

DONALA WATER AND SANITATION DISTRICT
BOARD MEETING AGENDA
August 13, 2026

WORKSHOP & TOUR TIME & PLACE:
10:00 A.M to 12:00 P.M.

DONALA WATER & SANITATION DISTRICT
15850 HOLBEIN DRIVE, COLORADO SPRINGS, CO 80921

REGULAR MEETING TIME & PLACE:
1:30 P.M.

DONALA WATER & SANITATION DISTRICT
14770 JUMPING MOUSE VIEW, COLORADO SPRINGS, CO 80921

BOARD MEMBERS: Wayne Vanderschuere
 William George
 Kevin Deardorff
 Scott McCulloch
 Kenneth Judd

Agenda

1. Call to Order
2. Pledge of Allegiance
3. Approval of Agenda
4. Public Comment on Items not on the Agenda
5. Minutes from July 16th, 2026, Regular Meeting
6. Financial Reports
7. Action Items:
 - a. Resolution 2026-6: The Board of Directors of Donala Water & Sanitation District Withdrawing from Participation in the Loop Water Authority
8. Presentations:
 - a. 2026 Capital Budget Reallocation considering LWA Dissolution, Water Tank Rehabilitation, Holbein Sewer Line Break, and Willow Fire
 - b. W4T Presentation: Community Survey Feedback prior to education outreach and open house
 - c. W4T Presentation: Two (Core) Water Rights Exchanges: Laughlin from Fountain Creek to UMCR, and Willow Creek from Pueblo Reservoir outfall to UMCR - all other exchanges will be discussed in September
 - d. W4T Presentation: RFP for Program Manager/Owner's Representative to develop Program Implementation Plan

9. Reports
 - a. Cybersecurity Briefing
 - b. Manager's Report
 - c. Consultants
10. Directors' Comments
11. Public Comments
12. Executive Sessions:
 - a. Pursuant to C.R.S. § 24-6-402(4)(f), for the purpose of discussing personnel matters, and that this executive session be limited to **Board Members Only**.
13. Board discussion and possible actions on matters discussed in executive session.
14. Adjourn

DONALA WATER AND SANITATION DISTRICT
BOARD OF DIRECTORS
MEETING MINUTES
July 16, 2026

The Board of Directors of the Donala Water and Sanitation District met in regular session at the District's Holbein Water Treatment Facility, 15850 Holbein Drive, El Paso County, Colorado on July 16, 2026, at 1:30 P.M.

Director's Present: Wayne Vanderschuere
Bill George
Kevin Deardorff
Scott McCulloch
Kenneth Judd

Staff Present: John Kuosman
Christina Hawker
Carla Edwards
Ronny Wright
Jarred Durham

Consultants' Present: Roger Sams (GMS)
Brett Gracely (Plummer)
Linda Glesne (CEGR)

Guests: James Howald (OCN)
Jackie Burhans (OCN)
Steve King
Madeline VanDenHoek
Laura Kronick

President Vanderschuere called the meeting to order at 1:30 P.M.

Approval of Agenda:

- No changes to the agenda.

Public Comment Non-Agenda Items:

- Burhans mentioned she has been monitoring the fire by our Willow Creek Ranch property.

Review of Minutes:

- Minutes from June 18, 2026, Regular Board Meeting accepted.
 - Judd motioned to approve, Deardorff seconds, all aye.

Financial Report by Christina Hawker:

- Hawker stated that we are halfway through the year and we have 54% of revenues left to collect and 74% of expenses left to pay for Donala.
- Hawker also said the wastewater plant has a budget remaining of 61% which is on track at this point in the year.
- Hawker stated that Donala is about half of our annual water usage amount.
- George motioned to approve, Judd seconds, all aye.

Informational and Discussion Items:

- El Paso County Augmentation Water Agreement
 - Kuosman stated that El Paso County wants to add another Well to help augment their current supply.
 - Kuosman said currently the County is to replace depletions from Fountain Creek Regional Park. They perform irrigation and other public amenities, so they need the water to replace their supplies.
 - Kuosman stated that in 1957 Donala signed an agreement with the County to provide a guaranteed minimum of 70 AF of our return flows up to a maximum of 120 AF.
 - Kuosman said El Paso County is asking for us to write them a letter confirming that the terms of this agreement have not changed to firm up their Well application and Augmentation plans.
 - Kuosman said the new Well will cause no changes to this agreement, however this is a significant commitment of this water right to El Paso County and a conversation may be warranted for what our options are going forward as we strategize the use of optimal water rights in the future.
 - Kuosman said in the event that Donala converts to a surface water system in the future, Donala may substitute the current return flow water being utilized to the surface water supply. Also, new replacement sources can be added without amending the County's decree.
 - Judd asked if this agreement is being utilized currently and Kuosman said it is, but so far it has only been for core operations, and the County has been doing the accounting.
 - Judd also asked if there was any time limit on this agreement and Kuosman said during the evaluation of the agreement no time limit was noted, but he will double check.
- U.M.C.R.W.T.F. IGA
 - Kuosman stated Donala receives wastewater treatment service at the Upper Monument Creek Regional Wastewater Treatment Facility (UMCRWTF) which is co-owned by 3 entities including Donala, Triview, and Forest Lakes.
 - Kuosman said the current IGA between the entities is defined by capacity.
 - Kuosman stated Triview and Forest Lakes have verbally committed to moved out of their ownership shares of the UMCRWTF for the purposes of participating in the NMCI project with CSU.
 - Kuosman also mentioned he met with both managers form Triview and Forest Lakes two times to discuss this situation and perspectives for next steps. Kuosman also briefed Vanderschuere and Glesne on information he learned from his first meeting and in the second meeting Donala proposed an exit strategy methodology. A way that all parties could meet the required terms of their agreement and achieve their ultimate goals.
 - Kuosman stated that framework was received very positively, to the point that the other members gave Donala another alternative which achieves the same end.

- Kuosman said he received a call from Triview asking to accelerate the process to be done in this calendar year.
 - Vanderschuere asked if Kuosman knows what the latest date is to bring the NMCI online.
 - Kuosman said Triview expressed concern about completing the date on time due to some delays and stated Sams may have a more accurate timeframe.
 - Sams stated the estimate is the 2nd quarter of 2028.
 - Judd asked when we will hear the details of this proposed arrangement.
 - Kuosman stated he has asked for details by the end of July so that he can analyze it and work with legal counsel, so he can hopefully present it during August's board meeting.
 - Kuosman said that the other entities have already briefed their boards on this proposal.
- Project Options for Donala Return Flow Water Right
 - Kuosman stated that at the last board meeting he was given the direction for Water for Tomorrow (W4T), which is the term we are using for Donala to get to a higher percentage of renewable water in its portfolio.
 - Kuosman stated Donala is not in any sort of crisis or extreme draught, however we are looking to the future to make sure we are planning long-term.
 - Kuosman said having a variety of water sources is a good strategy, so we are not going all in on one water source and have a wide portfolio range.
 - Kuosman said some goals are diversification, timing and approach, conversation around cost and risk.
 - Vanderschuere stated that the Board's goal for awhile has been to move towards a renewable supply of water for the community and this is the next evolution of this process.
 - Denver Basin is our primary supply (non-renewable source, slow recharge rate).
 - Willow Creek water right (renewable surface water), which requires 3 elements for us to utilize; the water must be conveyed, must be treated, and it must be delivered. This is currently met through a contract with CSU.
 - Laughlin Water Right (surface water), requires same 3 elements as mentioned prior as well as legal and operational work to put it to use.
 - Donala has two types of Wells; non-tributary groundwater Wells (higher reusable return flows) and the not non-tributary groundwater Wells.
 - Kuosman presented project options for Donala Return Flow Water Rights:
 - Loop Water Authority in conjunction with Donala joining the NMCI project
 - Kuosman stated this option would include treatment from the Chilcott Ditch. This Ditch treatment could present some unique concerns such as, Total Organic Carbon, Total Dissolved Solids, and PFAS. Treatment for these can conflict with each other.
 - Kuosman stated that this would also include the expansion of the Callahan Reservoir. Donala doesn't need storage for out return flows for this right.
 - Kuosman also stated that we would have to figure out what to do with our current treatment facility if we chose this option and pay into the NMCI through CSU to get wastewater service for our community.

- Decommissioning the UMCRTWF would also cost 3-5 million.
- Donala non-potable line from UMCRTWF plant to R. Hull Replacement/Repurposing the UMCRTWF
 - Kuosman stated this option will require the current facility to be repurposed to treat wastewater to all the standards to produce safe surface water and fill a surface water treatment plant at that site which would take surface water from Monument Creek and treat it to the same level as the LWA with out the unique challenges the Chilcott introduces.
 - Storage is not required for this option; we would bring it directly into our plant after it's treated.
 - Donala will not lose an asset, and we will not have to abandon our wastewater facility and pay a fee.
- Kuosman compared the two options presented and stated that based on his analysis the high end of the UMCRTWF option does not overlap with the low end of the Loop and the NMCI option.
- Kuosman stated there is a potential action item later on the agenda in Executive Session to discuss continuation of payment to the LWA for the purposes of advancing the engineering design and the construction manager at-risk cost model and governance model for the purposes of getting to the low end of the LWA option. Should Donala continue with this trajectory or look at other options.
 - Judd asked if there is anything in the proposed arrangement with the other IGA members that would cause any issues with us moving forward with the UMCRTWF option.
 - Kuosman stated he doesn't believe so, and he believes they present very little risk at this point.
- Kuosman discussed the flexibility of our portfolio and the path to renewable water.
- Kuosman said we can do it 100% with our groundwater wells, which is our predominant strategy currently or use Denver Basin groundwater in combination with CSU convey, treat, and deliver potable water from Pueblo Reservoir which is our Willow Creek right.
- Kuosman said if we just utilize 100% ground water it is not renewable, however if we bring in the potable water it goes up to 36% renewable which is the treated surface water.
- Kuosman stated with the wells we are completely autonomous and the cost is cheaper, however by bringing in Willow Creek we lose about 26% of our autonomy.
 - Our autonomy score would go down with the LWA option to 11% because we are bringing in a 3rd party which would add costs.
- Kuosman discussed options to capture our treated surface water returns:
 - Exchange Willow Creek water right from the Pueblo Reservoir into the LWA system or into CSU's IPR system in the future. These would both be bringing a 3rd party in so our autonomy would go down to 0%, but we would be 100% renewable. This would be same case scenario for our Laughlin water right.
 - Exchanging to the UMCRTWF site or a site that allows for storage. These exchanges are harder and less secure than the exchanges to the Chilcott

Ditch, but Kuosman believes they are viable if we make investments in storage. This option gives us 100% autonomy.

- Vanderschuere mentioned that North of Chilcott he is not convinced we can get that exchange and stored in a sustainable way overtime.
 - Deardorff asked for an update on the progress of the ASR study.
 - Gracely stated it is still ongoing but moving along slowly.
- Kuosman commented that he needs more time to come up with an exact amount that we are going to Bond for. He is confident in the data and range presented but this is not a guaranteed number.

General Manager Report by John Kuosman:

- Kuosman has been monitoring the Willow Fire and said it is approaching 7000 acres. It extends to the North of our property up towards Turquoise Creek. The fire has encroached the North Willow Creek telemetry and monitoring location. As of now, staff has not seen any faulty readings. So far, Willow Creek has not been impacted. We do have a trailer that has our ATV and tools stored in it, however staff have moved that asset off site, so it is no longer in danger. There is a shade structure that was constructed by staff that is in danger currently. All staff have been advised to stay away from the property and let the fire crews do their work. Once Donala gets the okay, we will go in and do a detailed assessment of the risk to life safety and water supply risk such as run-off, etc.
- Kuosman discussed the sewer line pipe break that occurred on Holbein Drive. On July 9th, a customer called because sewage was backing up into his home and as a result of working with this customer and trying to find the cause of the back-up staff discovered a blockage in the line. Staff performed jetting to try and break up the blockage and that blockage was rectified. On July 10th, when the team was out making sure the issue was resolved from the day prior, they discovered water levels rising in 3 different manholes. Once again jetting was attempting when another line blockage was found. After that blockage was released, a sinkhole developed and staff went into emergency response. Two breaks were found in total and pipe had to be replaced. Everything was repaired according to County standard and tested to make sure it was functioning properly, then brought back online. In the future a lining project may be necessary. CCTV camera crews were brought in to take a look at the immediate area surrounding Holbein and Desiree. As of now, the CCTV work is not done, and 5 different problem areas have been identified.
 - Deardorff wanted to clarify when the homeowner has responsibility for their line verses Donala.
 - Kuosman clarified that the customer is responsible for their own service line up to our mains.
- Kuosman stated that we allocated 100k in our budget last year towards Camera inspections of the system, so all the post-emergency camera work will be funded from there and then we need to reassess going forward what we want to do for this year when budgeting.
- Kuosman said he was invited to CSU's Agricultural Water Partners Tour on 10/1/26. Hawker is also attending with Kuosman.
- Vanderschuere also mentioned that Water Congress and SDA are coming up.

