

RECORD OF PROCEEDINGS
MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
BANCROFT-CLOVER WATER AND SANITATION DISTRICT

HELD: Monday, September 22, 2025, at 6:00 p.m.
Headquarters Office Building, Board Room
900 South Wadsworth Blvd.
Lakewood, Colorado 80226

ATTENDANCE:

A regular meeting of the Board of Directors of Bancroft-Clover Water and Sanitation District, Jefferson County, Colorado was called and held in person and by teleconference and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting:

The following directors were present:

Sean Wells-President
Jim Ris - Treasurer
Michelle Norris – Assistant Secretary
Del Smith - Assistant Secretary

Secretary Julie Jakicic was absent and excused.

Also present: Laura Heinrich, District Counsel, Tim Lowe, General Manager, Bethany Pas-Flythe, District Accountant, Sylvia Vigil, Office Manager, Wade Wheatlake, District Engineer.

CALL TO ORDER:

President Wells noted that a quorum was present for the purpose of conducting a meeting of the Board of Directors of the Bancroft-Clover Water and Sanitation District and called the meeting to order at 6:00 p.m.

APPROVAL OF AGENDA:

Following discussion, and upon motion duly made, seconded, and unanimously approved, the Board approved the agenda as amended. The agenda was amended to add an action item for Change Order #1 to the 2025 CIPP project.

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DISCLOSURE OF POTENTIAL CONFLICT OF INTEREST:

It was noted that general disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State at least 72 hours in advance of the meeting in accordance with statute. Ms. Heinrich noted that there were no new verbal disclosures of conflict of interest made by the Directors present at the meeting prior to action being taken.

COMMENTS FROM CUSTOMERS, CONSULTANTS, MANAGERS & BOARD MEMBERS:

President Wells issued an invitation for comments from customers, consultants, managers. There was no response. President Wells did note that several customers had submitted written comments concerning the charge for paper bills discussion.

FINANCIAL STATEMENTS:

Ms. Pas-Flythe presented to the Board the financial statements for the period ending August 31, 2025. After discussion, the Board accepted the financial statements as presented.

FINANCIAL CASH FLOW SUMMARY:

Ms. Vigil presented the monthly cash flow summary and payables through August 31, 2025. Following discussion, and upon motion duly made and seconded, the Board accepted the cash flow summary and payables as presented.

FIELD MANAGER'S REPORT:

Mr. Lowe presented the monthly report on field activities for August and September. Discussion followed regarding the emergency repairs performed during the month. The Board requested that in future reports, the master plan replacement priority for the pipe be added to the report.

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GENERAL MANAGER'S REPORT:

Mr. Lowe presented the general manager's report for August 2025. Mr. Lowe discussed reinvestment options for a recently matured Treasury. Based on the maturities currently in the portfolio, he recommended reinvesting the \$1.5M principal in a 2 - 3.5-year maturity where it would fill in a quarterly maturity in the ladder. The remaining interest in the LPL brokerage account would be transferred to the District's checking account.

Mr. Lowe went on to discuss Denver Water's first reading of rates and the 2026 budget assumptions. Denver Water is likely to approve a 5.5% revenue increase at its October 22, 2025, board meeting. The impact to master meter rates is a 4.3% increase to the volumetric rate and an 11 % increase to the fixed fee. Overall, this will represent a 4.55% rate increase over 2025.

ENGINEERING REPORT:

Mr. Wheatlake presented the monthly engineering report on current projects dated September 22, 2025. He noted that the 2025 CIPP project was 91% complete and that the final retainage for the W. Florida Ave waterline was cleared to be paid.

Mr. Wheatlake continued, reporting that the contractor was ready to start mobilization on the Kipling Pkwy sewer replacement on October 13, 2025.

LEGAL REPORT:

Ms. Heinrich reported that there were no new legal updates.

METRO WATER RECOVERY REPORT:

Mr. Smith noted that the Fall workshop would be held on Thursday, September 25, and he would discuss the workshop at the October board meeting.

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ACTION ITEMS:

1. Bid results of the Heating System Upgrade project

Mr. Lowe presented the bid results of the Heating System Upgrade project. Discussion followed and the Board selected the proposal from US Engineering. The Board directed the general manager and counsel to finalize the contract with US engineering for approval at the next meeting.

2. Ward Canal Right-Of-Way License

Mr. Lowe presented a right-of-way license from the Ward Canal Company. The license permits the District's new sewer line crossing S. Kipling Pkwy to cross under the Canal Company's ROW and connect to existing facilities at 2099 S. Oak Ave. Discussion followed and upon motion duly made and seconded, the Board approved the Ward Canal Right-of-Way License Agreement.

3. Change Order #1 for the 2025 CIPP project

Mr. Wheatlake presented Change Order #1 for the 2025 CIPP project. The change order corrects the footage of 12-inch liner to be installed. Discussion followed and upon motion duly made and seconded, the Board approved Change Order #1 in the amount of \$2,712.96 for an adjusted contract amount of \$1,091,086.06.

NEW BUSINESS

Mr. Lowe opened a discussion of paper bill charges by presenting written comments from several district residents. Discussion followed wherein it was noted that the paper bill option was not being removed. It was also noted that customers could elect to still receive paper bills albeit for a charge. Discussion concluded with the Board requesting a charge for paper bills to be presented in December when the Administrative Charges are considered and approved.

OLD BUSINESS

Mr. Lowe opened a discussion regarding the renovation of the administrative building. Discussion, questions and answers with the Board followed. The Board requested that the necessity of data cabling be reconsidered and that the general manager explore additional, less extensive audio-visual options for the boardroom.

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EXECUTIVE SESSION

At 7:25 p.m., the Board entered Executive Session pursuant to §24-6-402(4)(a) and/or §24-6-402(4)(b) and/or §24-6-402(4)(e), C.R.S. related to legal advice concerning the negotiations and proposed settlement for the acquisition of a permanent easement at 2099 S. Oak Ave.

At 7:32 p.m. the Board exited Executive Session with no action being taken.

ACTION ITEMS (Continued)

Ms. Heinrich discussed a settlement offer for a permanent easement and a temporary construction easement at 2099 S. Oak Ave. Discussion followed and upon motion duly made and seconded, the Board approved the settlement offer in the amount of \$45,000.00.

ADJOURNMENT

On motion duly made, seconded, and unanimously carried, at 7:40 p.m. President Wells adjourned the meeting.

The foregoing minutes constitute a true and correct copy of the minutes of the above-referenced meeting and were approved by the Board of Directors of the Bancroft-Clover Water and Sanitation District.

/s/ Julie Jakicic

Secretary of the District