

## PROCEEDINGS

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF BEAR CREEK WATER AND SANITATION DISTRICT, CONVENING ON JANUARY 8, 2024 AT 7:00 PM. AT THE DISTRICT OFFICE, 2517 SOUTH FLOWER STREET, LAKEWOOD, CO 80227**

### CALL TO ORDER

**Presiding:** Chairman Miller

### ROLL CALL

**Present:**

Dale L. Miller	President and Chairman
Samuel E. Hundley	Treasurer
J. Barry Ebert	Director
Linda M. Larsson	Director

**Excused Absence:** Neil A. Johnson Vice-President and Vice-Chairman

**Also Present:** Jan C. Walker District Manager/Board Secretary  
Russell W. Dykstra Legal Counsel, Spencer Fane  
Wade B. Wheatlake, P.E. District Engineer, Merrick & Company  
Andrew George Public Attendee

**C-24-001 CONCURRENCE** The Board granted an excused absence for Vice-Chairman Johnson.

### ACCEPTANCE OF MINUTES

**R-24-001 RESOLVED**, upon motion by Director Ebert, seconded by Director Larsson and unanimously carried that the Minutes of the Regular Meeting of December 11, 2023 were approved.

**CALL TO PUBLIC / PUBLIC PRESENTATIONS** – No members of the public contacted District Manager Walker to attend on Zoom.

### DISTRICT ENGINEER'S REPORT

#### **2023 Field Operations and Maintenance (O&M)**

**T-24-001 DISCUSSION.** C&L Water Solutions has completed 100% of the fire hydrant inspections, 75% of the valves, 100% of the flushing and jetting, 100% of the manholes and 100% of the grease trap inspections as part of the 2023 O&M contract. The next O&M Meeting is scheduled for January 17, 2024 at 11:00 a.m. at the District office.

#### **Garland Court Sanitary Sewer Line Connection**

**T-24-002- DISCUSSION.** The Garland Court sanitary sewer connection project is a project the District has been trying to do for the past 18-20 years. This connection would connect at S. Garland Court and West Cornell Place, then run north into the City of Lakewood Park open space and connect to the Metro Water Recovery sewer line. This connection would alleviate high flows of sewage from South Cornell Place to S. Kipling Street, near the Victoria Village townhomes subdivision. The District has received approval from

**DISTRICT ENGINEER’S REPORT [CONTINUED FROM PAGE 1]**

**Garland Court Sanitary Sewer Line Connection[CONTINUED FROM PAGE 1]**

Metro Water Recovery that they will allow the connection to their manhole. The District has received a sewer line easement from the City of Lakewood and it has been recorded with the Jefferson County Clerk and Recorder, Reception. No. 2023015137. The sanitary sewer plans for the project have been accepted by the City of Lakewood.

At the April 10, 2023 Board meeting the Board awarded the contract for the project to Diaz Construction in the amount not to exceed \$211,291.50 and authorized the District Manager to approve up to 10% in change orders. The pre-construction meeting with Diaz Construction was held on May 16, 2023 at 10:00 a.m. at the District office.

All work has been completed including the two sewer services that have been installed, along with an additional manhole on the new alignment. Installation is complete and testing of the sewer pipe and manholes still needs to be completed. A final walkthrough was conducted with Diaz and punch list items issued, including testing, providing redline drawings, and acceptance by City of Lakewood for the asphalt. Once redline drawings and survey points are provided, District Engineers will finalize the as-built drawings for the project and update GIS and master maps.

**Balsam Street Development**

**T-24-003 DISCUSSION.** District Engineers have signed off on the Denver Water initial acceptance for the water so that Denver Water will begin their plan review. Denver Water will have final approval on the location of the water main installation. The sewer plans are acceptable. District Engineers have requested the four (4) final hard copy sets of the sewer plans.

Previously, District Engineer Fix had reported that he had received the 4th submittal for water and a 2nd submittal for the sanitary sewer and that they are being reviewed for the development at 3522 S. Balsam St. There are some comments on the sewer plans, regarding Jefferson County’s requirement for landscaping around the buildings. District Engineer Fix had also asked for verification from the Owner that these five (5) buildings are not for sale units. If the units were to be for sale, the District would require separate sanitary sewer services for each unit. Legal Counsel Dykstra recommended that the District record a notice against the property that if the apartments were ever sold to individual owners, each unit would be required to install separate water and sewer services. District Engineer Fix had a phone conversation with the Developer referencing previous discussions and agreements with CDOT in 2019, regarding the location to install a water main in the CDOT rights-of-way. District Manager Walker reached out to the Developer for status on the project. Nate Peterson replied that the plans were currently going through Denver Water’s review. District Engineer Wheatlake also introduced himself and will be working with the developer’s engineers regarding future comments on the plans. District Engineer Wheatlake reached out for a status update and information on what they have been submitting through Denver Water and anticipates acceptance soon. District Engineers have reviewed their easements and had some minor comments which were just returned.

