

**Colorado Water Resources
and
Power Development Authority**

BOARD MEETING MINUTES

April 17, 2020

Call to Order

Chair Webb Jones called the meeting to order at 9:06 a.m. via video and audio tele-conferencing due to COVID-19 related restrictions.

Board Member Identification and Declaration of a Quorum

Board members present: Chair Webb Jones (representing the Yampa-White Drainage Basin) invited all Board members to introduce themselves: Steve Price (representing the City & County of Denver), Mike Fabbre (representing the Gunnison-Uncompahgre Drainage Basin), Judy Skram (representing the South Platte Drainage Basin), George Corkle (representing the North Platte Drainage Basin), Chris Treese (representing the main stem of the Colorado Drainage Basin), Bob Wolff (representing the San Miguel-Dolores San Juan Drainage Basin), Steve Vandiver (representing the Rio Grande Drainage Basin), and Roy Heald (representing the Arkansas Drainage Basin). A quorum was declared with nine Board members present.

Approval of Consent Agenda

Chair Jones reviewed the items for consideration on the Consent Agenda: Agenda item 7(a) Town of Orchard City Drinking Water Revolving Fund Loan Application (Resolution No. 20-11), Agenda Item 7(c) 2020 Drinking Water Revolving Fund Capitalization Grant Award (Resolution No. 20-13) and Agenda Item 8(a) 2020 Water Pollution Control Revolving Fund Capitalization Grant Award (Resolution No. 20-15). A motion was made to accept the Consent Agenda as presented.

Motion: Judy Skram
2nd: Steve Price
Vote: Motion carried

Approval of Minutes – March 6, 2020

The March 6, 2020, Minutes were presented for approval. Upon hearing no comments, a motion was made to approve the Minutes for March 6, 2020, as presented.

Motion: Chris Treese
2nd: Steve Vandiver
Vote: Motion carried

Other Agency Reports

Chair Jones referred to the written reports provided by the following agencies: Colorado Water Conservation Board, Water Quality Control Division and Department of Local Affairs and solicited questions or comments from the Board members about the three agency reports. Director Treese posted a question about the Department of Local Affairs' report asking why the Tier I (up to \$200,000) and Tier II (up to \$1,000,000) Awards weren't all designated SRF Projects. Scott Olene replied, stating that project participants have elected not to participate in the SRF program. No further comments or questions were presented.

Chair Jones rearranged certain agenda items to accommodate the Authority's guests, BKD, LLP.

New Business

Report of the Budget & Audit Committee and BKD and 2019 Audited Financial Statements

Controller Justin Noll thanked the Authority staff, especially the Accounting Department, for its efforts in assisting the auditors in completing the 2019 Audited Financial Statements. Mr. Noll congratulated Senior Accountant Rachel Renteria on the birth of her daughter on April 14, 2020. Mr. Noll introduced Marcie Ardan (Audit Engagement Director) and Chris Telli (Audit Engagement Partner) of BKD, LLP and presented the 2019 Audited Financial Statements for review. Ms. Ardan addressed the Board and reviewed the required communications associated with performing the audit. Noted change in this year's audit was the early implementation of GASB 87 *Leases*. Ms. Ardan also reviewed the financial statement disclosures that included the lease receivable and lease liabilities as well as two identified subsequent events that included Parker Water & Sanitation District's \$52 million pre-payment that occurred after year-end and the unknown impact COVID-19 could have on future financial statements. There were no audit adjustments required or disagreements with Management. Significant issues discussed with management throughout the audit process included the implementation of GASB 87 and the special funding situation relating to the PERA pension plan and Senate Bill 18-200. There were also no difficulties encountered performing the audit. Ms. Ardan referred to the Summary of Auditor's Results (page 171 of the Audited Financial Statements) and confirmed the Authority received an unmodified (clean) opinion on the audit for both the financial statements and compliance. There were no material weaknesses or significant deficiencies identified during the course of the audit. Ms. Ardan noted there were no single audit findings within the Drinking Water Revolving Fund Program (DWRP). The single audit report performed on the DWRP Program also received an unmodified (clean) opinion. At the conclusion of the presentation, Ms. Ardan thanked the Authority staff for its cooperation during the audit process. Mr. Telli echoed Ms. Ardan's comments and also thanked the Budget & Audit Committee for its participation in the conference call to review the audit and also thanked the Board for the valued relationship over the years. Mr. Noll reviewed the financial statements within the Authority's three funds: Water Operations Fund (which includes the Authority, Long Hollow, Small Hydropower, Small Water Resources, Water Revenue Bonds and Animas La-Plata), the Water Pollution Control Revolving Fund and Drinking Water Revolving Fund. Mr. Noll also noted the Authority's activities in 2019 as outlined in the Management's Discussion and Analysis ("MD&A") portion of the audit. Director Skram congratulated the entire Authority staff for the huge accomplishment of completing the audit and thanked the auditors for completing the audit under difficult circumstances. Director Heald echoed Director Skram's praise, especially to Assistant Controller Claudia Walters for preparation of the MD&A. A motion was made to accept the results of the 2019 Audited Financial Statements and associated reports and to authorize staff to distribute the audited financial statements as required.