Consultants' Comments:

- Sams said he was part of an operational meeting to discuss capital expenses for the UMCRTWF.
- Sams stated he had a meeting with CSU regarding some of the potential near-term impacts of the NMCI pipeline of CSU's interceptor sewer on Donala's infrastructure. They are crossing our pipelines

on the land where Classic Homes wants to build Santa Fe Meadows. CSU said they recognize our concerns and want to run a design and evaluation mode to best mitigate any potential issues with our collection systems in the future.

- Kuosman said he thinks they said by the end of July they would get back to us with a conceptual design from their engineer followed by a more detailed construction timeline.
- Vanderschuere wanted to clarify if Donala has an easement in that area.
- Sams stated Donala does have an easement, however part of the pipe may not be in the easement, but an evaluation would need to be done.
- Sams said we are working with an organization to perform three of our water storage tank inspections. Also being incorporated is the final warranty inspection of the 1.5 million Holbein tank. In preparation, a float examination will need to be completed.
- Gracely stated he has been active in some water rights cases on Donala's behalf in collaboration with HPK and Spheros.
- Gracely said Spheros has been working on dry year liability of the exchanges they presented early in the year and will incorporate that into the presentation Kuosman just presented to see that outcome.
 - Vanderschuere wanted to know when this will be completed and Kuosman said they should be ready soon.
- Gracely said the Risk and Resiliency Assessment is complete and now he can focus on Emergency Response Plan which is not due until December.

Directors Comments:

- Vanderschuere stated the board meeting will be at 1:30pm at the UMCRWTF, but before the meeting we will be performing a tour of several Donala facilities. Tour meet up will be at the Holbein Office at 10AM, after the tour lunch will take place at the UMCRWTF and the board meeting will proceed at the same location beginning at 1:30 pm.

Public Comment:

- Howald asked how he can get the results of any action taken during open session.
 - Hawker stated that staff can email him with the details.

President Vanderschuere adjourned the regular board meeting at 3:10 pm and motioned to move into Executive Session A pursuant to Section 24-6-402(4)(e), C.R.S., for the purpose of developing strategy and conducting negotiations related to the capital budget, including prioritization and negotiations concerning major projects for EPC Augmentation, Loop Water Authority, and U.M.C.R.W.T.F. after a brief break.

- Vanderschuere motioned to move out of closed session into open session to take action on an item at 3:54 pm
 - Judd motioned to approve, George seconds, all aye.

President Vanderschuere called the board meeting back into open session to discuss an action item at 3:55pm.

- A motion to vote on making first contribution for approximately 270k to LWA for 2026 was taken by the Donala Board.
 - Donala's Board unanimously voted to not make the payment.

- Vanderschuere also directed John to prepare a resolution for Donala to formally exit the LWA.
 - Judd motioned to approve, George seconds, all aye.

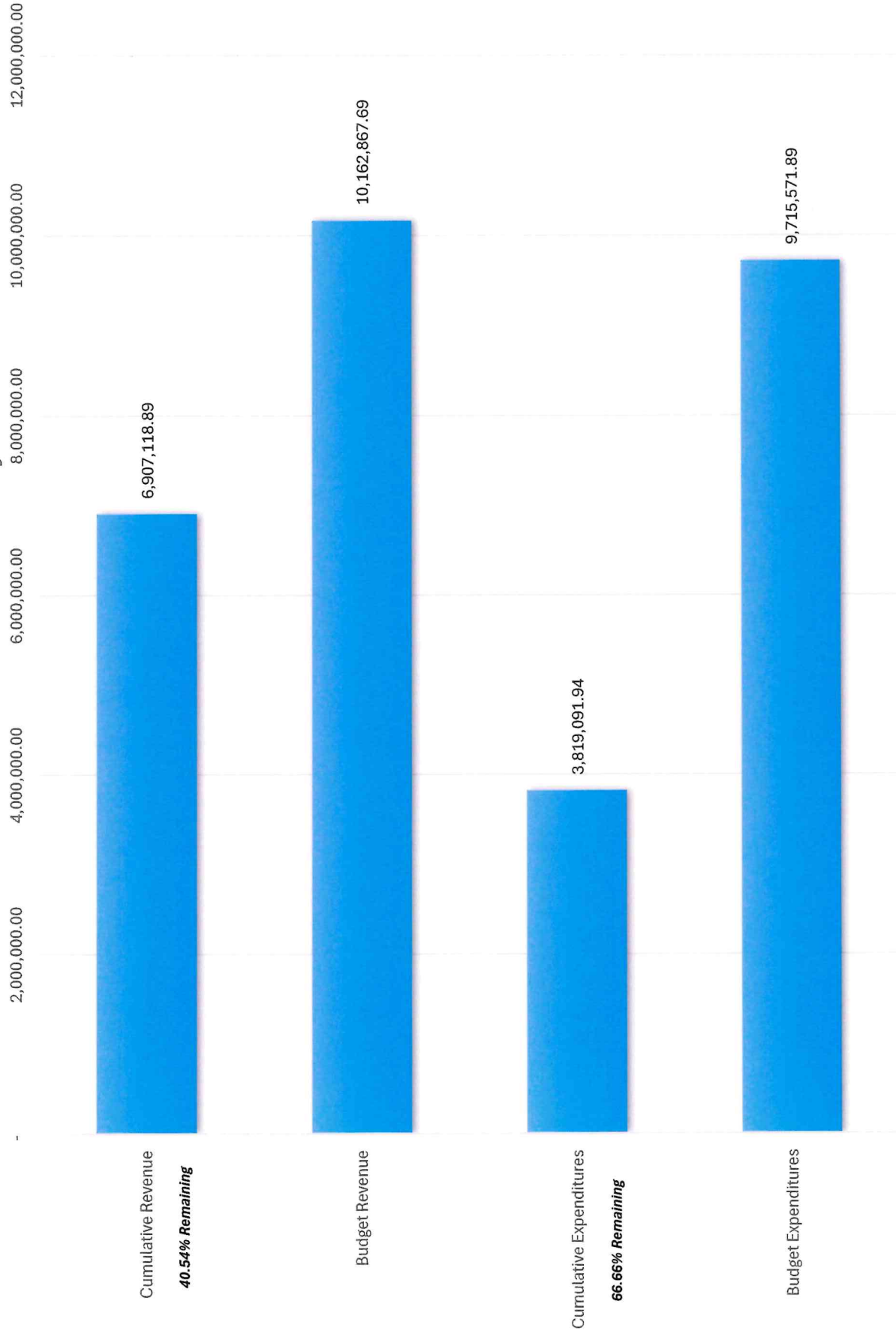
President Vanderschuere reads in Executive session B pursuant to Section § 24-6-402(4)(f) C.R.S., to discuss and receive legal advice on personnel matters, specifically to receive an onboarding report from the new General Manager regarding employee status, department progress, and workplace dynamics in the District in closed session with legal counsel present at 4:03 pm.

- No action taken.

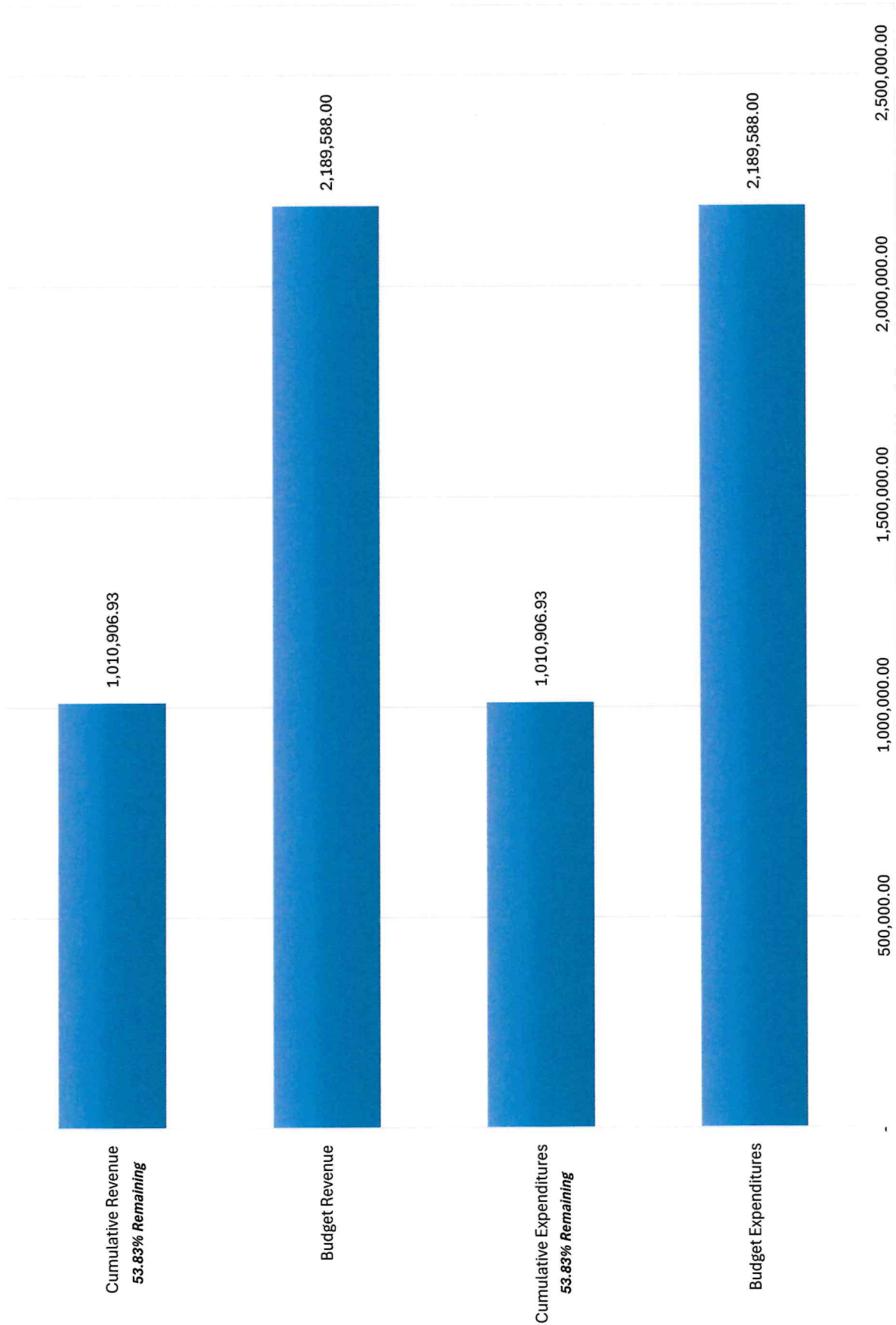
Adjourned at 4:05 pm.

These minutes are respectfully submitted for record by Carla Edwards on August 11, 2026.

