

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE APPLEWOOD SANITATION DISTRICT

Held: Wednesday, September 13, 2023 at 5:30 PM at 4885 Ward Road, Suite 100, Wheat Ridge, Colorado, 80033 and remotely via Zoom.

Attendance The regular meeting of the Board of Directors of the Applewood Sanitation District was called and held as shown above and in accordance with the statutes of the State of Colorado. The following Directors were in attendance:

Garrett “Cody” Berg, Treasurer
Kevin Schmidt, Secretary
Barbara Panian, Assistant Secretary

Also present: James Landry, Engineer, RG & Associates, LLC; Joan Fritsche, Esq., Fritsche Law LLC; Michael Bakarich, CPA, Morain Bakarich; and Eric Barnes, Fiscal Focus Partners, LLC*

Upon a Motion duly made by Director Panian, seconded by Director Schmidt, and unanimously carried, the absence of President Briana Gerou was excused.

Call to Order Director Berg noted that a quorum of the Board was present, verified that notice of the meeting was posted on the District’s website and that the Directors had confirmed their qualification to serve, and therefore called the meeting of the Board of Directors of the Applewood Sanitation District to order.

Public Comment None.

2022 Audit Presentation Mr. Barnes reviewed the District’s 2022 draft Audit with the Board and answered questions.

Following discussion, upon a Motion duly made by Director Panian, seconded by Director Schmidt, and unanimously carried the Board approved the 2022 Audit.

*Mr. Barnes left the meeting at this time.

Financial Report:
Michael Bakarich, CPA Mr. Bakarich reviewed the District’s Financial Reports for the month of August, 2023.

Mr. Bakarich brought to the Board's attention that the District has been operating at a loss each year and also noted the importance of capital replacement. Director Berg discussed conducting a Rate Study to determine funding levels necessary to build up an adequate Operating Fund Reserve and Capital Fund Reserve.

Upon a Motion duly made by Director Panian, seconded by Director Schmidt, and unanimously carried, the Board accepted the Financial Reports for the month of August, 2023 and approved the payment of claims.

Meeting Minutes

The Minutes of the regular meeting of the Board of Directors held on Wednesday, August 9, 2023 were reviewed by the Board. Upon a Motion duly made by Director Panian, seconded by Director Schmidt, and unanimously carried, the Minutes of the meeting were approved.

The Minutes of the special meeting of the Board of Directors held on Tuesday, August 29, 2023 were reviewed by the Board. Upon a Motion duly made by Director Panian, seconded by Director Schmidt, and unanimously carried, the Minutes of the meeting were approved.

Attorney's Report:
Joan M. Fritsche, Esq.

Ms. Fritsche reviewed the Attorney's Report with the Board.

Engineer's Report:
James Landry, P.E.

Mr. Landry reviewed the Engineer's Report and discussed the status of District operations.

Capital Projects

Mr. Landry and the Board reviewed Pay Application #2 from Diamond Contractors Corporation. Upon a Motion duly made by Director Panian, seconded by Director Schmidt, and unanimously carried, the Board approved Pay Application #2 in the amount of \$111,603.06.

Customer Billing Systems

The Board and Mr. Bakarich discussed the new accounting software. The District's Billing Software Committee recommended the District use Denali Fund software with the purchase price to be split between Morain Bakarich and the District. Action on this item was tabled pending receipt of a Licensing Agreement with Denali Fund and preparation of an agreement between Morain Bakarich and the District regarding cost sharing and control of the District's files and documents.

The Board and Mr. Bakarich discussed the new customer utility billing software. The District's Billing Software Committee recommended the District purchase a license from Solus Lite. Action

on this item was tabled until the next meeting pending receipt of a Licensing Agreement with Solus Lite.

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| Software Subscription Service Agreement | The Board reviewed the Software Subscription Agreement with Business Oriented Software Solutions, Inc. (BOSS) for utility locates service within the District. Following discussion, upon a Motion duly made by Director Panian, seconded by Director Schmidt, and unanimously carried, the Board approved the Agreement, subject to final revisions by legal counsel concerning cyber security protections. |
| District Representative to Metro Water Recovery Board | The Board approved the reappointment of Steven Potts as the District's representative to the Metro Water Recovery Board. |
| 2024 Rate Study | The Board authorized Director Berg to prepare a multiple year Rate Study. |
| Prospect Park and Recreation District Easement | Ms. Fritsche updated the Board on the status of the IGA for the proposed Prospect Park Recreation District's regional trail through Clear Creek Crossing and let the Board know that the trail legal description overlapping a portion of the District's sewer main has not been finalized. |
| Adjourn | There being no further business to come before the Board, the meeting was adjourned at 7:00 PM. |


 Board Secretary *Kevin Schmidt*