# RECORD OF PROCEEDINGS

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

Held: 6:00 p.m. on Wednesday, June 11, 2025 at 4885 Ward Road, Suite 100, Wheat Ridge, CO and remotely via Zoom.

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| 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:<br><br>Briana Gerou, President<br>Jessica Raths, Secretary<br>Barbara Panian, Assistant Secretary<br>Walter Young, Director<br><br>Absence Excused: Cody Berg, Treasurer<br><br>Also present: James Landry, Engineer, RG & Associates, LLC; Joan Fritsche, Esq., Fritsche Law LLC; and Michael Bakarich, CPA, Morain Bakarich (via phone). |
| Call to Order | Chairman Gerou 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. |
| Approve Agenda | The meeting agenda was reviewed by the Board. Upon a motion duly made by Director Panian, seconded by Director Raths and unanimously carried; the meeting agenda was approved. |
| Public Comment | None. |
| Meeting Minutes | The Minutes of the special meeting of the Board of Directors held on Wednesday, May 14, 2025 were reviewed by the Board. Upon a Motion duly made by Director Panian, seconded by Director Raths and unanimously carried, the Minutes of the meeting were approved. |
| Attorney's Report:<br>Joan M. Fritsche, Esq. | No separate update. |
| Engineer's Report:<br>James Landry, P.E. | Mr. Landry reviewed the Engineer's Report and the Annual Engineering Budget Tracking Spreadsheet. |

Mr. Landry provided an update on the status and timing of the 2025 Video, Jetting, and After Hours RFP.

Mr. Landry reviewed the process for initial acceptance of the sanitary sewer infrastructure associated with the development at 4051 Clear Creek Drive – Outlook Coors Triangle. Mr. Landry noted all requirements for initial acceptance have been completed. The applicant will remain contractually obligated to perform warranty, maintenance and repair obligations for a period of 2 years from the date of initial acceptance or until the project is finally accepted by the District, whichever period is longer.

- Upon a Motion duly made by Director Panian, seconded by Director Raths, and unanimously carried, the Board approved initial acceptance of the Application and Agreement for Extension of Sanitary Sewer Mains between the District and Evergreen 40th and Clear Creek Crossing, LLC

Mr. Landry provided an update for the 2025 ASD Capital Improvement Project. The point repairs are mostly complete and the lining has begun.

- Upon a Motion duly made by Director Panian, seconded by Director Raths, and unanimously carried, the Board approved Change Order #1 for Diamond Contractor Corp. in the final amount of $18,226.00.

- Upon a Motion duly made by Director Panian, seconded by Director Raths, and unanimously carried, the Board approved Pay Application #2 for Diamond Contractor Corp. in amount of $29,703.17.

Mr. Landry discussed a letter from Metro Water Recovery regarding a draft of the 2026 Annual Charges for Service Payment. Annual charges will be finalized and approved in August.

Financial Report:
Michael Bakarich, CPA

Mr. Bakarich reviewed the District's Financial Reports for the month of May 2025. The 2025 Residential balance as of May 31, 2025 is $14,687.25, with 6% of residential accounts paid in full and 10% of residential accounts delinquent. Late fees for delinquent accounts will be assessed July 1, 2025.

Total YTD 2025 Revenues were $851,653. Expenditures were at $259,183 and the Net Positive fund balance was $579,419. Cash and equivalents are at $4,221,594.35, with interest at 4.390%.

$58,393.21 has been collected in interest to date. The total fund balance was at $7,380,057.46.

- Upon a Motion duly made by Director Panian, seconded by Director Young, and unanimously carried, the Board accepted the Financial Reports, as presented, and approved the Payment of Claims in the amount of $156,247.85.

Mr. Bakarich reminded the Board that 2nd Qtr. Invoices will be mailed on June 1st and are due on June 30th. Customers with autopay accounts cannot pay invoices before they are issued.

Mr. Bakarich updated the Board on incidents involving fraudelent emails sent from Mr. Landry's email address:

- On May 12, 2025, a fraudulent email was sent from J. Landry to M. Bakarich requesting an ACH payment to Diamond Contracting Corp. Mike Bakarich contacted J. Landry to confirm the ACH payment request, and the parties determined it was a fraudulent attemp to divert District funds.

- On May 21, 2025, Mr. Landry contacted the developer of the Primrose School in Clear Creek Crossing regarding payment of Connection Fees. The developer responded the Fees were paid via ACH per emial instructions from J. Landry. The fraudulent payment was made at the end of April.

Ms. Fritsche informed the Board that a notice of potential claim had been filed with the SDA Liability Pool and that she and Mr. Bakarich had a conference call with the Pool's claim investigator. The investigator determined that based on the informaiton avialable, the fraudulent activity occurred between private entities. The Board requested Mr. Landry follow up with the developer about the Primrose School Connection Fees and noted that the Fees must be received prior to connection.

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| New Business Items | None. |
| Old Business Items | None. |
| Metro Water Update | None. |
| Adjourn | There being no further business to come before the Board, upon motion made by Director Panian, seconded by Director Raths, and unanimously carried, the meeting was adjourned at 6:55 p.m. |

Jessica Raths (Aug 12, 2025 12:01:20 MDT)

Secretary for the Meeting

# 2025-06-11 ASD Meeting Minutes

Final Audit Report 2025-08-12

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| Created: | 2025-08-12 |
| By: | Mandi Kirk (mandi@fritschelaw.com) |
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## "2025-06-11 ASD Meeting Minutes" History

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