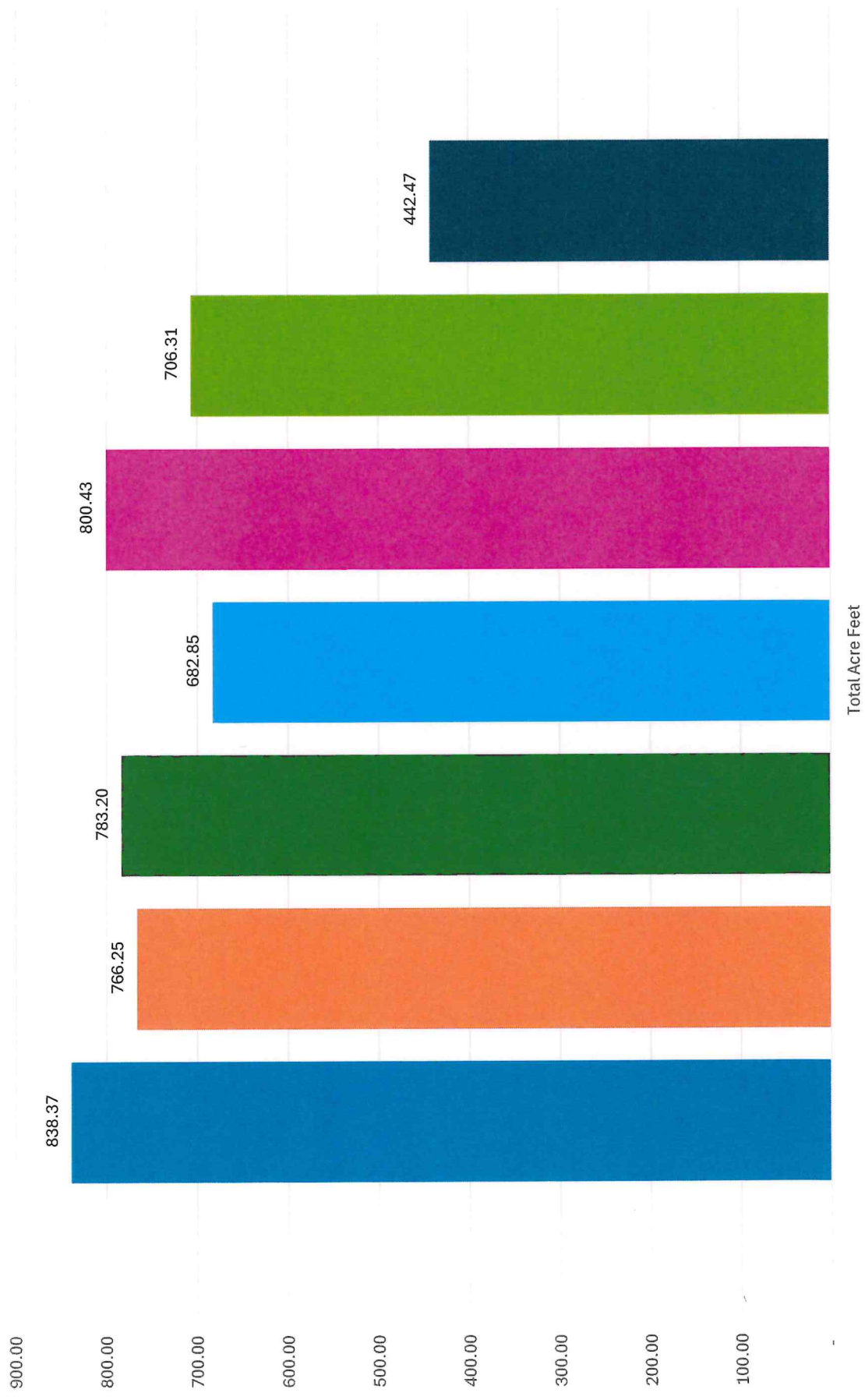
2026 Donala Financial Summary



2026 UMCRWTF Financial Summary



7-Year Water Usage
(Acre-Feet)



Total Acre Feet

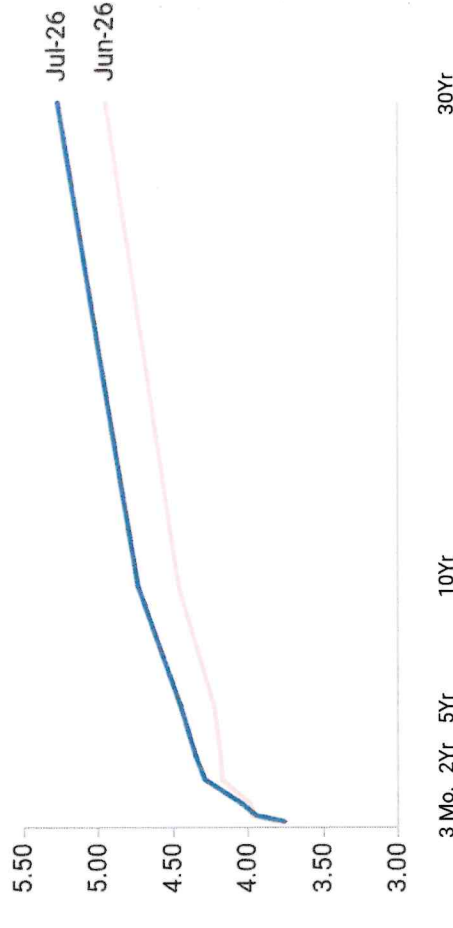
■ 2020 ■ 2021 ■ 2022 ■ 2023 ■ 2024 ■ 2025 ■ 2026 Cum.

Donala Water & Sanitation District

Comparison to Prior Analysis

Portfolio Metrics	Jul-26	Jun-26	Difference
Book Value	6,033,775	6,034,938	-1,162
Book Yield	3.66	3.67	-0.01
AFS %	100.0%	100.0%	0.0%
Market Value	6,008,136	6,009,794	-1,658
Gain Loss \$	-25,639	-25,144	-495
Gain Loss %	-0.4%	-0.4%	0.0%
Average Life	0.8	0.9	-0.1
Effective Duration	0.77	0.82	-0.05
Effective Convexity	0.01	0.01	0.00
Px Vol +300bps	-2.27	-2.43	0.16
Next 12 mo Cash Flow (%)	80.5%	63.4%	17.1%
Fixed %	100.0%	100.0%	0.0%
Adjustable/Floating %	0.0%	0.0%	0.0%

Treasury Curve



Sector Allocation

Par Value	Jul-26	Jun-26	Difference	Sector % Diff
Treasury	6,027,500	6,027,500	0	0.0%

Key Rates	Jul-26	Jun-26	Difference
Overnight SOFR	3.66	3.68	-0.02
FFT	3.75	3.75	0.00
Prime	6.75	6.75	0.00
3 Month	3.76	3.82	-0.06
2 Year	4.29	4.18	0.12
5 Year	4.45	4.23	0.22
10 Year	4.74	4.47	0.27
3mo vs 10yr	0.97	0.65	0.33
2yr vs 5yr	0.16	0.05	0.11
2yr vs 10yr	0.44	0.29	0.15



Donala Water Sanitation District, CO

Budget Report

		Original	Period	Fiscal	Variance	Percent
		Total Budget	Activity	Activity	Favorable (Unfavorable)	Remaining
Fund: 02 - Water Fund						
Revenue						
02-00-00-40010	Water Sales	3,588,731.72	535,382.86	1,903,540.57	(1,685,191.15)	
02-00-00-40020	Effluent/Augment	100,000.00	4,665.70	33,429.52	(66,570.48)	
02-00-00-40030	Sewer Sales	1,696,805.96	143,390.82	983,649.76	(713,156.20)	
02-00-00-40060	AVS Revenue	3,128.00	-	2,760.00	(368.00)	
02-00-00-41000	Water Tap Fees	437,325.00	-	8,925.00	(428,400.00)	
02-00-00-41001	Sewer Tap Fees	437,325.00	-	-	(437,325.00)	
02-00-00-41002	Water Developing Fees	-	-	6,825.00	6,825.00	
02-00-00-41004	Installation Fees	-	-	1,575.00	1,575.00	
02-00-00-41005	Water Investment Fee	-	-	4,200.00	4,200.00	
02-00-00-42001	Property Tax	2,918,582.09	812,012.02	2,875,303.72	(43,278.37)	
02-00-00-42002	MV/SO Property Tax	175,000.00	20,931.93	141,850.28	(33,149.72)	
02-00-00-43000	Capital Project Interest	161,849.09	12,392.83	84,105.69	(77,743.40)	
02-00-00-43001	Strategic Planning Interest	50,406.17	3,859.62	26,193.89	(24,212.28)	
02-00-00-43002	Operating Reserve Interest	129,336.72	35,027.89	97,096.47	(32,240.25)	
02-00-00-43003	Property Tax Interest	200,540.02	18,294.87	98,616.10	(101,923.92)	
02-00-00-44000	Water Penalty Account	-	1,931.55	6,846.76	6,846.76	
02-00-00-44001	Sewer Penalty Account	-	433.23	2,586.06	2,586.06	
02-00-00-45000	L.T. Investment Revenue	228,837.92	4,376.25	126,971.83	(101,866.09)	
02-00-00-47008	Radium Reimbursement	-	-	487,881.91	487,881.91	
02-00-00-47400	Triview Waste Plant Rev	1,291,200.00	-	-	(1,291,200.00)	
02-00-00-47403	Forest Lakes Waste Plant Rev	162,467.00	-	-	(162,467.00)	
02-00-00-49900	Miscellaneous Revenue	35,000.00	2,232.43	14,761.33	(20,238.67)	
Revenue Total:		\$ 11,616,534.69	\$ 1,594,932.00	\$ 6,907,118.89	\$ (4,709,415.80)	40.54%
Expense						
02-00-00-54010	Salary-Office	516,861.00	35,600.01	167,419.66	349,441.34	
02-00-00-54400	457 Plan-Donala Expense	33,656.00	1,961.56	9,655.73	24,000.27	
02-00-00-54410	Insurance-Health	223,723.47	-	106,632.56	117,090.91	
02-00-00-54500	Salary-Board Members	6,000.00	322.95	5,059.55	940.45	
02-00-00-56650	Debt Reserve	1,250,000.00	-	-	1,250,000.00	
02-01-00-54210	Payroll Office Tax	-	2,251.26	2,251.26	(2,251.26)	
02-01-00-54420	Disability, Life Ins.	14,934.89	1,371.23	7,480.40	7,454.49	
02-01-00-54430	Identity Protection	1,500.00	140.00	980.00	520.00	
02-01-00-54450	WASTE PLT./Salary,Taxes	735,921.00	-	-	735,921.00	
02-01-00-57002	Miscellaneous Expense	5,000.00	-	1,938.40	3,061.60	
02-01-00-58001	Credit Card Expense	180,000.00	18,199.87	118,823.26	61,176.74	
02-01-00-58005	Office Expenses	100,000.00	17,982.59	42,166.30	57,833.70	
02-01-00-58010	Large Office Equipment	20,000.00	-	-	20,000.00	
02-01-00-58015	Publication Expenses	12,000.00	-	8,306.65	3,693.35	
02-01-00-58020	Auditing/Accounting Expense	28,700.00	-	29,900.00	(1,200.00)	
02-01-00-58025	County Treas. Fee-G.F.	50,000.00	12,180.23	43,170.17	6,829.83	
02-01-00-58035	Fees, Permits	20,000.00	-	14,738.40	5,261.60	
02-01-00-58040	Insurance-Bldg.	137,880.00	-	129,932.23	7,947.77	
02-01-00-58045	Insurance-Auto Ins.	-	-	70.00	(70.00)	
02-01-00-58056	Insurance-Workmen's Comp.	18,000.00	1,852.00	20,323.60	(2,323.60)	
02-01-00-58060	Legal - General	50,000.00	-	21,653.38	28,346.62	
02-01-00-58065	Legal - Water	50,000.00	4,164.25	17,006.13	32,993.87	
02-01-00-58070	Training Expenses	35,000.00	125.00	2,533.53	32,466.47	
02-01-00-58075	Contract Services	150,000.00	8,064.26	112,250.69	37,749.31	
02-01-00-58080	Communications	30,500.00	1,676.17	16,332.61	14,167.39	
02-02-00-52000	Repair & Maintenance- General	200,000.00	21,881.24	217,969.32	(17,969.32)	

