

PROCEEDINGS

Minutes of the Regular Meeting of the Board of Directors of Bear Creek Water and Sanitation District, Convening on June 10, 2024 at 7:00 pm. The meeting was held at the District Office at 2517 South Flower Street, Lakewood, CO 80227

Call to Order

Presiding: Chairman Miller

Roll Call

Present:

Dale L. Miller, President and Chairman
Neil A. Johnson, Vice-President and Vice-Chairman
J Barry Ebert, Director
Linda M. Larsson, Director

Present on Zoom: Samuel E. Hundley, Treasurer

Excused Absence: None

Also Present:

Jan C. Walker, District Manager/Board Secretary
Andrew George, Assistant District Manager
Laura Heinrich, Legal Counsel, Spencer Fane
Wade B. Wheatlake, P.E., District Engineer, Merrick & Company
Carmen L. Doyle, District Accountant

Acceptance of Minutes

R-24-026 RESOLVED, upon motion by Director Larsson and seconded by Director Ebert and unanimously carried that the Minutes of the Regular Meeting of May 13, 2024 were approved.

Call to Public / Public Presentations: No members of the public were in attendance at the meeting or requested the Zoom meeting link.

Presentation of December 31, 2023 and 2022 Financial Statements and Auditor's Report- David Green, Green and Associates

R-24-027 RESOLVED, upon motion by Vice Chairman Johnson and seconded by Director Ebert and unanimously carried that the Financial Statements with Independent Auditor's Report for the years ending in 2023 and 2022 be accepted and to authorize the audit to be filed with the State Auditor's office.

Preceding this action, Mr. Green presented the audited financial statements draft and auditor's opinion for the two years ending in 2023 and 2022. This document is comprised of the Independent Auditor's Report, Management Discussion and Analysis, Basic Financial Statements and Other Supplemental Information. Mr. Green reported that in their opinion, the financial statements of the District present fairly, in all material respects, the financial position of the District as of December 31, 2023 and that the financial position and the District's cash flows for the year then ended are in accordance with accounting principles generally accepted in the United States of America. Mr. Green stated that no difficulties or disagreements with management were encountered.

District Engineer's Report

2024 Field Operations and Maintenance (O&M)

T-24-046 DISCUSSION. C&L Water Solutions has started working on the 2024 O&M contract inspections. C&L Water Solutions has completed 100% of the valves and manhole inspections. C&L has completed 100% of the fire hydrant inspections to date. C&L has also been working on the Cured-In Place Pipe and lining of the 2022-2023 priority items which are follow up items from the sanitary sewer inspection videos.

Garland Court Sanitary Sewer Line Connection

T-24-047 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 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 \$211,292 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 as of May 31, 2024. 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. C&L Water Solutions has tested the tracer wire test stations. Once redlined 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-24-48 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 in late 2023 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. Mr. Wheatlake will be reaching out to the developer for a status update monthly.

Bear Creek Filing 9

T-24-049 DISCUSSION. The Bear Creek Filing 9 development is located north of Morrison Road and West of S. Kipling Parkway, near the Bear Creek golf course in Jefferson County. The Bear Creek Filing 9 development engineer contacted District Engineer Wheatlake with a status update on the project. They will modify the plans from a multi-family to a single-family development that will likely impact the alignment of the overall site and proposed utilities. That will require resubmittal of the plans, which given the duration of the last contact from August 2023 would have been required.

Wildfire Planning Redundancy Study

T-24-050 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'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.

The Board had an in-depth review and discussion of the draft report for the Wildfire Planning Redundancy Study at the April 8, 2024 Board meeting. District Engineer Wheatlake will look at the placement of fire hydrants in the high-risk areas to see if the District should plan on a future capital improvement project to add additional fire hydrants to assist in fire protection. District Engineer Wheatlake has been working to schedule a meeting with West Metro Fire to review the investigation and report so that the District could coordinate an emergency plan within West Metro's identified high risk areas.

Analysis of the Condition of 16"/18" Water Transmission Mains

T-24-51 DISCUSSION. District Engineers completed 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.

The draft report was presented to the Board at the March 11, 2024 Board meeting by District Engineer Wheatlake. The investigation was good, and the District Engineers found no evidence of visible deterioration. The soils investigation found non-corrosive soils and no groundwater at the bury elevation of the transmission main. Visible evaluation found no signs of pitting as a result of corrosive soils or any other signs of damage or wear. District Engineer Wheatlake recommends that future investigations be performed about every five years in different locations on the pipe to assess the condition of the pipe, as long as two or more breaks don't occur on any of the segments of the pipe. If two or more water breaks would occur on any segment of the pipe, a plan to replace the alignment on that segment of the pipe would be put in place. District Engineers will also develop a priority list to determine what sections of pipes need to be identified for future replacement. The rankings consider information on the system including the diameter of pipe, age, and material, as well as incorporating priorities identified in the Master Plan update.