**Wildfire Planning Redundancy Study**

**T-24-004 DISCUSSION.** District Engineers have prepared a write up of the redundancy of the District’s interplay between zones when the primary water feeds have been disabled. Merrick has updated their water model to include the new water line that was installed along Morrison Road and Hodgson Park. The Engineers have gathered information from neighboring districts (Green Mountain, Lakehurst and Bancroft-Clover) to determine how BCWSD could be assisted (or give assistance) when an emergency occurs. District Engineers have also run hydrant flow tests for the newest water line in Morrison Road which was verified with the

**DISTRICT ENGINEER’S REPORT [CONTINUED FROM PAGE 2]**

**Wildfire Planning Redundancy Study**

District’s water model and will help the District know how connections can help in servicing other zones in the District. The model was verified for the District Engineers to look into the zones and connections.

The District will be setting up a meeting with Denver Water regarding emergency connections from Green Mountain Water and Sanitation District to determine what Interconnect Agreements between other districts need to be in place. District Engineer Wheatlake handed out the draft report for Board review at the January 8, 2024 Board meeting.

**Analysis of the Condition of 16”/18” Water Transmission Mains**

**T-24-005 DISCUSSION.** District Engineers are moving forward with the exploratory analysis starting with the “potholing” and observation of the 16”/18” transmission water main that runs along the Hampden Frontage Road, Estes Street and Dartmouth Avenue. District Engineers have asked C&L Water Solutions for pricing to perform 5-7 “pothole” locations along the water transmission corridor.

District Engineer Wheatlake has identified the locations for visual assessments of the pipe fittings. C&L Water Solutions was authorized to proceed and to develop a schedule including traffic control. The complete analysis will include soils and electrolysis investigations. District Engineers have received an estimate and have a signed contract from Kumar & Associates for \$10,410.00 to perform the soils testing.

Kumar’s soils testing was thorough and provided some valuable data. Groundwater was not encountered at the level where the waterline exists. The soil samples were run through laboratory testing to evaluate the soil engineering characteristics. Concentrations of water-soluble sulfates, which are corrosive to concrete pipe, ranged between 0% and 0.01%. This level resulted in a S0 classification, which becomes “not applicable” to degree of attack towards concrete pipe. That information in conjunction to no groundwater are good signs leading into the concrete pipe condition. Samples were tested for pH and electrical resistivity, ranging between 6.98 – 7.08 with a neutral pH value of 7.0 indicating the soils are slightly acidic to slightly basic and should not accelerate corrosion to buried metal or metal pipes. C&L is scheduled to perform the potholing and exploratory excavations later this month. Visual observations of the pipe and fittings will be performed and evaluated to the condition level of the pipe and fittings. C&L performed five test hole excavations at the prescribed locations of the 16”/18” transmission main at the end of December. Visually the pipe looked in good condition and District Engineers are preparing a report of their findings.

**Green Mountain Outfall Project**

**T-24-006 DISCUSSION.** Construction on the project is complete. District Engineers and staff have met with Green Mountain Water and Sanitation District’s Engineer and staff to discuss the pay requests and change orders. The payment requests and change orders to date have been agreed upon and paid in the amount of \$480,710.54 for the District’s share of the project. The District has received an additional change order #5 for review. District Engineers returned comments on the change order along with a conditional acceptance letter on behalf of BCWSD, pending addressing the change order #5 and final payment. All field construction and punch list items have been completed. Final payment for change order #5 of \$28,227.45 is included in the Board Packet for approval by the Board.

**Acceptance of the District Engineer's Report**

**R-24-002 RESOLVED**, upon motion by Treasurer Hundley, seconded by Chairman Miller and unanimously carried, that the District Engineer's Report be accepted.

Preceding this action, the District Engineer's report of activities for December 2023 was presented. A copy is attached hereto and made a part of the record.

**TREASURER'S REPORT**

**Approval of Payment of Invoices and Payroll**

**R-24-003 RESOLVED**, upon motion by Director Ebert, seconded by Treasurer Hundley, and unanimously carried, the payment of invoices and payroll presented in the amount of \$229,885.03 was approved. A list is attached hereto and made a part of the record.

Preceding this action, Treasurer Hundley reported that upon his review of the checks, Automated Clearing House (ACH) payments and payroll, he found them to be in order for approval by the Board.

**Approval of Treasurer's Report**

**R-24-004 RESOLVED**, upon motion by Director Ebert, seconded by Director Larsson and unanimously carried, that the Treasurer's Report based on unaudited financial reports and including the Budget-to-Actual report, as of December 31, 2023 was accepted as presented. A copy is attached hereto and made a part of the record.