Motion: Steve Price
2nd: Judy Skram
Vote: Motion carried

The meeting returned to its regular Agenda order.

Authority Reports

Public and/or Board Member Comment

Director Wolff noted his sympathy for Authority staff and stated that in this day of the current COVID-19 environment, working from home always sounded like a good idea until you had to do it.

Report of the Chair – Chair Webb Jones addressed the Board and asked each member to become the eyes and ears of their respective communities as the current environment may limit staff's ability to visit the communities in person for an extended period of time. Director Jones encouraged the Board to share any details they may learn with Authority staff if such opportunities arise. Director Vandiver requested that Board members be notified in advance of upcoming pre-application meetings so they can be more aware of the projects and potentially attend the meetings. Keith McLaughlin stated the staff has been providing quarterly reports of the pre-application meetings but will provide invites to the pre-qualification meetings in the future as well as the reports in a timelier manner going forward. Authority General Counsel Karl

Ohlsen stated that if more than two Board members would be attending the same meeting, please notify Authority staff in advance as the gathering may constitute a public meeting and would need to be properly noticed.

Report of the Treasurer – Judy Skram referenced the limited Treasurer's Report provided and referred to Controller Justin Noll to deliver specific portions of the report. Mr. Noll stated the Authority staff was focused on completing the 2019 audit, so no financials were included in the Board packet. Mr. Noll stated he is attending weekly webinars hosted by BKD on various aspects surrounding the COVID-19 pandemic. A motion was made to accept the Treasurer's report.

Motion: Roy Heald
2nd: Chris Treese
Vote: Motion carried

Report of Executive Director – Keith McLaughlin referred to the written report provided in the Board materials and again congratulated Rachel Renteria on the birth of her daughter. Mr. McLaughlin noted a meeting is scheduled on April 21, 2020, with Employer's Council to begin the process of a salary and benefits survey and review the upcoming pay equity requirements. Mr. McLaughlin explained that starting January 1, 2021, Colorado's Equal Pay for Equal Work Act (SB 19-085) will prohibit all employers from discriminating because of gender, and noted it was a protected class, by paying less for substantially similar work in terms of skill, effort and responsibility. The Authority will be prepared to comply fully with this legislation. Mr. McLaughlin continued his report by thanking staff for their efforts working through the transition to working from home to comply with the State's Stay-at-Home Order, and the Authority Board for its willingness to comply with the remote access Board meeting due to the current conditions. Mr. McLaughlin concluded his report by asking if the Board would like to see additional information included in future Executive Director reports.

Report of Legal Counsel – Karl Ohlsen had no written report but added he's been working with staff on the private, non-profit public water system loan agreement documents and working from home has presented some unique challenges. Mr. Ohlsen noted that Keith McLaughlin has his cell phone number so if Board members needed to speak with him on any matters or have any additional questions, please let Mr. McLaughlin know.

Drinking Water Revolving Fund

Prior to the presentation of the Town of South Fork's loan request, Chair Jones stated this may be the appropriate place during the meeting for Director Vandiver and other members of the Project Finance Committee to discuss any relevant issues associated with the PFC conference call. Director Vandiver stated the committee reviewed the four credit reports on the call and struggled with several of the applications. He said the current pandemic and economic uncertainties suggest the Board may need to focus more on assessing risk and may need to scrutinize applications more closely than in recent years.

