

TOWN OF RYE
RECORD OF PROCEEDINGS
February 12, 2025

Call to Order/Roll Call

Marty Rahl called the Regular Monthly Board Meeting to order at 6:00 p.m. at the Town Hall at 2067 Main Street in Rye, Colorado. Those in attendance were as follows: Marty Rahl, Mayor; Kathy MacCormack, Mayor Protem; Patrick Ryan, Trustee; Sandra Steele, Trustee; Geoff Pagnotta, Trustee; Heidi Miller, Trustee; Aimee Kramer, Trustee; Greg Colter, Colorado Rural Water; and Jocelyn Ensley, Town Clerk. Those absent were: N/A.

Audience Participation

- N/A

Consent Agenda Items

- Sandra Steele made a motion to approve the January 8, 2025- Regular Monthly Meeting Minutes. Kathy MacCormack seconded the motion. The motion passed unanimously.
- Kathy MacCormack made a motion to approve the February 3, 2025- Emergency Meeting Minutes. Heidi Miller seconded the motion. The motion passed unanimously.
- The ORC Water Treatment Plant End of Month Report was reviewed by the Board.
- Jocelyn Ensley stated that Little Diggers Construction was rescheduled to perform meter replacement training due to weather conditions. Jocelyn Ensley stated that additional quotes for having the fire hydrants repaired have not been received due to weather conditions and will be presented as soon as possible. Jocelyn Ensley stated that she is still awaiting a quote from Element Engineering for them to conduct additional research for the Sewer CIP. Jocelyn Ensley stated that the manhole is ready for installation and will be scheduled upon weather conditions.
- The Water and Sewer Monthly Meter Usage (Billing Register) was reviewed.
- The Town of Rye Summary of Accounts, RVS Systems Totals Report and CCMD Sewer Flow Chart were reviewed by the Board.
- The Summary of Aged Receivables was discussed by the Board. Past due accounts were called by Jocelyn Ensley and reminded of their past due balance as well as the current due balance. The Board instructed Jocelyn Ensley to issue disconnect letters for all delinquent accounts surpassing 61+ days in payment.
- Kathy MacCormack made a motion that the Accounts Payable/Transfer of Funds from appropriate accounts be paid and that appropriate funds be transferred per the Checks Written form. Patrick Ryan seconded the motion. The motion passed unanimously.

- The Board reviewed the Profit & Loss and Balance Sheets. Jocelyn Ensley stated that all of the Bank of the San Juans credits from the fraudulent activity had to be entered into the financial system to be able to reconcile the bank accounts properly, and the credits are reflected accordingly for each account.
- The Master Calendar was reviewed. Jocelyn Ensley has updated the calendar to reflect the date and name of persons completing monthly items.

Unfinished Business

- Jocelyn Ensley stated that on February 4, 2025, she contacted Kourtney Quillen Bank of the San Juans Branch Manager II to notify her of the Boards decisions at the Emergency Meeting held of February 3, 2025, to only open three new accounts to include: the Conservation Trust Fund checking account, the Maintenance checking account, and the Sewer savings account and have all monies transferred to them. As well as paying all February 2025 bills out of the second set of accounts that are locked and to wait until March 12, 2025, regular monthly meeting before agreeing to open the remaining five accounts. Jocelyn Ensley went on to say that Kourtney Quillen stated that she would get started on opening the three new requested accounts and that she would be in contact as soon as the paperwork was prepared so that Marty Rahl and herself could sign them. Marty Rahl stated that later that afternoon she was contacted by Kourtney Quillen to notify the Town that “the higher ups” at Bank of the San Juans would only allow the Town to open a third set of all eight accounts or none at all. The Board discussed the decision by Bank of the San Juans to refuse opening only three new accounts when they still refused to provide any fraud investigation reports. Geoff Pagnotta stated that the Town needs to immediately close all accounts with Bank of the San Juans and open all new accounts with another bank. The Board agreed with Geoff Pagnotta. Marty Rahl stated that upon receiving the call from Kourtney Quillen she immediately contacted the Town attorneys to notify them of the bank’s decision and requested recommendations of another bank the Town should use. Marty Rahl stated that the Town attorneys recommended the Town open all new accounts at Pueblo Bank & Trust and they provided contact information for Pueblo Bank & Trust Executive Vice President and Chief Financial Officer, Mary Lee Lobato and VP Treasury & Payment Solutions Manager, Greg Guidici. Jocelyn Ensley stated that Paul Hendricksen with Valkyries Infosec was able to arrange a meeting with Greg Guidici to review all protective measures the Town has taken and request any requirements they may have for cyber security. The Board discussed opening all new accounts with Pueblo Bank & Trust. Marty Rahl stated that the Town Attorneys later notified her that the Bank of the San Juans attorney provided a 60-day notice for the Town of Rye to relocate the Town accounts to another bank, to which Marty Rahl told the Town attorneys that the Board would already be in favor of closing all Bank of the San Juans accounts immediately. Kathy MacCormack made a

motion to close all Bank of the San Juans Town accounts as soon as all the February 2025 checks have cleared and to request that Bank of the San Juans provide each account balance by individual check or cashier's check and to not allow any wires or transfers between the banks. Sandra Steele seconded the motion. The Board discussed the motion. Heidi Miller stated that she thinks the Town should wait the full 60-days provided by Bank of the San Juans instead of closing the accounts as soon as possible to allow more transition time. Jocelyn Ensley stated that the Town will need to approve to pay the bills at the next regular monthly meeting on March 12, 2025, and that it would just prolong the process of closing the Bank of the San Juans accounts until April and prolong opening the new accounts with Pueblo Bank & Trust. Jocelyn Ensley continued saying that if the new Pueblo Bank & Trust accounts can be opened by the first week of March, then all bills would be able to be paid out of them by the March 12, 2025, regular monthly meeting and the Town should be able to move forward from Bank of the San Juans indefinitely and the authorities can handle all investigations with them moving forward. The Board discussed whether to close the old accounts as soon as possible or wait the 60-days. Marty Rahl called for a vote on Kathy MacCormack's motion. All of the Board of Trustees voted aye. The motion passed unanimously.