Budget Report

		Original	Period	Fiscal	Variance	Percent
		Total Budget	Activity	Activity	Favorable (Unfavorable)	Remaining
02-02-00-52010	Tools & Equipment	10,000.00	-	15.00	9,985.00	
02-02-00-52070	Water and Well Engineering	150,000.00	27,357.73	141,953.68	8,046.32	
02-02-00-52110	Civil Engineering	120,000.00	-	111,535.02	8,464.98	
02-02-00-53005	Trucks-Backhoe	-	5,815.88	5,815.88	(5,815.88)	
02-02-00-53006	Fuel	14,000.00	1,795.88	7,840.47	6,159.53	
02-02-00-53012	Truck Maintenance	40,000.00	1,024.40	7,364.97	32,635.03	
02-02-00-54020	Salary-Water Operations	543,425.30	63,025.33	365,853.51	177,571.79	
02-02-00-54220	Payroll-Water Tax	40,756.90	-	-	40,756.90	
02-02-00-54400	457 Plan-Donala Expense	38,039.77	3,503.38	21,459.14	16,580.63	
02-02-00-54451	Triview Waste Plant Exp	1,291,200.00	-	-	1,291,200.00	
02-02-00-54452	Forest Lakes Waste Plant Ex	162,467.00	-	-	162,467.00	
02-02-00-56600	Bond - Paying Agent Fees	-	-	1,000.00	(1,000.00)	
02-02-00-56610	CWRPDA Principal \$5M	303,632.00	146,396.00	289,417.00	14,215.00	
02-02-00-56615	CWAP Interest-\$5M	10,319.56	12,267.28	24,534.56	(14,215.00)	
02-02-00-56620	2020 Bond B	220,000.00	-	-	220,000.00	
02-02-00-56625	2020 Bond B INT	99,936.00	-	34,095.97	65,840.03	
02-02-00-56635	2020 Bond A INT	116,850.00	-	58,425.00	58,425.00	
02-02-00-57002	Miscellaneous Expense	5,000.00	165.46	1,122.48	3,877.52	
02-02-00-57100	Tabor Reserves	285,044.00	-	-	285,044.00	
02-02-00-57110	Contingency Exp	100,000.00	-	-	100,000.00	
02-02-00-58070	Training Expenses	15,000.00	3,036.25	9,147.40	5,852.60	
02-02-00-58075	Contract Services	85,000.00	4,558.48	31,403.06	53,596.94	
02-02-00-60000	Capital Projects - General	1,226,677.00	24,183.94	349,550.66	877,126.34	
02-02-00-60003	Loop Group	550,000.00	269,841.11	274,768.50	275,231.50	
02-02-01-52000	Repair & Maintenance - SCADA	75,000.00	-	42,055.90	32,944.10	
02-02-41-52000	Repair & Maintenance	10,000.00	-	-	10,000.00	
02-02-41-52010	Tools & Equipment	5,000.00	-	-	5,000.00	
02-02-41-52030	Residuals Management	35,000.00	25,588.04	32,057.96	2,942.04	
02-02-41-55030	Natural Gas	1,400.00	27.91	521.22	878.78	
02-02-43-52000	Repair & Maintenance	5,000.00	825.00	4,225.00	775.00	
02-02-43-52010	Tools & Equipment	5,000.00	-	-	5,000.00	
02-02-43-55030	Natural Gas	3,000.00	32.53	1,585.72	1,414.28	
02-02-45-51009	Hazardous Materials Charges	125.00	0.25	2.16	122.84	
02-02-45-51015	Caustic Soda	25,000.00	2,990.43	9,246.49	15,753.51	
02-02-45-51030	Chlorine (Sodium Hypochloride)	4,500.00	304.79	2,508.12	1,991.88	
02-02-45-51040	Potassium Permanganate	1,500.00	-	-	1,500.00	
02-02-45-51060	Lab & Analytical Equip	10,000.00	-	4,698.42	5,301.58	
02-02-45-51070	Lab Tests	10,000.00	-	343.47	9,656.53	
02-02-45-51080	Chem-Other	2,000.00	247.45	839.05	1,160.95	
02-02-45-52000	Repair & Maintenance	30,000.00	1,750.00	12,405.91	17,594.09	
02-02-45-52010	Tools & Equipment	10,000.00	-	-	10,000.00	
02-02-45-55010	Utilities-Electric	80,000.00	7,887.00	28,652.00	51,348.00	
02-02-45-55030	Natural Gas	750.00	14.91	376.24	373.76	
02-02-47-51000	Acetylene	1,000.00	95.40	546.78	453.22	
02-02-47-51009	Hazardous Materials Charges	850.00	89.31	529.24	320.76	
02-02-47-51015	Caustic Soda	6,000.00	-	1,560.22	4,439.78	
02-02-47-51020	Oxygen	900.00	82.20	492.84	407.16	
02-02-47-51030	Chlorine (Sodium Hypochlorade)	3,500.00	898.55	2,827.23	672.77	
02-02-47-51040	Potassium Permanganate	2,000.00	-	3,528.50	(1,528.50)	
02-02-47-51060	Lab & Analytical Equip	17,000.00	-	7,795.68	9,204.32	
02-02-47-51070	Lab Tests	15,200.00	497.59	5,589.09	9,610.91	
02-02-47-51080	Chem-Other	1,000.00	3,151.06	6,902.85	(5,902.85)	
02-02-47-52000	Repair & Maintenance	30,000.00	895.00	11,188.67	18,811.33	
02-02-47-52010	Tools & Equipment	10,000.00	-	-	10,000.00	
02-02-47-55010	Utilities-Electric	30,000.00	2,929.00	17,108.00	12,892.00	
02-02-47-55030	Natural Gas	2,500.00	29.68	972.99	1,527.01	
02-02-49-52000	Repair & Maintenance	7,500.00	-	-	7,500.00	
02-02-49-55010	Utilities-Electric	2,000.00	89.00	1,132.00	868.00	

Budget Report

		Original	Period	Fiscal	Variance	Percent
		Total Budget	Activity	Activity	Favorable (Unfavorable)	Remaining
02-02-49-55030	Natural Gas	775.00	31.46	961.27	(186.27)	
02-02-93-58080	Communications	4,600.00	239.37	1,675.59	2,924.41	
02-03-71-52000	Repair & Maintenance	10,000.00	-	594.27	9,405.73	
02-03-71-55010	Utilities-Electric	4,000.00	362.00	2,304.00	1,696.00	
02-03-73-52000	Repair & Maintenance	10,000.00	702.00	1,543.91	8,456.09	
02-03-73-55010	Utilities-Electric	5,000.00	375.30	2,784.58	2,215.42	
02-03-75-52000	Repair & Maintenance	10,000.00	-	-	10,000.00	
02-04-01-52000	Repair & Maintenance	10,000.00	3,000.00	3,000.00	7,000.00	
02-04-01-55010	Utilities-Electric	4,000.00	300.00	2,002.00	1,998.00	
02-04-03-52000	Repair & Maintenance	10,000.00	-	-	10,000.00	
02-04-05-52000	Repair & Maintenance	10,000.00	-	-	10,000.00	
02-04-07-55010	Utilities-Electric	-	887.00	4,406.00	(4,406.00)	
02-04-11-55010	Utilities-Electric	65,000.00	-	-	65,000.00	
02-04-11-60000	Capital Projects	-	-	25,773.87	(25,773.87)	
02-04-13-52000	Repair & Maintenance	10,000.00	-	-	10,000.00	
02-04-13-55010	Utilities-Electric	51,800.00	5,703.00	12,457.00	39,343.00	
02-04-15-52000	Repair & Maintenance	10,000.00	-	-	10,000.00	
02-04-15-55010	Utilities-Electric	35,000.00	2,630.00	20,977.00	14,023.00	
02-04-15-60000	Capital Projects	-	-	294,947.41	(294,947.41)	
02-04-17-52000	Repair & Maintenance	10,000.00	-	-	10,000.00	
02-04-17-55010	Utilities-Electric	8,000.00	449.00	2,694.00	5,306.00	
02-04-19-52000	Repair & Maintenance	10,000.00	-	2,223.00	7,777.00	
02-04-19-55010	Utilities-Electric	50,000.00	2,594.00	15,652.00	34,348.00	
02-04-19-55030	Natural Gas	550.00	26.74	277.84	272.16	
02-04-19-60000	Capital Projects	-	-	9,407.00	(9,407.00)	
02-04-23-52000	Repair & Maintenance	10,000.00	-	-	10,000.00	
02-04-23-55010	Utilities-Electric	2,500.00	6,051.00	28,537.00	(26,037.00)	
02-04-25-52000	Repair & Maintenance	10,000.00	-	-	10,000.00	
02-04-25-55010	Utilities-Electric	65,000.00	6,144.13	31,591.56	33,408.44	
02-04-61-52000	Repair & Maintenance	7,500.00	-	-	7,500.00	
02-04-61-55010	Utilities-Electric	-	105.00	954.00	(954.00)	
02-04-61-60000	Capital Projects	-	-	244,092.51	(244,092.51)	
02-04-63-52000	Repair & Maintenance	7,500.00	-	-	7,500.00	
02-04-65-52000	Repair & Maintenance	7,500.00	-	-	7,500.00	
02-04-81-52000	Repair & Maintenance	6,000.00	806.00	806.00	5,194.00	
02-04-81-55010	Utilities-Electric	19,000.00	1,601.00	9,182.00	9,818.00	
02-04-83-52000	Repair & Maintenance	6,000.00	1,550.00	1,550.00	4,450.00	
02-04-83-55030	Natural Gas	1,050.00	26.74	320.86	729.14	
02-04-85-52000	Repair & Maintenance	6,000.00	-	-	6,000.00	
02-04-85-55010	Utilities-Electric	15,500.00	1,432.00	8,802.00	6,698.00	
02-04-85-55030	Natural Gas	400.00	-	85.17	314.83	
02-04-91-59900	Colo. Spgs Util Convey, Treat, Delive	1,061,859.00	15,294.47	107,061.29	954,797.71	
02-04-91-59901	Pueblo Water Lease Agmt.	160,000.00	-	(54,455.77)	214,455.77	
02-04-93-52000	Repair & Maintenance	-	1,553.00	5,296.70	(5,296.70)	
Expense Total:		\$ 11,454,282.89	\$ 791,032.05	\$ 3,819,091.94	\$ 7,635,190.95	66.66%

Fund: 03 - Wastewater Fund

Revenue

03-00-00-47001	FL O & M Payments	162,467.00	15,115.14	81,198.95	(81,268.05)	
03-00-00-48003	PD-DWSD Salary, Taxes	735,921.00	48,699.10	326,251.14	(409,669.86)	
03-50-00-47000	Triview O & M Payments	1,291,200.00	93,635.16	603,456.84	(687,743.16)	
Revenue Total:		\$ 2,189,588.00	\$ 157,449.40	\$ 1,010,906.93	\$ (1,178,681.07)	53.83%

Expense

03-00-00-52110	Civil Engineering	-	-	8,902.60	(8,902.60)	
03-50-00-51011	Magnesium Hydroxide	-	9,363.20	57,376.00	(57,376.00)	
03-50-00-51050	Polymer	-	-	5,586.57	(5,586.57)	
03-50-00-51060	Lab & Analytical Equip	-	746.39	19,037.24	(19,037.24)	

Budget Report

		Original	Period	Fiscal	Variance	Percent
		Total Budget	Activity	Activity	Favorable (Unfavorable)	Remaining
03-50-00-51070	Lab Tests	207,920.00	1,950.38	20,541.38	187,378.62	
03-50-00-52000	Repair & Maintenance	355,000.00	31,473.70	127,724.75	227,275.25	
03-50-00-52010	Tools & Equipment	50,000.00	-	-	50,000.00	
03-50-00-52020	Biosolids Hauling	130,500.00	11,324.39	72,012.37	58,487.63	
03-50-00-52050	Engineering-WP	10,000.00	-	-	10,000.00	
03-50-00-52060	AFCURE	20,000.00	1,475.00	9,075.00	10,925.00	
03-50-00-53006	Fuel	-	572.59	2,225.63	(2,225.63)	
03-50-00-53012	Truck Maintenance	7,200.00	389.92	2,657.92	4,542.08	
03-50-00-54030	Salary-Regional WWTF	618,400.00	66,194.23	371,867.97	246,532.03	
03-50-00-54230	Payroll-Regional	46,380.00	-	-	46,380.00	
03-50-00-54400	457 Plan-Donala Expense	43,288.00	3,163.03	20,071.99	23,216.01	
03-50-00-54410	Insurance-Health	-	-	32,093.43	(32,093.43)	
03-50-00-54420	Disability, Life Ins.	-	492.72	3,372.84	(3,372.84)	
03-50-00-54430	Identity Protection	-	30.00	210.00	(210.00)	
03-50-00-55010	Utilities-Electric	346,900.00	20,672.68	125,149.43	221,750.57	
03-50-00-55020	Propane	-	4,766.68	18,041.04	(18,041.04)	
03-50-00-57002	Miscellaneous Expense	2,500.00	-	915.96	1,584.04	
03-50-00-57110	Contingency Exp	50,000.00	-	-	50,000.00	
03-50-00-58005	Office Expenses	9,500.00	746.87	2,773.37	6,726.63	
03-50-00-58015	Publication Expenses	600.00	-	-	600.00	
03-50-00-58035	Fees, Permits	25,000.00	-	14,863.78	10,136.22	
03-50-00-58040	Insurance-Bldg.	188,200.00	-	56,711.00	131,489.00	
03-50-00-58060	Legal - General	3,000.00	-	-	3,000.00	
03-50-00-58070	Training Expenses	10,000.00	999.00	2,547.69	7,452.31	
03-50-00-58075	Contract Services	30,200.00	1,962.06	30,752.07	(552.07)	
03-50-00-58080	Communications	15,000.00	1,126.56	6,396.90	8,603.10	
03-50-00-60500	Capital Projects	20,000.00	-	-	20,000.00	
Expense Total: \$		2,189,588.00	\$ 157,449.40	\$ 1,010,906.93	\$ 1,178,681.07	53.83%