Loan Application – Town of South Fork – Resolution No. 20-08

Beth Williams introduced Town Administrator, Dan Hicks, and presented the Town of South Fork's request for a Disadvantaged Communities ("DAC") direct loan through the DWRF loan program in the amount of \$2,600,000, at an interest rate of 0.5% for a term of up to 30 years, plus \$400,000, of principal forgiveness. This request received a favorable recommendation from the Project Finance Committee. The Town has secured \$1.8 million in project funding from additional sources, including a \$1 million Energy/Mineral Impact Assistance Fund Grant, a \$440,000 Colorado Water Conservation Board loan and \$310,000 in combined Planning and Design & Engineering Grants. Ms. Williams confirmed the funding package is comprised of approximately 65% loan and 35% grant funding. The project consists of designing and constructing a new municipal water system to include treatment, distribution, wells, storage, meters and fire hydrants. The project will also provide for the acquisition and rehabilitation of existing, privately-owned water systems. Ms. Williams confirmed in the past year and a half, the Town has secured five

private water systems, implemented a rate structure, secured funding for augmentation water, entered into an Intergovernmental Agreement with the San Luis Valley Water Conservancy District to provide for current and future need of augmentation water and began operation of the Water Enterprise in 2019. In addition, the Town is quickly adding taps to the system and is willing to raise rates, as necessary, to comply with the Authority's 110% coverage ratio requirement. The proposed loan will provide necessary funding to complete Phase I of the Municipal Water System on the West side of the Town. Phase II of the project will encompass the East side of Town. Addressing a question that arose during the Project Finance Committee conference call, Ms. Williams confirmed the \$440,000 CWCB loan is sufficient to cover the Phase I augmentation water expense. A motion was made to adopt Resolution No. 20-08, approving a Drinking Water Disadvantaged Communities direct loan to the Town of South Fork and execution of a loan agreement and other necessary documents therefor, subject to the Town increasing user rates, if necessary, sufficiently to meet the Authority's 110% rate covenant and O&M reserve requirement prior to loan execution. Prior to the vote, Chair Jones asked Mr. Hicks if there was anything he wanted to add on behalf of the Town. Mr. Hicks stated he would be happy to address any questions or concerns raised by members of the Project Finance Committee. Following questions about the completion date of construction (that is currently unknown, due to uncertainty of the construction environment and weather conditions) confirmation of community support for the estimated rate increases and budget revision questions (the Town has not considered at this time), a motion was made to adopt Resolution No. 20-08.

Motion: Bob Wolff
2nd: Judy Skram
Vote: Motion carried

Loan Application – Arabian Acres Metropolitan District – Resolution No. 20-09

Ian Loffert introduced Arabian Acres Metropolitan District President Kevin Walker (Walker Schooler District Managers) and Consulting Engineer Adam Sommers (Aqua Works DBO) and presented Arabian Acres Metropolitan District's request for a Disadvantaged Communities direct loan through the DWRF loan program in the amount of \$1,100,000, at an interest rate of 0.5%, for a term of up to 30~~9~~ years, plus \$400,000 of principal forgiveness. Mr. Loffert confirmed the funding package is comprised of approximately 61% grant and 39% loan funding. This project received a favorable recommendation from the SRF Committee and Project Finance Committee; however, Mr. Loffert noted staff was unable to determine if there was a 2nd on the favorable recommendation motion. The project consists of rehabilitating the existing distribution system, construction of a new storage tank, existing storage facility improvements, installing a new well, improvements to existing wells, new water treatment facilities, treatment upgrades and additional contact time piping. Mr. Loffert verified the project delivery method contingency is 10% of the total project budget, approximately \$28,000, and the bid process will be design, bid, build. Mr. Loffert noted the District is comprised of two neighborhoods: Arabian Acres on the West side, and Trout Haven on the East side. Addressing questions that arose on the Project Finance Committee call, Mr. Loffert confirmed the District Board adopted a Capital Improvement Plan policy in early 2018 that provided a plan for serving water to the entire District utilizing a three Phase proposal. This project is Phase II of that plan and will provide service to most of the Trout Haven area. Phase III of the overall project would complete service to the remainder of the Trout Haven area, but that proposal was costly and unpopular, so the District elected to forgo Phase III of the project. Director Price previously questioned the high current user fees and the District confirmed that it had completed additional financial projections and responded the District could manage using only inflationary user fee increases going forward. Mr. Loffert provided a reminder that the District was approved for a Disadvantaged Communities ("DAC") business case on August 23, 2018, and the District submitted its loan application on February 15, 2020, and is therefore qualified as a Category 2 DAC. District President Kevin Walker thanked the Board and stated this project is the culmination of a 2 ½ year effort and completion of the project will alleviate problems of the system. A motion was made to adopt Resolution No. 20-09, approving a Drinking Water Disadvantaged Communities direct loan to the Arabian Acres Metropolitan District and execution of a loan agreement and other necessary documents therefor.

Motion: Roy Heald

2nd: George Corkle
Vote: Motion carried

Loan Application – Glenview Owners Association – Resolution No. 20-10

Ian Loffert introduced Glenview Owners Association President Randy Case and Consulting Engineer Maggie McHugh (SGM) and presented the Association's request for a direct loan through the DWRP loan program in the amount of \$550,000, at an interest rate of 2.5%, for a term of 20 years. The Association's request received a favorable recommendation from the SRF and Project Finance Committees. The Association is comprised of 83 total lots, and 59 lots have been sold. One lot is Association property and is the site of the well, the well shed and underground equipment. The project consists of the reconfiguration of a storage tank fill and the installation of two booster pumps to improve water quality, supply and fire-flow. Mr. Loffert verified the project delivery method contingency is 10% of the total project budget, approximately \$46,000, and the bid process will be design, bid, build. Mr. Loffert confirmed that Randy Case owns 24 of the 83 lots and was not the original developer. During the 2002 financial crisis, the Case family purchased the lots to help the developer avoid bankruptcy. Mr. Loffert noted the Case family pursued developing a Limited Improvement District (LID) through Chaffee County, but it was cost-prohibitive and was not created. Since January 1, 2020, the Association has increased user dues per tap (and per vacant lot) \$9.00 in anticipation of this project, and will likely need to increase dues by an additional \$1.67. However, the Association plans to increase dues by \$3.00 annually for the next 5 years. The Association has been in preparation for this project for the past four years and has wide support from the property owners. Mr. Loffert reviewed the terms and conditions of the loan as outlined in Exhibit A of the Resolution. One of the stated requirements is establishing a Debt Service Reserve Fund (DSRF) account during the first three years of the loan. Mr. Loffert also noted an alternate version of Exhibit A was prepared requiring establishment of a Debt Service Reserve Fund (DSRF) immediately upon loan execution, providing the Board with two options. Mr. Griffiths explained some of the unique nuances of the Authority's first private system loan and noted changes to the standard loan agreement and security for the loan. Mr. Griffiths also noted that the Authority would take additional securities for the loan (i.e. deed of trust on common property of the system and a security interest in the owner dues). Both the deed of trust and security interest on dues would require a vote of the Association and a 67% majority approval from the lot owners and may also require an amendment to the Association's covenant declaration. Mr. Case addressed the Board and thanked them for consideration and said this project has been a 2 ½ year process and provided additional details about the project. Mr. McLaughlin inquired if the Association had the capacity to fund the Debt Service Reserve Fund prior to loan execution and Mr. Case confirmed the Association had the resources available to do so, if needed. Director Jones suggested approval and requiring the Association to establish the Debt Service Reserve Fund prior to or at loan execution. A motion was made to adopt Resolution No. 20-10, approving a Drinking Water direct loan to the Glenview Owner's Association and execution of a loan agreement and other necessary documents therefor, subject to the terms and conditions outlined in Exhibit A, and requiring establishment of a Debt Service Reserve Fund at or before execution.

Motion: Chris Treese
2nd: Steve Price
Vote: Motion carried

Market Update

Chair Jones noted the market update was provided in the previous evening's Board Program Work Session and summarized in the minutes. Similarly, the Board discussed at length the SRF 2020 Series A Revenue Bond Resolution but deferred taking action. Chair Jones directed attention to Wesley Williams to present the SRF 2020 Series A Revenue Bond Resolution for approval.

State Revolving Fund 2020 Series A Revenue Bond Resolution No. 20-12

Wesley Williams referred to the Bond Resolution provided in the Board materials and reviewed the bond resolution parameters: bond principal not to exceed \$45,000,000, net interest rate not to exceed 4.5%, final

maturity date not to exceed 2053 and program funds (comprised of Capitalization Grant/Reloan) not to exceed \$65,000,000. The four borrowers participating in this bond issue are: Mt. Crested Butte Water & Sanitation District (DWRF), City of Westminster (WPCRF), Security Sanitation District (WPCRF) and Superior Metropolitan District #1 (WPCRF). A motion was made to adopt Resolution No. 20-12.

Motion: Bob Wolff

2nd: Steve Vandiver

Vote: Motion carried, Directors Heald and Fabbre abstained from the vote

Town of Antonito – Additional Bond Test Waiver Request, Resolution No. 20-14

Jim Griffiths reviewed the Town of Antonito's prior DWRF loan approval in 2015, and the Town's subsequent request for a WPCRF direct loan, that was not approved by the Board. The Town has since applied for a loan from the United States Department of Agriculture, Rural Utility Service ("RUS") to finance the acquisition, construction and completion of improvements to the Town's wastewater system and has received a commitment for the loan. Mr. Griffiths explained the policy of RUS is to dispense a single payment, and as such, requires the Town to obtain interim financing to complete construction. The Town expects to enter an interim construction loan with CoBank, on a subordinate basis to the Town's 2015 loan with the Authority. This new loan is subject to the Authority's additional bonds test. The interim financing is structured as an interest only loan for two years and would have a balloon payment and would not be able to meet the Authority's additional bonds test at balloon maturity. The Town is requesting a one-time waiver of the Authority's additional bonds test that applies only to the interim loan. Prior to execution of the long-term loan with the RUS, the Town will still be required to certify that it has met the Authority's additional bonds test. A motion was made to adopt Resolution 19-14, approving a waiver of the additional bonds test in connection with interim financing for the Town of Antonito and execution of documents necessary therefor.

Motion: Steve Vandiver

2nd: Bob Wolff

Vote: Motion carried

Request for Additional Design & Engineering Grant Funds

Beth Williams referred to the April 17, 2020, memo provided in the Board materials regarding the request for additional DWRF Design & Engineering ("D&E") Grant Funds and explained that the Authority Board previously approved a 2020 DWRF D&E grant budget of \$1,500,000. Ms. Williams also reviewed the D&E grants issued and scheduled to execute through March 31, 2020. The Authority expects to have an estimated shortfall of approximately \$816,000, for six entities and is requesting a budget increase of \$800,000, to be drawn from remaining 2019 additional subsidy funds. Chair Jones stated the request seemed to be an appropriate use of funds and the Authority underestimated the need at the end of last year. Director Corkle asked staff if they anticipate the \$800,000, would be enough to last through year end, and Ms. Williams stated it is hard to predict, but staff believes this amount would be sufficient. Any subsequent request for additional funding would be brought to the Board for approval. A motion was made to approve staff's recommendation of an \$800,000 increase to the 2020 DWRF D&E grant budget.

Motion: Bob Wolff

2nd: Roy Heald

Vote: Motion carried

Status of Projects

In the interest of time, Keith McLaughlin referred to the provided Board materials and accompanying slides for updates to the Drinking Water Revolving Fund, Water Pollution Control Revolving Fund and Small Hydropower Loan Programs. Several Board members complimented Authority staff for the upgrade in the graphics contained within the slides, and Beth Williams was recognized for generating a majority of the changes.

