MINUTES OF THE ANNUAL MEETING OF THE BOARD
OF DIRECTORS OF THE PROJECT 7 WATER AUTHORITY

March 27, 2025

The annual meeting of the Board of Directors of the Project 7 Water Authority was held March 27, 2025 in the conference room of the Project 7 Treatment Plant site, Montrose, Colorado.

Directors Present:	**Others Present:**		
Jake Foreman	Adam Turner	Carol Antolovich	Gail Marvel
Vicki Ripp	Rick Huggins	Michael Balaglicco	David White
Randy Meaker	Miles Graham	LeRoy Foreman	Brian White
David Bries	Tessa Scharf	Diane Henderson	Patti Hill
Kevin Carlson	Greg Swartz	Ronald Henderson	Rick Hill
Kathy Calkins - Alt	Jerry Young	(Tim Flynn	Janet Ennern
	John McMillan	Mavis Fitzgerald	
	Jack Northrup	John- Remotely)	

Chairman Jake Foreman called the Annual March 27, 2025 meeting to order at 4:30 p.m.

Following roll call, a quorum was declared present.

February Minutes
Following review of the minutes, Mrs. Vicki Ripp moved to accept the February 27, 2025 minutes as presented. Motion was seconded by Mr. Randy Meaker and passed unanimously.

Changes to the Agenda
There were no changes to the agenda

Chairman Jake Foreman directed that Proof of Publication of the Annual Meeting from the Montrose Daily Press, Delta County Independent and the Ouray Newspaper be reflected in the minutes.

Chairman Jake Foreman asked if there was any Public Comment.

Questions and concerns were given by Brian White, Ronald Henderson, Rick Hill, Patti Hill, Carol Antolovich, David White and Janet Ennern. Questions ranged from how Project 7 was formed and how were the directors appointed, concerns about rising water rates, financing of the resiliency plant and impact on rate payers.

Resiliency Update
Mr. Rick Huggins and team discussed the challenges of building a secure and redundant water supply in the valley, the benefits and risks of a new project implementation approach, and the financial aspects of the Project 7 Water Authority's resiliency project.

Mr. Huggins emphasized to the Board the need for a long term-perspective, to take a "Breath" on the WTP construction package and develop a plan to implement it. He suggested to schedule a board retreat to work on specifics, for the Board to act transparently, speak for the whole, debate with a purpose, decide with unity, and to find a unified voice. They agreed to meet April 17 at 5pm.

Mr. Miles Graham gave an update on Financial Modeling and Affordability, reporting DOLA assistance program awarded $500,000.00 to the resiliency project. Mr. Graham highlighted the expiration of the FONZIE, the need to rework and redesign, and the impact of inflationary cost pressures.

Mr. Greg Swartz said that besides the DOLA award of $500,000.00 they were working with the USDA in their Rural Development Program, and that the team was also considering the US Bureau of Reclamation's title XVI program. Mr. Swartz clarified that the entities need to apply individually for the USDA grants, as the Authority is not eligible on its own.

Mr. Swartz explained that the project's affordability depended on three factors: the costs for each member agency to operate their own infrastructure, the costs to run Project 7's current facilities, and the additional costs for the new resiliency project. He said they were working to reduce costs by seeking more grants, negotiating better loan terms, and potentially extending the project timeline. He discussed the benefits of low-interest financing for the WTP, emphasizing that the current interest rate are lower than inflation.

Mr. Rick Huggins also passed out a proposal from JHL Constructors, which may be considered for action at a future meeting.

2024 Annual Water Quality Report
Manager Turner reviewed the 2024 Annual Water Quality Report and discussed items of interest.

The 2024 Annual Water Quality Report was approved by the Board.

Consumption Report
Consumption Reports for Feb 2025 were reviewed.

Cash Flow Report
The Manager discussed the Feb 2025 Cash Flow.

Process Control Report
The Process Control Reports for Feb 2025 were reviewed.

Updates
Managers Report/Update handout: see attached.

Chairman Foreman directed the minutes reflect acceptance of the Manager's Reports.

Election of Officers
Mrs. Vicki Ripp made a motion to retain the current Board of Officers. Mr. Kevin Carlson seconded the motion. Mr. Randy Meaker moved that nominations cease. Mrs. Vicki Ripp seconded the motion. The motions passed unanimously. Retaining Jake Foreman as Chairman, Vicki Ripp as Vice Chairman, and Randy Meaker as Secretary/Treasurer.

Old Business
After discussion of the Cost Allocation Study Vendor Recommendation, Mr. David Bries moved to authorize Manager Turner, with guidance from Ireland Stapleton and Mr. Greg Swartz, to negotiate a contract with Hazen Sawyer not to exceed $75,000.00. Mrs. Vicki Ripp seconded. The motion passed unanimously.

Legal Update
Mr. Tim Flynn filling in for the vacationing James Silvestro, informs the Board about a CORA request from Chipeta Water District and confirms that all entities will receive the same documents in response. Manager Turner responded he was compiling them and would get sent out to all entities by April 4, 2025. Mrs. Kathy Calkins said she had requested the documents and agreed April 4 was fine.

Being no further business to discuss Chairman Foreman accepted a motion by Mr. Kevin Carlson to adjourn, the motion was seconded by Mrs. Vicki Ripp and passed unanimously.

Adjourn
They’re being no further business, the meeting adjourned at 6:50 p.m.

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Chairman

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Secretary