**Board Expense Report****By Fund**

Payable Dates 7/1/2026 - 7/31/2026

Vendor Name	Payment Number	Post Date	Description (Item)	Account Number	Amount
Fund: 02 - Water Fund					
JPMorgan Chase Bank NA	DFT0001375	07/07/2026	Chase CC	02-01-00-58005	6,821.93
JPMorgan Chase Bank NA	DFT0001375	07/07/2026	Chase CC	02-01-00-58080	275.74
JPMorgan Chase Bank NA	DFT0001375	07/07/2026	Chase CC	02-02-00-52000	1,331.82
JPMorgan Chase Bank NA	DFT0001375	07/07/2026	Chase CC	02-02-00-53006	349.67
JPMorgan Chase Bank NA	DFT0001375	07/07/2026	Chase CC	02-02-00-57002	39.16
JPMorgan Chase Bank NA	DFT0001375	07/07/2026	Chase CC	02-02-00-58070	3,036.25
JPMorgan Chase Bank NA	DFT0001375	07/07/2026	Chase CC	02-02-00-58075	414.81
JPMorgan Chase Bank NA	DFT0001375	07/07/2026	Chase CC	02-02-47-51070	201.14
Mountain View Electric Assn.	DFT0001376	07/07/2026	400 R.Hull thru 06/01/26	02-02-45-55010	7,887.00
Mountain View Electric Assn.	DFT0001376	07/07/2026	1700 Holbein thru 06/01/26	02-02-47-55010	2,929.00
Mountain View Electric Assn.	DFT0001376	07/07/2026	6507 Pauma Valley thru 06/01/26	02-02-49-55010	89.00
Mountain View Electric Assn.	DFT0001376	07/07/2026	1100 FR Lift thru 06/01/26	02-03-71-55010	362.00
Mountain View Electric Assn.	DFT0001376	07/07/2026	1501 Northgate thru 06/01/26	02-03-73-55010	347.94
Mountain View Electric Assn.	DFT0001376	07/07/2026	200 Well 2 thru 06/01/26	02-04-01-55010	300.00
Mountain View Electric Assn.	DFT0001376	07/07/2026	500 Jessie thru 06/01/26	02-04-07-55010	887.00
Mountain View Electric Assn.	DFT0001376	07/07/2026	1800 Well 8A thru 06/01/26	02-04-13-55010	5,703.00
Mountain View Electric Assn.	DFT0001376	07/07/2026	100 Well 9A thru 06/01/26	02-04-15-55010	2,630.00
Mountain View Electric Assn.	DFT0001376	07/07/2026	1400 Well 11 thru 06/01/26	02-04-17-55010	449.00
Mountain View Electric Assn.	DFT0001376	07/07/2026	1200 Well 12 thru 06/01/26	02-04-19-55010	2,594.00
Mountain View Electric Assn.	DFT0001376	07/07/2026	5300 Well 14 thru 06/01/26	02-04-23-55010	6,051.00
Mountain View Electric Assn.	DFT0001376	07/07/2026	0300 Well 16A thru 06/01/26	02-04-25-55010	6,144.13
Mountain View Electric Assn.	DFT0001376	07/07/2026	3101 Baptist thru 06/01/26	02-04-61-55010	105.00
Mountain View Electric Assn.	DFT0001376	07/07/2026	1000 Baptist Booster thru 06/01/26	02-04-81-55010	1,601.00
Mountain View Electric Assn.	DFT0001376	07/07/2026	300 Latrobe thru 06/01/26	02-04-85-55010	1,432.00
JPMorgan Chase Bank NA	DFT0001378	07/07/2026	Chase CC	02-01-00-58005	2,426.85
JPMorgan Chase Bank NA	DFT0001378	07/07/2026	Chase CC	02-01-00-58070	125.00
JPMorgan Chase Bank NA	DFT0001378	07/07/2026	Chase CC	02-01-00-58075	313.13
JPMorgan Chase Bank NA	DFT0001378	07/07/2026	Chase CC	02-01-00-58080	275.72
JPMorgan Chase Bank NA	DFT0001378	07/07/2026	Chase CC	02-02-00-52000	6,190.42
JPMorgan Chase Bank NA	DFT0001378	07/07/2026	Chase CC	02-02-00-53006	463.15
JPMorgan Chase Bank NA	DFT0001378	07/07/2026	Chase CC	02-02-00-53012	1,024.40
JPMorgan Chase Bank NA	DFT0001378	07/07/2026	Chase CC	02-02-00-57002	126.30
JPMorgan Chase Bank NA	DFT0001378	07/07/2026	Chase CC	02-02-47-51070	296.45
Comcast Business	12996	07/08/2026	July fiber line	02-01-00-58080	834.25
Tyler Technologies Inc	13012	07/08/2026	Insite transaction fees	02-01-00-58005	5,270.00
Service Uniform Rental	13005	07/08/2026	Uniform Maintenance 06/03/26	02-02-00-58075	147.41
Service Uniform Rental	13005	07/08/2026	Uniform Maintenance 06/10/26	02-02-00-58075	147.41
Service Uniform Rental	13005	07/08/2026	Uniform Maintenance 06/17/26	02-02-00-58075	147.41
Service Uniform Rental	13005	07/08/2026	Uniform Maintenance 06/24/26	02-02-00-58075	147.41
Usa Blue Book	13013	07/08/2026	Sulzer Scavenger Sewage Pump	02-02-00-52000	1,800.00
Wex Bank	13017	07/08/2026	June fuel expenses	02-02-00-53006	704.11
4 Rivers Equipment, Llc	12989	07/08/2026	New teeth for backhoe	02-02-00-53005	5,815.88
Radiation Pros Llc	13003	07/08/2026	Radioactive materials hauling	02-02-41-52030	11,536.94
Radiation Pros Llc	13003	07/08/2026	TENORM Program Management	02-02-41-52030	5,000.00
Utility Notification Center Of	13015	07/08/2026	June 811 calls - ID 24150	02-02-00-58075	192.56
Pinnacol Assurance	13002	07/08/2026	Worker's Compensation	02-01-00-58056	1,852.00
Timber Line Electric & Control	13009	07/08/2026	Calibration of Willow Creek Flu	02-04-93-52000	1,553.00
Hayes Poznanovic Korver Llc	13001	07/08/2026	June Legal	02-01-00-58065	4,164.25
Spheros Environmental	13006	07/08/2026	Exchange Feasibility Analyses	02-02-00-52070	995.23
CivicPlus LLC	12993	07/08/2026	Streamline- District Website	02-01-00-58075	524.00
Cummins Sales And Service	12997	07/08/2026	Planned maintenance on North	02-03-73-52000	702.00
Cummins Sales And Service	12997	07/08/2026	Planned maintenance on GenS	02-02-00-52000	1,139.00
Travelers	13010	07/08/2026	License Bond - Residuals Man	02-02-41-52030	5,821.00

Board Expense Report

Payable Dates: 7/1/2026 - 7/31/2026

Vendor Name	Payment Number	Post Date	Description (Item)	Account Number	Amount
First Citizens Bank & Trust Co	12998	07/08/2026	Lease on Kyocera copier	02-01-00-58075	194.41
Airgas Usa, Llc	12990	07/08/2026	Cylinder rental Acetylene & Ox	02-02-47-51000	95.40
Airgas Usa, Llc	12990	07/08/2026	Cylinder rental Acetylene & Ox	02-02-47-51009	89.31
Airgas Usa, Llc	12990	07/08/2026	Cylinder rental Acetylene & Ox	02-02-47-51020	82.20
Answer-Rite Telecommunicatic	12991	07/08/2026	July answering service	02-01-00-58075	148.60
Badger Meter, Inc.	12992	07/08/2026	Mobile service agreement	02-01-00-58075	4,510.62
Usic Locating Services Llc	13014	07/08/2026	June locate services	02-02-00-58075	3,207.23
Sbs Services Group Llc	13004	07/08/2026	July janitorial services	02-01-00-58075	321.50
Grainger	13000	07/08/2026	Red Pass Plus Annual Member	02-02-00-58075	129.00
Tri-Lakes Printing	13011	07/08/2026	District Letterhead	02-01-00-58005	185.00
The Loop Water Authority	13008	07/08/2026	2026- 50% Member funding cc	02-02-00-60003	274,768.50
Frontier It	12999	07/08/2026	Monthly billing July	02-01-00-58075	2,052.00
Standard Insurance Co.-Life In	13007	07/08/2026	July disability premiums	02-01-00-54420	1,371.23
Colorado Springs Utilities	12994	07/08/2026	Gas@ R.Hull thru 06/26/26	02-02-45-55030	14.91
Colorado Springs Utilities	12994	07/08/2026	Electric@ Northgate thru 06/2	02-03-73-55010	27.36
Colorado Springs Utilities	12994	07/08/2026	Gas@ Maintenance thru 06/26	02-02-43-55030	32.53
Comcast	12995	07/08/2026	Internet@ R.Hull thru 08/03/2	02-01-00-58080	145.23
Western States Fire Protection	13016	07/08/2026	Annual Inspections on Alarms,	02-02-47-52000	895.00
Angel Roofing CO LLC	13018	07/09/2026	50% Deposit for roof repairs	02-02-43-52000	825.00
Angel Roofing CO LLC	13018	07/09/2026	50% Deposit for roof repairs	02-04-01-52000	3,000.00
Angel Roofing CO LLC	13018	07/09/2026	50% Deposit for roof repairs	02-04-83-52000	1,550.00
Wayne Vanderschuere	13020	07/09/2026	Business Lunch Reimbursemen	02-01-00-58005	13.52
PVS DX, INC	13019	07/09/2026	Chlorine	02-02-45-51030	40.00
PVS DX, INC	13019	07/09/2026	Chlorine	02-02-47-51030	80.00
Lincoln Life	DFT0001379	07/15/2026	Employee 457 Contribution	02-00-00-24003	40.79
Lincoln Life	DFT0001379	07/15/2026	Employee 457 Contribution	02-02-00-24003	547.70
Lincoln Life	DFT0001380	07/15/2026	Employee 457 Contribution	02-00-00-24003	357.81
Lincoln Life	DFT0001380	07/15/2026	Employee 457 Contribution	02-02-00-24003	536.82
Lincoln Life	DFT0001381	07/15/2026	457 Contributions	02-00-00-24003	954.89
Lincoln Life	DFT0001381	07/15/2026	457 Contributions	02-02-00-24003	1,468.33
Colorado Department of Reven	DFT0001385	07/15/2026	State Income Tax Withholding	02-00-00-24001	706.25
Colorado Department of Reven	DFT0001385	07/15/2026	State Income Tax Withholding	02-02-00-24001	938.00
Internal Revenue Service	DFT0001382	07/15/2026	Social Security	02-00-00-24000	2,183.00
Internal Revenue Service	DFT0001382	07/15/2026	Social Security	02-02-00-24000	2,980.14
Internal Revenue Service	DFT0001383	07/15/2026	Medicare	02-00-00-24000	510.54
Internal Revenue Service	DFT0001383	07/15/2026	Medicare	02-02-00-24000	696.98
Internal Revenue Service	DFT0001384	07/15/2026	Federal Income Tax Withholdir	02-00-00-24002	2,498.41
Internal Revenue Service	DFT0001384	07/15/2026	Federal Income Tax Withholdir	02-02-00-24002	2,979.40
Radiation Pros Llc	13025	07/17/2026	Radioactive materials dosimet	02-02-41-52030	3,230.10
Lando Excavation LLC	13024	07/17/2026	Emergency Sewer Service Rep	02-02-00-60000	24,183.94
Spheros Environmental	13026	07/17/2026	Groundwater services and ASR	02-02-00-52070	970.00
Spheros Environmental	13026	07/17/2026	Surface water on-call	02-02-00-52070	8,400.00
Spheros Environmental	13026	07/17/2026	Accounting & Dashboard On-C	02-02-00-52070	4,422.50
Spheros Environmental	13026	07/17/2026	Exchange feasibility analyses a	02-02-00-52070	12,570.00
Axis	13021	07/17/2026	Base & usage charge Kyocera c	02-01-00-58005	100.03
Axis	13021	07/17/2026	Base & usage charge Kyocera c	02-02-00-58075	25.24
Cummins Sales And Service	13023	07/17/2026	Planned maintenance on gens	02-04-81-52000	806.00
Verizon Wireless	13028	07/17/2026	Willow Creek data plan	02-02-93-58080	239.37
Weisburg Landscape Maintena	13030	07/17/2026	July Landscaping	02-02-00-52000	2,145.00
Pilot Travel Centers LLC	DFT0001387	07/17/2026	July fuel expenses	02-02-00-53006	55.75
Tri-Lakes Printing	13027	07/17/2026	July billing	02-01-00-58005	1,446.09
Tri-Lakes Printing	13027	07/17/2026	June billing	02-01-00-58005	1,453.14
Black Hills Energy	13022	07/17/2026	Gas@ Homeland Ct thru 07/09	02-02-41-55030	27.91
Black Hills Energy	13022	07/17/2026	Gas@ Holbein thru 07/09/26	02-02-47-55030	29.68
Black Hills Energy	13022	07/17/2026	Gas@ Pauma Valley thru 07/0	02-02-49-55030	31.46
Black Hills Energy	13022	07/17/2026	Gas@ Red Fox Ln thru 07/09/2	02-04-19-55030	26.74
Black Hills Energy	13022	07/17/2026	Gas@ Jessie Dr. thru 07/09/26	02-04-83-55030	26.74
Wayne Vanderschuere	13029	07/17/2026	Reimbursement for business lur	02-01-00-58005	10.48
Colorado Springs Utilities	DFT0001388	07/17/2026	Water Regional System Availa	02-04-91-59900	15,294.47
Colorado Department of Reven	DFT0001392	07/21/2026	State Income Tax Withholding	02-02-00-24001	184.00

Board Expense Report

Payable Dates: 7/1/2026 - 7/31/2026

Vendor Name	Payment Number	Post Date	Description (Item)	Account Number	Amount
Internal Revenue Service	DFT0001389	07/21/2026	Social Security	02-02-00-24000	582.92
Internal Revenue Service	DFT0001390	07/21/2026	Medicare	02-02-00-24000	136.34
Internal Revenue Service	DFT0001391	07/21/2026	Federal Income Tax Withholdir	02-02-00-24002	485.48
Internal Revenue Service	13040	07/24/2026	Tax penalties for 09/30/25	02-01-00-54210	2,251.26
Angel Roofing CO LLC	13031	07/24/2026	Roof Repairs	02-02-00-52000	9,275.00
Angel Roofing CO LLC	13031	07/24/2026	Roof Repairs	02-02-45-52000	1,750.00
Aura Sub LLC	13037	07/24/2026	Identity protection	02-01-00-54430	140.00
PVS DX, INC	13041	07/24/2026	Chlorine	02-02-47-51030	818.55
PVS DX, INC	13041	07/24/2026	Chlorine & caustic soda	02-02-45-51009	0.25
PVS DX, INC	13041	07/24/2026	Chlorine & caustic soda	02-02-45-51015	2,990.43
PVS DX, INC	13041	07/24/2026	Chlorine & caustic soda	02-02-45-51030	264.79
PVS DX, INC	13041	07/24/2026	Chlorine & caustic soda	02-02-45-51080	247.45
Hawkins, Inc.	13039	07/24/2026	HMO chemical	02-02-47-51080	3,151.06
Pilot Travel Centers LLC	DFT0001400	07/24/2026	Fuel expenses	02-02-00-53006	223.20
Comcast	13038	07/24/2026	Internet@ Maintenance thru	02-01-00-58080	145.23
Lincoln Life	DFT0001393	07/31/2026	Employee 457 Contribution	02-00-00-24003	40.79
Lincoln Life	DFT0001393	07/31/2026	Employee 457 Contribution	02-02-00-24003	547.70
Lincoln Life	DFT0001394	07/31/2026	Employee 457 Contribution	02-00-00-24003	378.11
Lincoln Life	DFT0001394	07/31/2026	Employee 457 Contribution	02-02-00-24003	730.31
Lincoln Life	DFT0001395	07/31/2026	457 Contributions	02-00-00-24003	1,006.67
Lincoln Life	DFT0001395	07/31/2026	457 Contributions	02-02-00-24003	2,035.05
Colorado Department of Reven	DFT0001399	07/31/2026	State Income Tax Withholding	02-00-00-24001	630.02
Colorado Department of Reven	DFT0001399	07/31/2026	State Income Tax Withholding	02-02-00-24001	1,185.00
Internal Revenue Service	DFT0001396	07/31/2026	Social Security	02-00-00-24000	1,954.96
Internal Revenue Service	DFT0001396	07/31/2026	Social Security	02-02-00-24000	3,696.72
Internal Revenue Service	DFT0001397	07/31/2026	Medicare	02-00-00-24000	457.26
Internal Revenue Service	DFT0001397	07/31/2026	Medicare	02-02-00-24000	864.54
Internal Revenue Service	DFT0001398	07/31/2026	Federal Income Tax Withholdir	02-00-00-24002	2,118.62
Internal Revenue Service	DFT0001398	07/31/2026	Federal Income Tax Withholdir	02-02-00-24002	4,070.81
Fund 02 - Water Fund Total:					\$ 540,751.64

Board Expense Report

Payable Dates: 7/1/2026 - 7/31/2026

Vendor Name	Payment Number	Post Date	Description (Item)	Account Number	Amount
Fund: 03 - Wastewater Fund					
JPMorgan Chase Bank NA	DFT0001375	07/07/2026	Chase CC	03-50-00-51070	265.89
JPMorgan Chase Bank NA	DFT0001375	07/07/2026	Chase CC	03-50-00-52000	11,869.95
JPMorgan Chase Bank NA	DFT0001375	07/07/2026	Chase CC	03-50-00-55020	2,217.74
JPMorgan Chase Bank NA	DFT0001375	07/07/2026	Chase CC	03-50-00-58005	362.63
JPMorgan Chase Bank NA	DFT0001375	07/07/2026	Chase CC	03-50-00-58070	50.00
JPMorgan Chase Bank NA	DFT0001375	07/07/2026	Chase CC	03-50-00-58080	160.00
Mountain View Electric Assn.	DFT0001377	07/07/2026	6200 New Building thru 06/01/	03-50-00-55010	15,689.00
Mountain View Electric Assn.	DFT0001377	07/07/2026	5102 Old Building thru 06/01/	03-50-00-55010	4,878.00
Mountain View Electric Assn.	DFT0001377	07/07/2026	0900 W.W. Metering thru 06/01/	03-50-00-55010	56.00
JPMorgan Chase Bank NA	DFT0001378	07/07/2026	Chase CC	03-50-00-51070	139.49
JPMorgan Chase Bank NA	DFT0001378	07/07/2026	Chase CC	03-50-00-52000	38.61
JPMorgan Chase Bank NA	DFT0001378	07/07/2026	Chase CC	03-50-00-53006	508.83
JPMorgan Chase Bank NA	DFT0001378	07/07/2026	Chase CC	03-50-00-53012	389.92
JPMorgan Chase Bank NA	DFT0001378	07/07/2026	Chase CC	03-50-00-55020	2,548.94
JPMorgan Chase Bank NA	DFT0001378	07/07/2026	Chase CC	03-50-00-58005	384.24
JPMorgan Chase Bank NA	DFT0001378	07/07/2026	Chase CC	03-50-00-58070	949.00
JPMorgan Chase Bank NA	DFT0001378	07/07/2026	Chase CC	03-50-00-58080	160.00
Waste Management	12449	07/08/2026	June screenings hauls	03-50-00-52020	2,941.34
Service Uniform Rental	12446	07/08/2026	Uniform Maintenance 06/03/20	03-50-00-58075	141.48
Service Uniform Rental	12446	07/08/2026	Uniform Maintenance 06/10/20	03-50-00-58075	141.48
Service Uniform Rental	12446	07/08/2026	Uniform Maintenance 06/17/20	03-50-00-58075	141.48
Service Uniform Rental	12446	07/08/2026	Uniform Maintenance 06/24/20	03-50-00-58075	141.48
Pikes Peak Culligan	12443	07/08/2026	Drinking Water Rental	03-50-00-58075	87.64
Usa Blue Book	12448	07/08/2026	Pipet Tip/ Glass Fiber Filter/ Di	03-50-00-51060	309.51
Denali Water Solutions Llc	12439	07/08/2026	Sludge hauls week ending 06/10/	03-50-00-52020	1,066.54
Denali Water Solutions Llc	12439	07/08/2026	Sludge hauls week ending 06/17/	03-50-00-52020	1,154.14
Law Firm Of Connie H. King, Llc	12441	07/08/2026	June professional services	03-50-00-52060	1,475.00
Mad Sea Solutions	12442	07/08/2026	June landscaping	03-50-00-52000	1,752.65
Pilot Travel Centers LLC	DFT0001386	07/08/2026	July fuel expenses	03-50-00-53006	63.76
Sbs Services Group Llc	12445	07/08/2026	July janitorial services	03-50-00-58075	223.50
Frontier It	12440	07/08/2026	Monthly billing July	03-50-00-58075	1,085.00
Standard Insurance Co.-Life In	12447	07/08/2026	July disability premiums	03-50-00-54420	492.72
Clerk of the Combined Court	12438	07/08/2026	Mandatory Employee Deductio	03-50-00-24007	150.00
Rampart Plumbing & Supply	12444	07/08/2026	PVC S80 Couplings x 6	03-50-00-52000	44.98
Rampart Plumbing & Supply	12444	07/08/2026	PVC80 SXT Bushing x 6	03-50-00-52000	39.72
Angel Roofing CO LLC	12450	07/09/2026	Deposit for roof repairs	03-50-00-52000	3,900.00
Lincoln Life	DFT0001379	07/15/2026	Employee 457 Contribution	03-50-00-24003	13.59
Lincoln Life	DFT0001380	07/15/2026	Employee 457 Contribution	03-50-00-24003	1,213.11
Lincoln Life	DFT0001381	07/15/2026	457 Contributions	03-50-00-24003	1,598.62
Colorado Department of Revenue	DFT0001385	07/15/2026	State Income Tax Withholding	03-50-00-24001	940.75
Internal Revenue Service	DFT0001382	07/15/2026	Social Security	03-50-00-24000	2,988.88
Internal Revenue Service	DFT0001383	07/15/2026	Medicare	03-50-00-24000	699.00
Internal Revenue Service	DFT0001384	07/15/2026	Federal Income Tax Withholdir	03-50-00-24002	2,916.75
Usa Blue Book	12456	07/17/2026	Lab supplies	03-50-00-51060	246.10
Usa Blue Book	12456	07/17/2026	Ammonia Test Kits	03-50-00-51060	190.78
Denali Water Solutions Llc	12452	07/17/2026	Sludge hauls week ending 07/01/	03-50-00-52020	2,513.27
Denali Water Solutions Llc	12452	07/17/2026	Sludge hauls dated 07/16/26	03-50-00-52020	2,448.73
Z&M Enterprise, LLC	12457	07/17/2026	UV bulbs	03-50-00-52000	13,566.91
Garrison Minerals Llc	12454	07/17/2026	Magnesium Hydroxide Slurry	03-50-00-51011	9,363.20
T-Mobile	12455	07/17/2026	Employee cell phones & tablet	03-50-00-58080	520.98
Forest Lakes Metropolitan Dist	12453	07/17/2026	June potable water	03-50-00-55010	49.68
Century Link	12451	07/17/2026	Internret@ Waste Plant	03-50-00-58080	285.58
Colorado Department of Revenue	DFT0001392	07/21/2026	State Income Tax Withholding	03-50-00-24001	511.00
Internal Revenue Service	DFT0001389	07/21/2026	Social Security	03-50-00-24000	1,551.20
Internal Revenue Service	DFT0001390	07/21/2026	Medicare	03-50-00-24000	362.80
Internal Revenue Service	DFT0001391	07/21/2026	Federal Income Tax Withholdir	03-50-00-24002	1,729.98
Pueblo Bearing Service	12462	07/24/2026	Small boare seals x 6	03-50-00-52000	113.86
Pueblo Bearing Service	12462	07/24/2026	Seals x 12	03-50-00-52000	147.02
Denali Water Solutions Llc	12461	07/24/2026	Sludge hauls week ending 07/10/	03-50-00-52020	1,200.37

Board Expense Report
Payable Dates: 7/1/2026 - 7/31/2026

Vendor Name	Payment Number	Post Date	Description (Item)	Account Number	Amount
Aura Sub LLC	12458	07/24/2026	Identity protection	03-50-00-54430	30.00
Co Analytical Labs, Inc.	12460	07/24/2026	Water tests dated 07/08/26	03-50-00-51070	271.00
Co Analytical Labs, Inc.	12460	07/24/2026	Water tests dated 07/15/26	03-50-00-51070	1,274.00
Clerk of the Combined Court	12459	07/24/2026	Mandatory employee deduction	03-50-00-24007	150.00
Lincoln Life	DFT0001393	07/31/2026	Employee 457 Contribution	03-50-00-24003	13.59
Lincoln Life	DFT0001394	07/31/2026	Employee 457 Contribution	03-50-00-24003	1,210.42
Lincoln Life	DFT0001395	07/31/2026	457 Contributions	03-50-00-24003	1,564.41
Colorado Department of Reven	DFT0001399	07/31/2026	State Income Tax Withholding	03-50-00-24001	974.98
Internal Revenue Service	DFT0001396	07/31/2026	Social Security	03-50-00-24000	3,084.64
Internal Revenue Service	DFT0001397	07/31/2026	Medicare	03-50-00-24000	721.36
Internal Revenue Service	DFT0001398	07/31/2026	Federal Income Tax Withholdir	03-50-00-24002	3,078.38
Fund 03 - Wastewater Fund Total:					\$ 113,565.60

**A RESOLUTION OF THE BOARD OF DIRECTORS OF DONALA WATER & SANITATION
DISTRICT WITHDRAWING FROM PARTICIPATION IN THE LOOP WATER
AUTHORITY/LOOP PROJECT MEMORANDUM OF UNDERSTANDING**

RESOLUTION NO. 2026-6

WHEREAS, DONALA WATER & SANITATION DISTRICT (“Donala”) is a quasi-municipal corporation and political subdivision of the State of Colorado, organized pursuant to Article 1, Title 32, C.R.S.; and

WHEREAS, on or about April 14, 2022, Donala entered into a Memorandum of Understanding (“MOU”) with Woodmoor Water & Sanitation District, Cherokee Metropolitan District, and the Town of Monument (collectively, the “Parties”) for the purpose of exploring and advancing the design of a regional water transmission and storage project known as the “Loop Project”; and

WHEREAS, Section 7 of the MOU provides that the MOU shall automatically renew each year, but further provides that any Party may terminate its participation in the MOU if it fails to make an annual appropriation of funds necessary for its obligations, with notice to the other Parties to be provided to the extent practicable; and

WHEREAS, after careful consideration of the financial obligations associated with continued participation in the Loop Project, Donala’s Board of Directors has determined that the costs are not sustainable for the District and it is in the best interests of Donala, its customers, and its taxpayers to withdraw from further participation; and

WHEREAS, Donala intends to comply with all notice and procedural requirements as set forth in the MOU and applicable Colorado law, and to formally provide written notice to the other Parties of its withdrawal as required;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DONALA WATER & SANITATION DISTRICT AS FOLLOWS:

1. Withdrawal and Non-Appropriation

The Board hereby determines and declares that Donala will not appropriate funds for continued participation in the Loop Project for the remainder of the 2026 fiscal year, and accordingly Donala’s participation in the MOU and all related Loop Project activities shall terminate by October 31, 2026.

2. Notice to Other Parties

District staff and legal counsel are directed to deliver written notice of this withdrawal and non-appropriation to all other Parties to the MOU at least sixty (60) days prior to the effective date of withdrawal, or as soon as practicable.

3. No Further Obligation

Upon the effective date of termination, Donala shall have no further financial or administrative obligations under the MOU or with respect to the Loop Project, except as may be required to conclude its participation and resolve any outstanding matters as of October 31, 2026.

4. Compliance with Colorado Law

This Resolution is adopted pursuant to and in accordance with Title 32, C.R.S., and all other applicable provisions of Colorado law.

5. Authorization

The District's officers, staff, and legal counsel are authorized and directed to take all actions necessary or desirable to carry out the intent of this Resolution, including providing notice as required by the MOU and coordinating with the other Parties to effectuate withdrawal.

ADOPTED AND APPROVED this __ day of _____, 2026, by the Board of Directors of Donala Water & Sanitation District.

Wayne Vanderschuere, President

ATTEST:

Kevin Deardorff, Treasurer Secretary

Donala Water and Sanitation District Community Survey
MAGELLAN ID: CODONALA-WATER-071526
Field Dates: TBD

Interview Goal = 400n
+/- 4.74% MoE

The Donala Water & Sanitation District (Donala) invites you to participate in an important community survey. Donala serves nearly 2,500 households. Because our primary water source is finite, we are evaluating options to help ensure a reliable, long-term water supply for the community.

If you have any questions about this survey, please contact the District at (XXX) XXX-XXXX or by email at XXXXXX.

- T1. For statistical purposes only, can you please verify that you are a customer of Donala Water & Sanitation District?

Yes-1

No-2 I am sorry, but this survey is only for customers of Donala Water & Sanitation District. Thank you for your time and have a good day.

- T2. How would you rate the Donala Water & Sanitation District's service and reliability?

Excellent-1

Good-2

Fair-3

Poor-4

Unsure or No Opinion-5

- T3. How would you rate the value of Donala Water & Sanitation District's services for the cost?

Excellent-1

Good-2

Fair-3

Poor-4

Unsure or No Opinion-5

- T4. How would you rate Donala Water & Sanitation District's water quality?

Excellent-1

Good-2

Fair-3

Poor-4

Unsure or No Opinion-5

- T5. Do you agree or disagree with the following statement: "Donala Water & Sanitation District will be able to provide long-term water solutions for my community."

Strongly Agree-1

Somewhat Agree-2

Somewhat Disagree-3

Strongly Disagree-4

Unsure or No Opinion-5

- T6. We will now share with you information regarding Donala Water & Sanitation District's water supply. After reading each statement, please indicate how familiar this information is to you, with 1 being most familiar and 5 being least familiar.

[Likert scale 1 – 5]

Groundwater refers to water that is found underground in natural rock formations called aquifers.

These underground aquifers are used faster than it is naturally replenished.

About 70% of Donala's water source is from these underground aquifers.

Currently, there are more than 33,000 wells pulling water from these underground aquifers.

Water engineers and scientists believe that the wells in the underground aquifers will begin to dry up over the next several decades.

Donala is evaluating opportunities to acquire water from rivers, lakes, and reservoirs where feasible and cost-effective.

Water from surface sources such as rivers and reservoirs requires significant ongoing investments in treatment facilities and pipelines to deliver water to customers and ensure it's safe to drink.

We will now share with you some specific factors that affect our community's water supply today and into the future. Please tell us how important each factor is to you personally, with 1 being most important and 5 being least important.

[Likert scale 1 – 5]

- T7. A 2025 independent study by El Paso County found that the underground aquifers (our community's primary water source) is being drawn down faster than it is being replenished.
- T8. The 3rd-party, data-driven study also found that while the aquifers continue to meet community needs, continued primary reliance on it is expected to increase long-term costs and reduce future reliability.
- T9. Many water experts recommend that communities that rely primarily on underground aquifers evaluate long-term water supplies and secure additional water sources.



- T10. While this isn't an immediate crisis, the community can choose to plan and pursue additional water supplies and necessary infrastructure before it becomes more limited or more expensive to acquire.
- T11. Beginning the transition to additional water sources now may help provide a more reliable long-term water supply.
- T12. As our community and region continue to grow, suitable land for developing new wells is becoming more limited, making it more difficult to expand underground aquifer water supplies in the future.
- T13. Developing new underground aquifer water supplies may require additional treatment to meet drinking water standards, increasing the cost and complexity of bringing new wells into service.

Thinking now about the risks of inaction...

- T13. The following categories outline the risks of inaction in not activating a diversified water supply. For each category, please indicate how concerning it is to you on a scale from 1 to 10, with a 10 meaning Very Concerning, and a 1 meaning Not Concerning at All.
- A. Supply Risk: Continued aquifer drawdown limiting future water supply.
 - B. Cost Risk: Delayed inaction leads to higher infrastructure costs, more expensive water rights acquisition, and emergency-driven decisions rather than planned investments.
 - C. Loss of Local Control: Communities may be forced to rely on third parties, enter into less favorable agreements, or lose control over water resources.
 - D. Intergenerational Equity: Future generations inherit a reduced range of supply options and higher costs.

Thinking now about the benefits of activating a diversified water supply

- T14. We would like to understand what matters most to you when it comes to your community's water supply. For each of the following statements, please rate how important each is to you personally, on a scale of 1 to 5....

Having reliable water I can count on every day.

Keeping the overall cost of water service as affordable as possible.

Ensuring our community has a reliable water supply for the long term.

Making sure future generations in our community have access to safe, reliable, and affordable water.



Maintaining the District's ability to make its own decisions about our community's future water supply.

Acquiring additional water resources before future options become more limited or more expensive

Investing in infrastructure to maintain a reliable water system for the future.

Thinking now about a potential future property tax increase to fund the investments...

T15. The District is evaluating options for funding future water supply and infrastructure investments. One option under consideration is a property tax increase because water rate increases alone may not fully fund these capital improvements. Knowing this, would you support a property tax increase to help fund these investments?

Strongly Support;-1
 Somewhat Support;-2
 Somewhat Oppose;-3
 Strongly Oppose;-4
 Unsure;-5

T16. The District is evaluating options for funding future water supply and infrastructure investments. One option under consideration is increasing the District's debt limit so the cost of these capital improvements can be financed over time. Knowing this, would you support a debt limit increase to help fund these investments?

Strongly Support;-1
Somewhat Support;-2
Somewhat Oppose;-3
Strongly Oppose;-4
Unsure;-5

T17. Do you have any additional thoughts or opinions that you would like to share with Donala Water and Sanitation District?

TEXT BOX

Now we have a few questions for statistical purposes only.

T18. Which gender do you most identify with?

Male-1
 Female-2
 Another gender identity-3



Magellan ID#: CODONALA-WATER-090424 Donala Water and Sanitation District Community Survey
Field Dates: TBD
Interview Goal: 400n, +/- 4.74% MoE

Prefer not to answer-4

T19. Are you between the ages of:

- 18 to 34-1
- 35 to 44-2
- 45 to 54-3
- 55 to 64-4
- 65 or Older-5

T20. How would you describe your household income?

- Less than \$75,000-1
- \$75,000 to \$149,999-2
- \$150,000 to \$199,999-3
- More than \$200,000-4
- Prefer Not to Say-5

The Donala Water and Sanitation District thanks you for participating in this important survey. Have a good day.





August 10, 2026

John Kuosman, DWSD General Manager
15850 Holbein Drive
Colorado Springs, CO 80921

Re: Arkansas River and Fountain Creek Exchange Potential Assessment by Hydrologic Water Year Type

Dear John,

This summary letter is to provide you and the Donala Water and Sanitation ("Donala") Board with a brief overview of the additional exchange analyses performed by Spheros Environmental at your request.

Purpose and Objectives

Donala is currently evaluating surface water conveyance alternatives for its existing surface water supplies. In support of these efforts, Spheros Environmental has previously performed multiple iterations of exchange potential analyses on Fountain Creek and the Arkansas River, evaluating the exchange potential of its surface water supplies and reusable return flows from various direct-flow and storage release points. Spheros Environmental has subsequently performed a specific review of the exchange feasibility of Donala's stored Willow Creek water rights and Donala's direct-flow Laughlin water rights based on hydrologic water year type.

Analysis and Hydrologic Framework

The designation of hydrologic water year type ("Water Year") is used to assess the annual water conditions based on accumulated precipitation and runoff. The designations are typically categorized as "Wet", "Dry", or "Average" and may be utilized by municipalities and water users for future infrastructure planning and decision-making purposes such as conveyance, treatment, and/or delivery methodology determination, reservoir capacity sizing, etc.

For this analysis, the water year assessment was based on stream flow data from the Fountain Creek near Colorado Springs gauge. This gauge was selected because the exchanges analyzed rely mostly on the hydrologic conditions of Fountain Creek, and this gauge is consistently relied upon by the Water Division 2 Division Engineer for Arkansas River Compact administration.

The annual measured stream flow for 1976-2024 was organized in order of highest annual flow to lowest annual flow and the designation of Wet, Dry, and Average was assigned to each year proportionally within that period of record. The scenarios analyzed include:

- 1) Willow Creek water rights previously stored in Pueblo Reservoir, released from Pueblo Reservoir, conveyed to the Arkansas River/Fountain Creek Confluence, and then exchange from said confluence to the Upper Monument Creek Regional Wastewater Treatment Facility ("UMCR WWTF"). Results are summarized in accompanying [Table 1](#).

- 2) Laughlin Ditch water rights diverted at the Fountain Mutual Irrigation Canal ("FMIC") headgate, quantified and returned to Fountain Creek through the Spring Creek Augmentation Station ("SC Aug Station"), and then exchanged from said station to UMCRR WWTF. Results are summarized in accompanying [Table 2](#).

Findings

The average, maximum, and minimum exchange potential for each exchange scenario and water year type is summarized in [Table 3](#) below. These results consider current Colorado DWR administrative practices and guidelines and are reflective of readily available historical diversion, streamflow, and call record data¹.