Acceptance of the District Engineer’s Report

R-24-28 RESOLVED, upon motion by Director Ebert and seconded by Vice Chairman Johnson and unanimously carried, that the District Engineer’s Report be accepted.

Preceding this action, the District Engineer’s report of activities for May 2024 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-24-029 RESOLVED, upon motion by Director Larsson, seconded by Treasurer Hundley and unanimously carried, the payment of invoices and payroll presented in the amount of \$553,404 was approved. A list is attached hereto and made a part of the record.

Preceding this action, District Manager Walker reported that upon Treasurer Hundley’s review of the checks, Automated Clearing House (ACH) payments and payroll on June 7, 2024, he found them to be in order for approval by the Board.

Approval of Treasurer’s Report

R-24-030 RESOLVED, upon motion by Vice Chairman Johnson seconded by Director Ebert, and unanimously carried, that the Treasurer's Report based on unaudited financial reports and including the Budget-to-Actual report, as of May 31, 2024 was accepted as presented. A copy is attached hereto and made a part of the record.

Preceding this action, District Manager Walker reported that a FHLB GSE matured and a FHLB GSE was purchased in May. 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. Ms. Walker also gave a detailed review of the May 31, 2024 Budget-to-Actual report.

Authorize Andrew J George to be a signer on Certificates of Deposit

R-24-031 RESOLVED, upon motion by Director Ebert seconded by Treasurer Hundley, and unanimously carried, that Andrew J George be authorized to be a signer on Certificates of Deposit.

Legal Counsel’s Report

2024 Legislative Update

T-24-052 DISCUSSION. Legal Counsel Heinrich gave an update on the 2024 Legislative Session. A memo from Spencer Fane is included in the Board Meeting packet.

Approve Resolution to Amend Rules and Regulations to Allow an Accessory Dwelling Unit (ADU) to be Connected to an Existing Service Line

R-24-032 RESOLVED, upon motion by Director Ebert seconded by Chairman Miller, and unanimously carried, that the Rules and Regulations be amended to allow an Accessory Dwelling Unit to be connected to an existing service line provided that certain requirements are satisfied.

PRECEDING THIS ACTION, Legal Counsel Heinrich presented a Draft Resolution Adopting an Amendment to the Rules and Regulations to allow an Accessory Dwelling Unit (ADU) to be connected to an existing service line provided that certain requirements set forth in the Resolution are met.

District Manager’s Report

District Manager Walker presented the May 2024 Report of District Activities, a copy of which is attached hereto and made a part of the record.

Car Wash Billing Methodology

T-24-053 DISCUSSION. One of the car wash owners, Nick Melisaratos, (Atlantis Car Wash, 10001 Morrison Road) has asked the District to reconsider the current sewer billing methodology for the car washes. In 2009, the Board approved that the District’s sewer billing methodology be changed for car washes only. The methodology was changed to use a 12-month average for four months of sewer billing instead of the winter water usage that is used for all other customers. Car washes typically have higher consumption during the winter months when people are using car washes more often. At that time, the car wash businesses were issued credits for the years 2007, 2008 and 2009 to reflect this change in methodology. According to District records, the Board spent a lot of time in consideration of this issue in 2009 and to come to an equitable solution for the car washes.

Mr. Melisaratos feels that the District should use his car wash business’s four lowest consumption months instead of four months based on the twelve month average. He feels that “all the other customers” get billed on the water consumption for their lowest months. This is not necessarily true. Bear Creek’s sewer billing is determined by the four-month total water usage between November and February based on Denver Water meter readings and during the months that customer aren’t typically irrigating their lawns. The same months are used every year for every customer except for the car wash businesses. Other customers may have months that their bills may be lower than the winter usage due to other factors and the District doesn’t make special considerations for those lower months. Mr. Melisaratos has requested that this consideration be brought to the Board.

District Manager Walker presented three scenarios of billing methodology to the Board for consideration.; 1) using four months of consumption using the 12-month average, 2) using the 4-month winter water consumption and 3) using the four lowest months of water consumption. After consideration, the Board felt that the current car wash billing methodology of using four months of the 12-month average continues to be an equitable process and did not recommend any changes to be made at this time.

Directors Report - None

Adjournment

C-24-008 CONCURRENCE. Nothing further being presented to the Board, Chairman Miller declared that the meeting be adjourned.

Signed:

Dale L. Miller, President and Chairman

Attest:

Jan C. Walker, Secretary, Board of Directors