**MINUTES**

**ACADEMY WATER AND SANITATION DISTRICT**

**September 21, 2022**

All participation in this public meeting, including public participation, will be remotely to preserve the health, safety, and welfare of the public caused by the Covid pandemic and in conformance with state orders

This meeting is being held via SKYPE. For sign on please go to AWSD website.

ATTENDEES VIA SKYPE:

(X ) Steve Callicott President

( ) Mike Nero Vice President (excused absence]

(X ) Brian Houghtaling Treasurer

(X ) Loring Wirbel Secretary

(X ) Ronald Curry Director/Webmaster

(X ) Anthony Pastorello Manager

( ) Neil Nalepa Operator

Other Attendees:

(X) Dave Frisch GMS Engineering

(X) Sue Ladd Guest – joined at 6:14 p.m.

(X) Albert Hook Guest – joined at 6:16 p.m.

**CALL TO ORDER: 6:01 p.m.**

**MINUTES**: Ron moved to approve, Brian seconded – 4 of 4 approve.

**REPORTS:**

 **SECRETARY**: Asked if Brian’s documents should be attached to minutes. Brian said probably not.

 **TREASURER**:

 July August

Checking: US Bank $ 69,970.13 $ 34,660.52\*

Colotrust: Water $252,106.13 $252,588.13

Colotrust: Wastewater $448,607.17 $497,686.57\*
 \*In August, $48,172.86 was transferred from checking account to wastewater account

Brian showed past-due improvements, which is now $4,895 vs. $7,468 a month ago. Ginger and Anthony have been responsible for getting customers up to date. Still two customers over 90 days, who are on payment plan. Brian updated property shutoff notice as requested. Steve mentioned that since Brian has jurisdiction over past dues, board does not need to take action in normal months.

**Audit Review**: Brian sent copies of audit completed by auditor. They found no significant issues, only small management-improvement issues – should have descriptions for credit card receipts, don’t have an accounting/financial manual. The auditor gave Brian a template to build such a manual. In Note 4, page 17, she addressed long-term debt (CWRPDA loan of $3 billion). At end of year 2021, we were not compliant with rate covenant, which called for covering 110% of debt service. We got waiver for that year, and do not anticipate current violations. Note 6 covers TABOR compliance. We budgeted $16,000, and auditor said $19,140 should be emergency reserve. Can be handled by reclassification of funds. Commitments and Contingencies: Nothing specific, but Note 8, which talks about water augmentation plans, is in audit, and Note 9 talks of intergovernmental service agreement with Donala. No discrepancies found.

Before auditor can submit, there is a management representation letter. Brian said he could sign it, but Ron said president usually signs it. Ron makes motion to authorize the president to sign such a letter and approve the audit. **Approved 3-0**, Brian, Ron, Loring with Steve abstaining.

**2023 Budget:** Brian displayed a multi-page Xcel spreadsheet, and has been working on first page of 2023 budget actuals. He sees most items being within budget, a little low on revenue, but nothing major. He began a proposed budget for next year. Some forecasts will require more help from Anthony and Steve, but in general, 2022 budget items have been increased by 5% per item. Steve pointed out that 2022 had a 9% inflation rate, so 5% may not be adequate. Ron said we should always overestimate expenses and underestimate revenues when preparing budget estimates. Some things we have to consider is not meeting rate covenant if we raise expenses – unless we raise rates, which will be a big issue. Brian said that Anthony’s R&M and Capital budget has been shared with Brian. CWRPDA recommends that they be called if there are unexpected expenses in 2023 that might take district out of rate covenant compliance.

 **OPERATOR:
Shallow wells lightning strike:**Upon receiving a call from Neil that the WTP was not running properly I immediately came in to assess the issue. What I found when I opened the treatment control panel two relays that sent start and stop signals to the shallow wells had been destroyed by lightning, after seeing this I checked the shallow well pump house. When I arrived, I found that the lightning had struck the ground between the antenna tower and the pump house destroying the ethernet cable its conduit back to the radio transmitter box blowing it up as well as the low voltage power supply, well #1 starter and well #3 relay.

  Once I assessed the event, I called in Colorado Electrical Services, and 5star Automation to repair the power and asses any control and process problems. Fortunately, the internal damage was isolated to the radio, radio power supply, well #1 starter and the control relays. We were very lucky.

  All the damage has been repaired and invoices sent to Steve who is coordinating with the insurance company. Steve said he has seen invoices totaling $6600, was that it? Anthony will check back to make sure about this.

**Curbox location and access:**The customer at 1025 Tari Pl. requested that their water be turned off for plumbing repairs. I located the curbox and called out R ana R out to make the box accessible and bring it up to grade. In the process it was discovered the stop valve was frozen open. I rescheduled the contractors to dig up the valve and replace, when I tried to shut down the system isolating the valves shown on our most resent prints it didn't work in fact, I received a call from 1250 Becky Dr. that their water pressure had dropped. I immediately tried to assess via the valve print what combination of valves could isolate Tari Pl with no success. Fortunately, once RandR got down to the curbstop vale they were able to manually exercise it.

  This event spurred me to try and locate any valves I have found on old proposed prints and called out a vac truck contractor to trench across easements on Tari Pl. So far, no luck and I am having trouble getting the contractor back to finish the job.  Anthony said he has gotten some proposal prints from G&S, still trying to find secondary isolation valve. Will keep trying to contact subcontractor for Frazee, who never finished trenching. Dave said approach Anthony is taking is probably the best possible. Ron said this can be a critical issue if any significant shutdown is required. Dave said that insertion isolation valves can be $13,000 each.

**POTABLE WATER SYSTEM**: 1,447,880 (202,080 loss – or 14% water loss)

**WASTE WATER SYSTEM**:

**OLD BUSINESS**:

* **HB21-110 Compliance** – No real changes from a month earlier. Mike Nero sent technical data on print fonts, etc. Changes do not have to implemented until 2023.
* **Application for Due Diligence** – Can be eliminated in future as Old Business item. Application approved so we are covered until 2026-7.

**NEW BUSINESS:**

* **Disclosure of Board Member Conflict of Interest** – None identified.
* **Management update, lack of documentation** – Handled in Anthony’s report, awaiting trenching from an immediate operational level, and must be addressed from financial perspective. Steven asked Anthony what he will need to keep water system documented and managed. Anthony said Neil will be moving on soon, and was a unique part-time asset. It will require at least three people to run the district properly. He said that contractors are not as easily available as they were in the past – might even be a problem to have a contractor come out for emergency issues like leaks. Ron said that we should look at potential for apprentice or intern who is looking for licensure, and that this may be more affordable.
* **Posting rate notices for next year** – To be discussed in October, for a vote on budget, and possible rate increase, in November meeting.

**ADJOURNMENT: 7:16 p.m.**

Atch: