MINUTES OF THE REGULAR MEETING AND BUDGET HEARING OF THE BOARD OF DIRECTORS OF THE PROJECT 7 WATER AUTHORITY

October 23, 2025

The Regular Meeting and the Budget Hearing of the Board of Directors of the Project 7 Water Authority was held October 23, 2025 in the conference room of the Project 7 Treatment Plant site, Montrose, Colorado.

**Directors Present:**
Jake Foreman
Randy Meaker
Vicki Ripp
Matt Miles
David Bries
Kevin Carlson-remote

**Others Present:**
Jerry Young
Adam Turner
Tessa Scharf
Miles Graham
Rick Huggins
Leroy Foreman
Doug Glaspell
Richard Wojciechewski
(James Silvestro, Greg Swartz
(Mavis Fitzgerald, John McMillan, remote)
Kathy Calkins
Marci Miles
Gail Marvel
Rick Hill
Patti Hill
Gail Marvel

Chairman Jake Foreman called the regular meeting to order at 4:30 p.m. Following roll call, a quorum was declared present.

**September Minutes**
Following review of the minutes, Mrs. Vicki Ripp moved to accept the minutes of the Board of Directors Regular Meeting September 25, 2025 as presented. Motion was seconded by Mr. Randy Meaker and carried unanimously.

**Changes to the Agenda**
No changes

**Public Comment**
Chairman Jake Foreman asked if there was any Public Comment. There was none

**Consumption Report**
Consumption Reports for September 2025 were reviewed.

**Cash Flow Report**
The Manager reported on the cash flow report for September 2025.

**Process Control Report**
The Process Control Report for September 2025 was reviewed.

**Updates**
Manager report handout; see attached.
Chairman Foreman directed that the minutes reflect acceptance of the Manager’s Reports.

**Legal Update**
Mr. James Silvestro (via zoom) said the first item on his agenda was the draft Fiscal Operation Policies. Mr. Silvestro said Mr. Matt Miles had presented a letter at the September board meeting with some questions and after discussion, the direction from the Board was to work with Chipeta to resolve any issues. Mr. Silvestro said he had talked to several different Board Members, including representatives for Chipeta, since the last Board Meeting and had not seen any other alternatives put forth. Mr. Silvester said he would like to move forth with the same draft that was presented at the last Board meeting.

Mrs. Vicki Ripp made a motion to accept the Project 7 Water Authority Fiscal Operations Policy Draft from September 2025. Mr. Randy Meaker seconded. The motion passed unanimously. Mr. Silvestro wanted the minutes to clarify the motion passed by 6 votes in favor.

The second item on Legal Updates was on the status of the contracts that were being updated. Mr. Silvestro said given the decision that was made at the September Board meeting was not to change the status of Garver and GBSM as a subcontractor of Garver.

Mr. Silvestro said the DA Davidson contract was being transitioned to a standard Project 7 vendor contract. He said Mr. Huggins would have more on the HDR task order pending for the resiliency project.

**Resiliency Update**
Mr. Rick Huggins said that he would like to move the Risk Assessment Update to next month, given all of the Old Business that was to be taken care of at this meeting. He said he put in a draft task order with Manager Turner that included a workshop that would be a good opportunity to update costs and cost estimates associated with the earlier risk mitigation strategies, and possibly look to update some of the values and mission that were developed a few years ago to guide the project. Mr. Huggins said it was important at the front end to make sure everybody understands the approach, and how he would go about the process. After discussion about the details of the work shop and the postponing of the Risk assessment it was decided to hold a workshop at 3 o'clock pm before the next Board meeting.

**Old Business**
Mr. Greg Swartz stated that the survey methodology for the Peer rate study included many factors including population comparable to Project 7 entities with emphasis on the West Slope. Median Household income, water usage and residential rates. 58 Colorado water systems were used for comparison. Project 7 member agencies were found to be below average in water rates.

Mr. Swartz updated the Board on the cost allocation study and reported that allocation could be based on average annual use, establishing contract limits, alternative allocation methods and possibly continuing current practices.

Mr. Greg Swartz discussed a proposal to hire a part-time CFO, intended to improve financial reporting and transparency. He estimated it could cost $30,000 to $60,000 a year. Currently the staff uses QuickBooks and had expressed the need for better data tracking, preparing for the annual audit, daily journal entries and reporting to the Board.

Mr. Matt Miles at this time asked Manager Turner what kind of bookkeeping/accounting was used by Project 7 and who was responsible. Manager Turner replied that Project 7 uses QuickBooks accounting software and that he and Tessa Scharf were responsible for normal day to day accounting. Mr. Matt Miles asked to have an itemized list of everything that Project 7 has paid Mr. Miles Graham (GBSM) over the last year and what the allocations were used for. Mrs. Vicki Ripp and Mr. David Bries also agreed that a more in depth accounting and reporting process was needed.

**New Business**
After discussion about dates for a work shop and a special meeting December 11, 2025 was chosen. 3 pm for the work shop and 4:30 pm for the regular Board Meeting.

Mrs. Vicki Ripp moved to meet at 3 pm, December 11, 2025. Mr. David Bries seconded. The motion passed.

**Executive Session**
Mrs. Vicki Ripp moved to adjourn at 6:10pm. to Executive Session pursuant to Section 24-6-402(4)(f)(l) to discuss personnel matters. Mr. David Bries seconded. Motion passed

At 6:35pm Mrs. Vicki Ripp moved to reconvene the Regular Meeting. Mr. David Bries seconded. Chairman Jake Foreman directed the minutes to show that the Board did not stray from the announced topic for the Executive Session. He also directed the minutes reflect those present were Jake Foreman, Vicki Ripp, David Bries, Randy Meaker, Matt Miles, Doug Glaspell, Leroy Foreman, Tessa Scharf, Kathy Calkins, James Silvestro-remote. (Manager Turner attended briefly then was asked to leave, then was welcomed back after 10 minutes.)

Mrs. Vicki Ripp moved to increase Manager Turner's annual salary $5000 beginning January 1, 2026. Mr. Randy Meaker seconded. The motion passed unanimously.

Mrs. Vicki Ripp moved to open the Budget Hearing. Mr. David Bries seconded. Motion passed

Chairman Jake Foreman read the Legal notices that were published in The Montrose Daily Press, Delta County Independent, and the Ouray Plaindealer. He asked for any public comment there was none. Mrs. Vicki Ripp moved to close the Budget Hearing. Mr. David Bries seconded. Motion passed.

Comments and questions about the proposed budget were discussed at this time. Several of the Board members asked Manager Turner about removing speculative budget items, adding if needed, funds for the CFO and his raise. The decision was made to table budget approval until the December 11, 2025 meeting for approval.

Mr. Kevin Carlson made a motion to table budget until December 11, 2025. Mrs. Vicki Ripp seconded the motion.

There being no further business Chairman Jake Foreman adjourned the meeting at 6:55 pm.

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Chairman

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Secretary