

Monument Sanitation District, July 21

Updated 2020 audit approved

By Jackie Burhans and James Howald
At the Monument Sanitation Department's July 21 meeting, the board approved the 2020 audit and the June 30 financial reports and heard from Manager Mark Parker on a tenant issue and a new request for proposal (RFP) for HVAC and IT Services. The board voted on a request to add holidays to the Joint Use Committee (JUC) calendar and heard a report on legislation pending at the state level.

All board members and the man-

ager attended in person with attorney Joan Fritsche, Wipfli LLC representatives and other members attending online.

Acknowledging potential conflicts of interest, President Dan Hamilton disclosed that he is a part owner of Force Broadband, an internet and phone services provider for MSD. Director and Board Secretary Marylee Reisig disclosed that she is a tenant business owner in the MSD building.

2020 audit approved

Representatives from Wipfli LLC, the district's auditing firm, reviewed the changes made to the audit report since the previous meeting. These included:

- Adding the Management Discussion and Analysis section.
- Updating cash flows to properly reflect tap fees.
- Updating the 2020 balance of Other Post Employment Benefit (OPEB) Liability.
- Updating Capital Contributions to include Wagons West Infrastructure.
- Adding an explanation that tap fees for the Wakonda development are listed separately because in 2004 the district was encouraging septic users in Wakonda Hills to connect to the district's sewage collection system

The Management Discussion and Analysis section points out that, since 2019, the district's net position increased by \$1.50 million, or 24.8%, that user fees increased by \$57,727, or 8.3%, and total general administrative expenses increased by \$85,606, or 23.7%.

The MSD board unanimously approved the 2020 audit and confirmed that Wipfli would file the audit with the state and send four bound copies for retention at the office as well as an electronic version. The audit is available at the MSD offices for the public to view.

Monthly financial report questioned

In response to a comment from Reisig pointing out that the June 30 financial report listed several items that are over budget, Parker said that he was watching the budget closely and that a lift station had not been properly accounted for in the budget as it had been lumped in with other items in the past. Parker said he believed "the bottom line is we are darn close to under budget" overall and that he and district accountants were working to itemize things more accurately in preparation for next year's budget cycle.

Parker added that costs for GMS Inc., the district's consulting engineers, are expected to decrease because GMS has been doing utility locates that have now been brought in-house. Legal fees were also unusually high and were also expected to decrease, Parker said, since meeting preparation will revert to the district.

Reisig noted that credit card purchases were much higher. Parker explained that the district was transitioning to Amazon as a supplier because of its free delivery and low prices and moving away from accounts with businesses that invoice the district for purchases.

The board voted unanimously to approve the June financial report.

Tenant issue addressed

In his manager's report, Parker told the board that on July 19 the Black Forest Foods Café and Delicatessen, a tenant in the district's office building, had filled its grease interceptor which caused wastewater to back up in the building. He resolved the problem by contacting a septic service to pump out the accumulated grease. Pumping out the interceptor had previously been done on a quarterly basis, Parker said, but had been overlooked during the transition between managers. The task is now on the quarterly schedule and when the tenant's lease is next negotiated, the board will consider passing the cost onto the tenants.

Board votes down holiday request

Board Treasurer John Howe said the Tri-Lakes Wastewater Treatment Facility (TLWWTF) Joint Use Committee (JUC) had requested three additional holidays, Martin Luther King Day, Juneteenth, and Veterans Day, be added to their calendar. TLWWTF is owned in equal one-third shares by Monument Sanitation District (MSD), Palmer Lake Sanitation District (PLSD), and Woodmoor Water and Sanitation District (WWSD). Presently JUC employees take the same 10 holidays that MSD employees take.

Directors Laura Kronick and Reisig said they were not in favor of the request. Board President Dan Hamilton said he had no strong opinion. Parker pointed out the JUC was trying to stay in line with the calendar of federal holidays. After a brief discussion, Hamilton, Kronick, Reisig and Director Katie Saucedo voted against the request. Howe voted in favor.

Outsourced services reviewed

Parker reported that the district has sent out RFPs for HVAC and IT provider services and is starting to receive responses. Kronick asked for more information on the IT services and Hamilton explained that it was not a managed services contract but a set hourly rate. Parker explained the district is not dissatisfied with the current providers but wants to make sure they are getting the best bang for the buck. Current providers can submit bids.

Kronick suggested the board include an RFP for broadband, and Hamilton noted that he would have to abstain from voting. Reisig asked that RFPs should be sent for both the attorney and accounting.

Parker said that he would do whatever the board wanted but that it is usually done every five years or if the board is not satisfied with a provider. He said his loyalty is to the board and customers of the district.

Updates on pending legislation

The district's attorney, Joan Fritsche of Fritsche Law, updated the board on bills working their way through the Colorado Legislature, including:

- Senate Bill 21-262, on Special District Transparency will, among other things, change how metro districts call for nominations. Fritsche said these changes will not affect MSD directly but are good policy.
- House Bill 21-1025, on non-substantive emails not being subject to the requirements of the Open Meeting Act.
- House Bill 21-1278, on Special District Meeting Requirements, provides a backdated legal basis for organizations to hold virtual meetings.
- Senate Bill 21-250, which will clarify the legal requirements for recalls.

Monument Sanitation District meetings are normally held at 9 a.m. on the third Wednesday of the month in the district conference room at 130 Second St., Monument. The next regular meeting is scheduled for Aug. 18 at 9 a.m. See <https://colorado.gov/msd>. For a district service map, see <https://colorado.gov/pacific/msd/district-map-0>. Information: 719-481-4886.

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