Water Revenue Bond Program

WRBP 2002 Series A Water Revenue Bond Program, Resolution No. 20-16

Jim Griffiths referred to the Bond Resolution provided in the Board materials and reviewed the parameters as outlined within. The bond resolution was written for a bond amount not to exceed \$8,500,000, a net interest rate not to exceed 5.5% and a final maturity date not to exceed 2045. Mr. Griffiths noted the inflated loan amount and interest rate allows for flexibility in the market and the actual loan amount and interest rate are expected to be lower. The Town of Telluride was approved for a \$7.4 million loan at the March 6, 2020, meeting and the project is moving forward. Authority staff is compiling bond documents and is in the process of obtaining a rating for the Town from Standard & Poor's. A motion was made to adopt Resolution No. 20-16.

Motion: Mike Fabbre
2nd: Bob Wolff
Vote: Motion carried

Status of Projects

Jim Griffiths noted there were no additional program updates, but the staff is prepared to discuss the Water Revenue Bonds Program at length at a future Board retreat or Board Program Work Session.

La Plata Future Projects Escrow & Animas-La Plata Project

Long Hollow Reservoir – Status Report

Keith McLaughlin didn't have an Animas-La Plata project update but reported news from District Engineer Eric Bikis that Long Hollow is still in first fill protocol and the reservoir is continuing to fill. Current levels are at 1.5 feet from full level (at 4,994 AF) and 315 AF short of the first fill benchmark. Once the first fill requirement is met, the O&M requirements as part of the project are removed from the Authority. It currently appears that the first fill requirement will be met, but depends on when a call from New Mexico comes in.

Unfinished Business

Board Program Work Session

Committee Chair Treese referred to the minutes provided from the previous evening's meeting and noted they fairly and accurately represented the discussions.

2019 Authority Annual Report, Resolution No. 20-17

Keith McLaughlin reported that the Authority's Annual Report is a summary of the Authority's activities and actions for the preceding year and includes a full copy of the Audited Financial Statements. Mr. McLaughlin would like to update the report format in future years to use as a marketing tool. Mr. McLaughlin stated the Board is required to adopt a resolution to approve the Annual Report. Director Fabbre noted that Appendix A listed previous Director Mike Berry's information and requested that portion of the report be corrected. A motion was made to adopt Resolution 20-17, adopting the Annual Report for Fiscal Year 2019 and authorize its transmittal to appropriate entities, as corrected.

Motion: Judy Skram
2nd: Steve Price
Vote: Motion carried

Legislative Issues and Other Business of Interest to the Authority

Keith McLaughlin reported the Colorado General Assembly is scheduled to resume the legislative session on May 18, 2020, subject to change amid the current COVID-19 pandemic. Mr. McLaughlin also noted the State could borrow funds direction from the Federal Government to lend to Municipalities for infrastructure funding, and the SRF programs have been mentioned nationally as the funding mechanism for such available funding. Mr. McLaughlin will keep the Board apprised of any future developments. A Federal stimulus bill may also be an option, and staff will continue to monitor both.

Arrangements for Future Meetings

The June 5, 2020, Board meeting details have yet to be determined due to the current COVID-19 pandemic and final decisions will be made as current restrictions are eased or lifted. The Board currently anticipates a three-day commitment in June for a Wednesday afternoon Board retreat, a Thursday mid-afternoon or early evening Board Program Work Session and a Friday morning Board meeting.

Executive Session Discussion

Chair Jones moved to enter into Executive Session to discuss matters pursuant to C.R.S. §24-6-402(4)(b), specifically, the Authority Board will request and receive legal advice from general counsel regarding current potential legal positions and strategy related to an employee matter.

Motion: Roy Heald
2nd: Chris Treese
Vote: Motion carried by a unanimous vote

A motion was made to adjourn the Executive Session.

Motion: Roy Heald
2nd: Steve Price
Vote: Motion carried by a unanimous vote

After conclusion of the Executive Session, Chair Jones noted all participants of the Executive Session and stated for the record that if any person who participated in the Executive Session believes that any substantial discussion on any matters not included in the motion to enter the Executive Session occurred during the Executive Session or that any improper action occurred during the Executive Session in violation of the Open Meetings Law, Director Jones asked that members state their concern for the record. For the record, Karl Ohlsen stated he and Michelle Magruder, Esq. of Fairfield and Woods, P.C. as Special Counsel to the Authority dealing with Employee Law, also attended the Executive Session. Hearing no objections, Chair Jones asked general counsel to certify that any unrecorded sections of the Executive Session were related solely to the Board's request for and receipt of legal advice related to current and potential legal opinions and strategy in an on-going employee matter. Karl Ohlsen of Carlson, Hammond and Paddock LLC, general counsel for the Authority, certified for the record.

