into Platte Canyon Water and Sanitation District.

- **M/M Engineering Contract for 2020.** The Board considered the Martin/Martin contract for engineering services in 2020. This is on the standard District form and includes an increase in the schedule of rates consistent with what is in the 2020 budget. Mr. Meeks indicated that the various job level rate increases are around \$5, except for the levels of

Principal and Associate, which are higher based on market factors. The contract was approved on the motion of Mr. Mulholland and seconded by Mr. Garza.

C&L rates are staying the same for both the maintenance contract and the service contract. The C&L 2020 contracts were approved on the motion of Mr. Mulholland and seconded by Mr. Bradshaw.

Ramey Environmental Compliance, Inc. rates went up and the scope of services is staying the same. Monthly lift station services went up \$40 as did the hourly rates. Overall, the District is satisfied with their services. The Ramey Environmental Compliance, Inc. 2020 contract was approved on the motion of Mr. Mulholland and seconded by Mr. Garza.

Diesel Service & Supply rates are staying the same. The Diesel Service & Supply 2020 contract was approved on the motion of Mr. Mulholland and seconded by Mr. Garza.

DRC Construction Services unit costs did go up although total proposed costs are projected to be less because the District has fewer linear feet of CCTV inspection scheduled in 2020. The DRC 2020 contract was approved upon the motion of Mr. Mulholland and seconded by Mr. Garza.

Brooks Grease Service is a new contractor this year. They pump out and power wash the grease interceptors at the District's request should a customer fail to pump their interceptor as directed by the District. The Brooks Grease Service 2020 contract was approved upon motion of Mr. Mulholland and seconded by Mr. Bradshaw.

**6. Budget and Rate Hearing and Approval of Budget and Rates.** The budget and rate hearing was opened upon approval of the motion of Mr. Mulholland seconded by Mr.

Bradshaw. The fees projected include covering the estimated maintenance costs for the sewer and underdrain lines that will be serviced in the 2020 year. Underdrain rates are higher due to the inclusion of CCTV of the underdrain lines. Administrative costs include general items such as insurance, management, director fees, etc. Utility locates costs are also included in the District's administrative costs and they are significantly higher due to the new utility locate requirements. The District's administrative costs are allocated based on total flows attributable to commercial, multi-family and residential customers. The capital projects budgeted for 2020 include 12 new underdrain manholes and the sewer main line replacement in the Crossings subdivision. These costs are also allocated by customer type and total flows. Overall, rates for next year will increase around 3% after no rate increase for this year. The proposed 2020 rates were approved upon motion of Mr. Mulholland, seconded by Mr. Bradshaw.

The District 2020 budget is based on the rates just approved. Ms. Simonson included the estimated sewer tap fees for the Broadstone multifamily project that are planned to be purchased yet this year and the water tap fees for the project that are expected to be paid in 2020. The non-operating expenditures budgeted include \$524,000 for the sewer main replacement project, underdrain manholes and projected engineering design fees for construction projects planned for 2021 so that the District can advertise for bids early in 2021. Contingencies of \$100,000 each for unexpected repair projects and for unexpected capital projects are included in the budget but will be funded through the District's reserves should such a project be needed. A motion was made by Mr. Garza to approve 2019 Resolution No. 3 and adopt the 2020 budget. The motion was seconded by Mr. Bradshaw and approved. Mr. Garza then made a motion to approve 2019 Resolution No. 4 to appropriate funds which was seconded by Mr. Mulholland and approved. Mr.

Mulholland moved to approve the 2020 Budget Message, Mr. Guard seconded, and the motion was approved. The rate and budget hearing was closed upon approval of the motion of Mr. Mulholland, seconded by Mr. Garza.

Mr. Meeks then left the meeting.

**6. Financial Report.** Mr. Mulholland presented the financial report.

**A. Disbursements.** There is a longer than usual check register due to payments to Platte Canyon Water and Sanitation District, reimbursement for a customer overpayment, payment to Brooks Grease Service, Inc. for cleaning of the Lucha Cucina grease trap, and Bowles Metro District for payment of the holdback for landscaping. The check register was approved on motion of Mr. Bradshaw and second by Mr. Garza.

**B. Financial Statements.** Ms. Simonson pointed out the increase in cash on the balance sheet due to the proceeds from several bonds that were called or matured being placed in the District's Colotrust account which has a better rate of return. The unaudited financial statements were approved on motion of Mr. Bradshaw seconded by Mr. Garza.

**C. Investment Report.** Mr. Mulholland raised the question of where the District should deposit the \$1.4M in sewer tap fees when they are paid. If these fees are placed in Colotrust, the District's goal of maintaining a 50/50 investments to cash ratio would be disrupted. The Board could consider a bond with a five year maturity that would match the rate offered by Colotrust, but they may want to consider accepting an imbalance in the ratio in favor of Colotrust due to the flexibility it offers to re-invest later if market conditions change. Ms. Simonson will provide the Board with more information on Colotrust at the December meeting.

**7. Audit Engagement.** The Board considered the audit engagement proposal

submitted by Dawn Schilling in the amount of \$5,300. This rate did not change from last year. The audit engagement letter was approved upon motion of Mr. Bradshaw and second by Mr. Mulholland.

**8. Other Business**

**A. Simonson & Associates, Inc. Contract.** The Board considered the contract submitted by Simonson & Associates for management services in 2020. Nicki Simonson is now Assistant District Manager and there is a corresponding rate increase for her services. She has taken on more of the District Manager's responsibilities at a savings to the District. Ms. Simonson will begin to phase out attendance at Board meetings, starting in January 2020, but she will still be available for budget and audit meetings. Rebecca Hill has taken on Nicki Simonson's former duties. The contract with Simonson & Associates was approved as presented on motion of Mr. Mulholland which was seconded by Mr. Bradshaw.

**B. Election Discussion.** Three Board member terms will expire in 2020, that of Mr. Cowan, Mr. Guard and Mr. Mulholland. Mr. Mulholland is term-limited and cannot run for re-election. The District election can be cancelled in March if there are the same number of candidates as positions open. Mr. Cowan and Mr. Guard have agreed to serve a second term. Eric Edwards has expressed interest in serving on the Board and is intending to run for the opening. Ms. Bailey will research whether, if the election were cancelled, Mr. Edwards would be sworn in April or at the end of Mr. Mulholland's term in May. A new Board member cannot vote or act as a Board member until the new Board member's information is published or submitted to the Secretary of State. Additionally, the State is moving to odd year elections. Mike Cowan, Bruce Guard and the new Board member will have a shortened term, to expire in 2023. Likewise, in



2022, Mr. Garza and Mr. Bradshaw would be subject to a shortened term, to expire in 2025. Mr. Bradshaw has agreed to serve as Treasurer upon the expiration of Mr. Mulholland's term, if so elected.

**C. December Meeting.** The Board discussed the December meeting, to be held on December 18 at its normal time of 9:00 am. Upon completion of the business portion of the meeting, the Board will go into recess until the evening dinner event.

**10. Adjournment.** The meeting was adjourned by Mr. Cowan at 11:08 am.

Respectfully submitted,



Judith C. Simonson, Secretary

GWSD/Minutes/11-20-19Mtg