- Kathy MacCormack made a motion to open all new Town accounts with Pueblo Bank & Trust as soon as possible. Geoff Pagnotta seconded the motion. The motion passed unanimously.
- Jocelyn Ensley stated that the Town of Rye was accepted into the Safer Routes to School Program along with Douglas County School District and Delta County Schools. Jocelyn Ensley stated that the program itself is funded by CDOT but the Safer Routes to School Grant is a federal grant and may not be available in the coming years. Jocelyn Ensley stated that she and Marty still accepted the invitation for the program so that the Town can learn as much as possible about the process. The Board agreed to move forward with the program.
- The Board discussed the invasive tree on Boulder Ave. Geoff Pagnotta stated that someone had already trimmed the tree back, but he was unaware of who performed the service. Marty Rahl stated that she would contact Terry Golly to have the tree removed.
- The Board reviewed Valkyries Infosec Annual Service Agreement. Marty Rahl stated that the Town attorneys pointed out typos within the contract to be corrected. The Board discussed the service agreement. Aimee Kramer made a motion to accept the Valkyries Infosec Annual Service Agreement. Kathy MacCormack seconded the motion. The motion passed unanimously.

Reports

CPA Update: N/A

Attorney Update: N/A

Trustee Updates:

- Marty Rahl stated that she met with Pueblo County Commissioner Miles Lucero to discuss the Town of Rye roads. Marty Rahl continued to say that both parties believed it would be in the best interest of Pueblo County and the Town of Rye to have an intergovernmental agreement in writing for Pueblo County to assist the Town of Rye with plowing Boulder and Main, as they currently have been doing for years, and to include the Town of Rye in any chip and seal activities the County performs. The Board agreed that having an intergovernmental agreement was in the best interest of the Town. Marty Rahl stated that she will contact the Town attorneys to have them draft the agreement for the Board to review and approve prior to sending them to Pueblo County.
- Kathy MacCormack requested to have the lights removed from the Rye Triangle tree. Marty Rahl stated that she would contact Doyle Keys as soon as possible.

Staff Updates: N/A

New Business

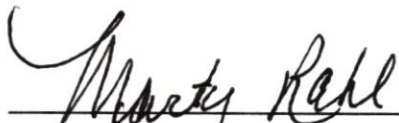
- Jocelyn Ensley stated that Marty Rahl and herself had requested a quote from Valkyries Infosec to have six cameras installed at the Water Treatment Plant but that the quote was not available before the meeting and would be presented as soon as possible.
- The Board reviewed Valkyries Infosec quote for a new clerk laptop. Geoff Pagnotta made a motion to approve the quote from Valkyries Infosec for the new clerk laptop. Aimee Kramer seconded the motion. The motion passed unanimously.
- The Board reviewed quotes collected by Jocelyn Ensley for local CPAs to perform the annual 2024 audit exemption. The Board discussed the quote from McPherson, Goodrich, Paulucci, & Mihelich, PC. Jocelyn Ensley stated that she requested quotes from every CPA in Pueblo County per the Boards instruction to find a local CPA and that all other firms responded by saying that they could not help the Town due to their heavy workload or they were not experienced in municipal accounting. The Board discussed the quote from McPherson, Goodrich, Paulucci, & Mihelich, PC. Geoff Pagnotta made a motion to approve the quote from McPherson, Goodrich, Paulucci, & Mihelich, PC to perform the 2024 Audit Exemption for the Town of Rye. Patrick Ryan seconded the motion. The motion passed unanimously.
- Jocelyn Ensley stated that on Sunday, January 26, 2025, the Town of Rye Facebook page received threatening comments and direct messages from water account holder #103. The Board reviewed all the comments and direct messages sent by account holder #103. Marty Rahl stated that all comments and direct messages were sent to the Town attorneys, and they referred the Town to another attorney, Shannon Reed, who has more experience in dealing with these matters. Marty Rahl read aloud the email from Shannon Reed. Jocelyn Ensley emphasized that all Board members need to be vigilant

and aware as account #103 is a neighbor to them all and to report any aggressive behavior towards them to the clerk.

- Jocelyn Ensley requested that the Board schedule a Special Meeting to approve the February 12, 2025, Regular Monthly meeting minutes so that they can be made available to Bank of the San Juans and Pueblo Bank & Trust. The Board discussed dates and times that work best for them. The Board agreed to meet for a Special Meeting on Monday, February 17, 2025, at 7:00 p.m.
- Jocelyn Ensley stated that the 2024 Audit Exemption has been added to the agenda as it is due by March 31, 2025.

Adjournment

At 7:50 p.m., Kathy MacCormack made a motion that the Board close the regular meeting. Geoff Pagnotta seconded the motion. The motion passed unanimously.



Marty Rahl, Mayor



Jocelyn Ensley, Town Clerk

**The Next Regular Session meeting will be held on
March 12, 2025, at 6:00 pm at the Town Hall at 2067 Main Street, Rye, CO 81069
The public is encouraged to attend.**

Individuals with disabilities needing auxiliary aid(s) may request assistance by contacting the Rye Town Clerk at 719-489-2011. We would appreciate it if you would contact us at last 48 hours in advance of scheduled events so arrangements can be made to locate the requested auxiliary aid(s).