Absentee & Tardiness Policy

Keith McLaughlin referred to the Absenteeism and Tardiness Policy memorandum provided in the Board materials. Mr. McLaughlin noted that the policy was developed by Karl Ohlsen and Michelle Magruder and makes clear the Authority's official policy and replaces the current policy contained in the Employee Handbook. The policy expressly requires employees to personally contact their immediate supervisor, the head of their department or the Executive Director in the event of an absence no later than thirty (30) minutes before the start of their shift. If a manager or supervisor is not available, a message must be left, and the manager or supervisor must call and speak with the employee personally. The policy also makes clear that excessive absences or tardiness will not be tolerated, and disciplinary action will be issued. Absences will be deemed as excused or unexcused. Unexcused absences will occur if the employee fails to comply with the outlined policies, as described. Ms. Magruder outlined the importance of documenting absences by supervisors and managers for all employees. Ms. Magruder added that the policy allows the Authority to reserve the right to request appropriate medical documentation to substantiate absences and may require medical documentation which releases you to return to work. Mr. McLaughlin noted that staff will require additional time to obtain and develop time keeping software that is legally compliant and can be managed effectively. Any subsequent policies related to the time keeping software will be presented and adopted by the Board via the Employee Handbook at a future date. Discussion ensued about whether leaving a message is acceptable as the policy is contradictory. A suggestion was made by Director Treese to remove the second paragraph sentence in bold: "Leaving a voicemail, sending a text message or an e-mail, or advising a co-worker of your absence or tardiness is not acceptable." An alternate option was presented to change the language to include the following parenthetical: "*Leaving a voicemail (except as described below) sending a text message or an e-mail or advising a co-worker of your absence or tardiness*

is not acceptable.” The Board’s consensus was to agree to accept the suggested parenthetical modification. Director Treese also inquired about the status of the Authority’s telecommuting policy and Mr. McLaughlin noted the policy was vaguely written in the Employee Handbook and will be clearly defined at a future date for review and adoption by the Board. Finally, Director Treese questioned the use of the word “will” instead of “may” related to disciplinary action taken in the event of failing to comply with the policy and expressed his desire to add flexibility for the Authority. Ms. Magruder highlighted the need to keep the more stringent language in the policy for a stronger legal position for the Authority, should a lawsuit be brought forth. Further discussion ensued about additional revisions and the requirement to obtain medical documentation for one day absences. Ms. Magruder confirmed that having that option further protects the Authority from possible litigation, if needed, and that it doesn’t have to be a requirement for all absences. Mr. Ohlsen noted the policy has an employee acknowledgement attached and suggested that the acknowledgement be distributed only after the timekeeping software has been secured and the formal policy is rolled out to all employees. A motion was made to adopt the policy as presented, with the only revisions being to add the additional language “(except as described below)” to the second paragraph and change the word “Company” to “Authority” within the policy.

Motion: Bob Wolff
2nd: Roy Heald
Vote: Motion carried, Director Treese opposed

Following the vote, Director Wolff exited the meeting.

Director Skram suggested the Board revisit the policy in one year and Mr. Ohlsen concurred that the Board should revisit the Employee Handbook at least every other year.

Chair Jones polled the Board members to see if they would be comfortable holding the Board Retreat remotely if the COVID-19 restrictions are still in place for the June meeting and the consensus of the Board was to hold the Retreat in person, even if it means holding it at a later date.

Adjournment

Chair Jones adjourned the meeting at 1:43p.m.

Respectfully submitted,



Sabrina Speed, Assistant Secretary

NOTE-FOR INFORMATION ONLY - COPIES OF THE DOCUMENTS REFERRED TO IN THE TEXT OF THESE MINUTES ARE ON FILE IN THE AUTHORITY OFFICE AND MAY BE OBTAINED BY SUBMITTING A “REQUEST FOR PUBLIC RECORDS.” PLEASE CALL SABRINA SPEED AT (303) 830-1550, EXT. 1010, FOR INFORMATION.