Preceding this action, Treasurer Hundley reported that there were two FNMA Government Sponsored Enterprises (GSEs) that matured in December and two new GSEs (FHLB and FMAC) were purchased in December. District Manager Walker and Treasurer Hundley will continue to consider various investment options to maintain the safety of the investments and to receive the best rate possible and continue the laddering of the investment portfolio. Treasurer Hundley also gave a detailed review of the December 31, 2023 Budget-to-Actual report.

**LEGAL COUNSEL REPORT**

**Metro District and HOA Task Force Review**

**T-24-007 DISCUSSION.** Spencer Fane is monitoring the Governor's appointed Metro District and HOA Task Force and their efforts to prohibit metropolitan districts from using their foreclosure powers. Preliminary bills have been drafted that may take away foreclosure powers from all districts. Spencer Fane has made sure that this is isolated and just applies to metropolitan districts and under special circumstances so that water and sanitation districts aren't impacted.

**DISTRICT MANAGER'S REPORT**

District Manager Walker presented the December 2023 Report of District Activities, a copy of which is attached hereto and made a part of the record.

DISTRICT MANAGER’S REPORT [CONTINUED FROM PAGE 4]

**2024 Adopted Budget**

**T-24-008 DISCUSSION.** At the November 13, 2023 Board Meeting, the Annual Budget for 2024 was accepted subject to changes that would be necessary due to any revisions made necessary by changes in property valuations from Jefferson County.

- The Final 2023 Assessed Valuation is **\$258,508,927** (Preliminary was \$280,617,898), an increase of 16.27% from 2022 Final Assessed Valuation of **\$222,902,792**.
- After receiving the final assessed valuation, District Manager Walker recalculated the TABOR calculations and determined that the 5.5% statutory limit is still the most restrictive. The District will assess **3.746 mills** in 2024 to collect **\$968,374** in property taxes. This amount includes an amount for refunds and abatements of **\$5,429**.
- To preserve a mill levy of 4.416, the District will give District taxpayers a temporary tax credit of - (**\$178,630**) for 2024. This temporary tax credit was \$74,606 in 2023 and \$138,221 in 2022.
- 2024 Appropriations
 

Operating Expenses	\$3,446,807
Capital Expenses	\$1,122,200
<b>Total</b>	<b>\$4,569,007</b>

Total Expenditures of **\$4,569,007** to be spent from the General Fund. Revenues are currently budgeted at **\$3,960,759** with -(**\$608,248**) budgeted to be spent from reserves.

**2023 Total Water and Sanitary Sewer Taps Issued**

**T-24-009 DISCUSSION.** As indicated on the end-of-year Tap Sales Operations Report for 2023 that is included in the Board packet, two (2) new water permit and three (3) new sewer permits were issued in the 4<sup>th</sup> quarter.

In 2023, six (6) physical water tap permits were issued for 6 single family residential homes which are equivalent to **6 SFREs**.

Seven (7) sanitary sewer tap permits were issued in 2023 for 7 single family residential homes which are equivalent to **7 SFREs**

**NOTE: SFRE = Single Family Residential Equivalent**

As of December 31, 2023, the number of single family residential equivalent water taps (SFRE) in the District is **4,163** and sanitary sewer SFRE is **8,607**.

**.Succession and Transition Committee**

**T-24-010 DISCUSSION.** Andrew George will start work as Assistant District Manager on February 5, 2024. District Manager Walker has updated the succession and transition plan which is attached with the Board packet.

**DIRECTORS REPORTS**

**District Compensation Discussion**

**T-24-011 DISCUSSION.** As part of the hiring process, it was discovered that the District should review the District’s current compensation structure in order to remain competitive with other districts and Denver Water. After a brief discussion, the Board directed District Manager Walker to increase the overall compensation model by 7%, plus up to 3% merit increases for 2024.

**Follow up from SDA Conference Sessions**

**T-24-012 DISCUSSION.** Director Larsson presented an informative article about ADA Accessible websites that published by the Colorado Districts Liability Pool in their Risk Management Review magazine. BCWSD has signed a contract with Streamline to develop an ADA Accessible website so that the District will be in compliance with State legislature.

Director Larsson also reported that she contacted some of the presenters from the Special Districts Association (SDA) conference to give a Board presentation on cybersecurity which will most likely be at the March 11, 2024 Board meeting.

**C-24-002 CONCURRENCE.** Nothing further being presented to the Board, Chairman Miller declared that the meeting be adjourned.

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Dale L. Miller, President and Chairman

**ATTEST:**

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Jan C. Walker, Secretary, Board of Directors

**SEAL**