Table 3. Annual Exchange Potential by Hydrologic Water Year Type, annual acre-ft

Annual Exchange Potential	Water Source / Water Year Type, Annual Acre-feet					
	Willow Creek WRs Exchange			Laughlin WRs Exchange		
	Dry	Average	Wet	Dry	Average	Wet
Average	1,309	2,995	9,391	138	191	263
Maximum	2,720	7,919	17,123	215	272	310
Minimum	208	337	4,059	59	103	172

Exchange Potential

When analyzing the table above, except for the driest year in the study period, there appears to be adequate exchange potential to move the Willow Creek water rights to the studied intake location just below the UMCRR WWTF. On average, nearly 3,000 acre-feet ("af") of exchange potential is available throughout the year, with a minimum of 208 af/yr being available in the driest year analyzed.

When analyzing the exchange potential of the Laughlin water rights, the average exchange potential to move the water rights from the SC Aug Station outlet to the studied intake location is approximately 191 af/yr, and the driest year yield of the study period is estimated to be approximately 59 af/yr.

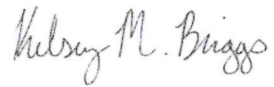
Recommendations and Next Steps

It is Spheros Environmental's recommendation to continue considering both exchange scenarios in planning future conveyance options for its surface water rights. We believe, based on the conditions analyzed, the Willow Creek exchange scenario demonstrates more than adequate exchange potential in wet and average years and most dry years. The Laughlin Ditch scenario, limited by its direct-flow capabilities, demonstrates low dry-year exchange potential; however, during average and wet years, and some dry years, the exchange potential is sufficient to meet the approximate 90 af supply gap between Donala's other surface water supplies and Donala's municipal demand, and, when these very dry years occur, the Laughlin exchange may be utilized in conjunction with Donala's Denver Basin Groundwater to meet its demands.

¹ While these estimates were derived utilizing historical trends and river operations, these projections are subject to river condition and administrative variability and cannot be considered firm yields.

Sincerely,

Spheros Environmental



Kelsey Briggs, P.E.
Project Manager



Carly Bonwell, M.Sc
Technical Water Rights Professional

Table 1

Willow Creek Water Rights Stored in Pueblo Reservoir
Exchange-from Arkansas/Fountain Confluence to Pipeline below Upper Monument Creek WWTF on Monument Creek
Total Volume of Exchange Potential Available
Units: Monthly Acre-Feet

Yr/Mo	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2006				45	-	-	1,088	115	459	546	467	-	2,720
2007	-	-	1,689	3,784	5,652	1,243	513	1,034	160	202	101	-	14,379
2008	-	-	320	777	638	98	0	447	69	44	26	-	2,418
2009	-	-	227	1,560	1,857	1,490	399	102	155	73	139	-	6,002
2010	-	-	233	3,447	2,914	532	286	471	29	1	5	-	7,919
2011	-	-	36	239	243	69	4	44	100	39	28	-	803
2012	-	-	1	160	28	-	10	-	8	-	-	-	208
2013	-	-	-	9	217	-	4	414	1,278	280	89	-	2,291
2014	-	-	-	624	881	462	105	97	5	193	22	-	2,387
2015	-	-	328	1,366	10,078	2,912	1,438	613	89	160	139	-	17,123
2016	-	-	355	2,936	3,802	1,527	505	229	99	51	19	-	9,524
2017	-	-	187	749	1,907	702	149	224	104	35	1	-	4,059
2018	-	-	15	81	196	1	-	36	6	1	-	-	337
2019	-	-	238	599	434	178	430	128	7	7	3	-	2,025
2020	-	-	170	255	169	54	26	-	-	-	-	-	674
2021	-	-	68	267	1,299	318	181	174	4	15	-	-	2,327
2022	-	-	29	2	117	42	35	172	-	-	-	-	397
2023	-	-	-	42	2,725	2,798	688	462	239	118	60	-	7,132
2024	-	-	425	1,278	2,020	239	118	4	10	1	31	-	4,127
06-'24													
Avg	-	-	240	959	1,852	667	315	251	149	93	59	-	4,571
Max	-	-	1,689	3,784	10,078	2,912	1,438	1,034	1,278	546	467	-	17,123
Min	-	-	-	2	-	-	-	-	-	-	-	-	208
Dry Yr													
Avg	-	-	96	245	205	42	228	155	127	126	104	-	1,309
Max	-	-	320	777	638	98	1,088	447	459	546	467	-	2,720
Min	-	-	1	2	-	-	0	-	-	-	-	-	208
Avg Yr													
Avg	-	-	119	855	996	379	179	178	186	71	32	-	2,995
Max	-	-	238	3,447	2,914	1,490	430	471	1,278	280	139	-	7,919
Min	-	-	-	9	169	-	-	-	-	-	-	-	337
Wet Yr													
Avg	-	-	497	1,693	4,364	1,570	569	428	117	94	58	-	9,391
Max	-	-	1,689	3,784	10,078	2,912	1,438	1,034	239	202	139	-	17,123
Min	-	-	-	42	1,907	239	118	4	10	1	1	-	4,059

Notes:

- (1) Constraining factor for consideration: Because the water rights are stored in Pueblo Reservoir, the exchanges involving the Willow Creek water rights are limited to time periods outside of the Winter Water Storage Program ("WWSP"), which occurs November 15th through March 14th; therefore, Donala will need to rely upon other sources of supply or its convey/treat/deliver contract with Colorado Springs Utilities during this period of time.
- (2) Exchange Volume Limited by a Minimum Daily Rate of 5 cfs in Monument Creek and 10 cfs in Fountain Creek
- (3) Water Year Designation: Years highlighted in red are considered Dry years; years highlighted in yellow are considered Average years; and years highlighted in green are considered Wet years.

Table 2

Laughlin Direct Flow Water Rights
Exchange-from Spring Creek Aug Station to Pipeline below Upper Monument Creek WWTF on Monument Creek
Total Volume of Exchange Potential Available

Units: Monthly Acre-Feet

Yr/Mo	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2006	-	-	-	23	1	-	36	23	22	38	19	15	175
2007	-	-	11	43	50	36	39	40	20	36	19	16	310
2008	-	-	11	43	50	23	2	26	14	15	16	16	215
2009	-	-	11	43	50	36	39	24	14	28	19	8	272
2010	-	-	11	43	50	36	39	40	8	1	14	16	259
2011	-	-	9	43	50	30	4	6	3	11	9	1	165
2012	-	-	1	41	32	-	1	-	2	-	-	-	77
2013	-	-	-	10	50	3	2	13	16	38	18	5	154
2014	-	-	-	43	50	34	17	19	2	28	14	-	207
2015	-	-	11	43	50	36	39	40	15	38	19	16	307
2016	-	-	11	43	50	36	39	40	20	36	15	6	296
2017	-	-	11	43	50	36	19	40	13	26	4	1	244
2018	-	-	5	41	50	1	-	3	2	1	-	-	103
2019	-	-	11	43	50	36	33	27	4	4	3	0	211
2020	-	-	11	43	42	22	19	-	1	-	-	-	138
2021	-	-	10	35	50	36	30	11	1	11	-	-	185
2022	-	-	6	3	21	12	4	13	-	-	-	-	59
2023	-	-	-	7	36	36	39	40	20	34	19	16	247
2024	-	-	11	43	50	26	15	6	1	1	8	10	172
06-'24													
Avg	-	-	8	36	44	25	22	21	9	18	10	7	200
Max	-	-	11	43	50	36	39	40	22	38	19	16	310
Min	-	-	-	3	1	-	-	-	-	-	-	-	59
Dry Yr													
Avg	-	-	5	31	31	13	9	14	8	13	9	6	138
Max	-	-	11	43	50	30	36	26	22	38	19	16	215
Min	-	-	-	3	1	-	1	-	-	-	-	-	59
Avg Yr													
Avg	-	-	8	38	49	26	22	17	6	14	8	4	191
Max	-	-	11	43	50	36	39	40	16	38	19	16	272
Min	-	-	-	10	42	1	-	-	1	-	-	-	103
Wet Yr													
Avg	-	-	10	37	48	35	32	34	15	28	14	11	263
Max	-	-	11	43	50	36	39	40	20	38	19	16	310
Min	-	-	-	7	36	26	15	6	1	1	4	1	172

Notes:

- (1) Constraining factor for consideration: The Laughlin exchange is not within the river reach of the WWSP, and therefore, is not subject to its winter exchange curtailment; however, because these water rights are direct-flow rights and are not currently decreed for storage, the exchange potential is limited to its daily release rate at the SC Aug Station during the irrigation season. In addition, because this is a direct flow right, at times when the exchange conditions have not been met, this water right must be leased to downstream users instead of being utilized in Donala's service area.
- (2) Exchange Volume Limited by a Minimum Daily Rate of 5 cfs in Monument Creek and 10 cfs in Fountain Creek
- (3) Water Year Designation: Years highlighted in red are considered Dry years; years highlighted in yellow are considered Average years; and years highlighted in green are considered Wet years.

Donala Water & Sanitation District

General Manager's Report

August 2026 Board Meeting

1) Water for Tomorrow Program and Public Outreach

The District continues to advance the **Water for Tomorrow (W4T) Program**, which serves as the framework for evaluating long-term water resiliency alternatives and communicating future water supply challenges, opportunities, and investment decisions to customers and stakeholders. The program is intended to establish a scalable pathway for transitioning from a water supply portfolio heavily dependent on Denver Basin groundwater toward a more diversified and sustainable portfolio of renewable water resources while preserving local control, operational flexibility, affordability, and reliability.

During the reporting period, staff worked closely with **Public Alignment Communications (PAC)** and **Magellan Strategies** to develop a draft community survey intended to measure customer perspectives regarding water reliability, long-term planning priorities, infrastructure investment, and potential funding approaches. The survey will provide a quantitative baseline regarding customer awareness, concerns, priorities, and preferences prior to broader public education and outreach initiatives. Results will assist the District in refining communication materials, identifying information gaps, and evaluating customer understanding of long-term water resiliency challenges and opportunities.

The draft survey includes questions concerning:

- Customer satisfaction with District service, reliability, value, and water quality.
- Community understanding of Denver Basin groundwater and aquifer sustainability challenges.
- Awareness of future water supply reliability considerations.
- Views regarding risks associated with maintaining a predominantly groundwater-dependent supply portfolio.
- Customer priorities related to affordability, reliability, local control, and intergenerational stewardship.
- Potential support for property tax and debt authorization measures that could be used to fund future water supply and infrastructure investments.

Staff has provided the draft survey to the Board for preliminary review and discussion. Following consultant and Board feedback, the survey instrument will be finalized and prepared for deployment. Staff anticipates presenting a comprehensive outreach schedule and engagement plan as W4T activities continue to advance.

In parallel, staff has developed a draft **Request for Proposals (RFP) for Owner's Representative and Program Management Services** to support the next phase of the Water for Tomorrow Program. Subject to Board direction, staff may seek authorization to redirect capital funding previously budgeted for Loop Water Authority activities toward procurement of specialized program management services intended to establish the foundational planning framework for W4T implementation.

The proposed procurement would seek a qualified Program Manager to serve as the District's integrated owner's representative and coordinate technical, regulatory, financial, communications, planning, and stakeholder efforts across multiple consultants supporting the Program. The initial assignment would focus on development of a comprehensive **W4T Program Plan** anticipated for completion by March 2027. The Program Plan would establish a coordinated roadmap addressing:

- Water supply and infrastructure planning assumptions.
- Regulatory and permitting strategies.
- Public education and community engagement frameworks.
- Financial planning and funding strategies.
- Program governance and decision-making processes.
- Capital implementation sequencing and scheduling.
- Risk management and performance metrics.
- Long-term implementation pathways for renewable water development.

The proposed Program Manager would also be responsible for integrating work performed by the District's current consulting team, including GMS, Plummer Associates, Spheros Environmental, Magellan Strategies, and Public Alignment Communications, into a unified program strategy supporting future decision-making by the Board. The procurement is structured to provide flexibility for future phases while preserving continuity of program leadership and institutional knowledge as the District evaluates complex water resource, treatment, reuse, storage, and conveyance alternatives.

Staff anticipates discussing the proposed procurement strategy, funding considerations, and program management approach with the Board during upcoming Water for Tomorrow planning discussions. The overall objective remains to provide a transparent, data-driven framework for evaluating long-term water resiliency alternatives while maintaining affordability, local control, and reliable service to District customers.

2) Watershed Protection, Willow Creek Ranch, and Water Rights

District staff continues to monitor conditions associated with the Willow Fire and coordinate with local, state, and federal agencies regarding impacts to District property and watershed resources. Current information provided through incident management agencies indicates the Willow Fire has reached approximately 7,533 acres, is about 2/3 contained, and **remains an active incident**.

The Lake County Sheriff's Office and Wyoming Incident Management Team 3 recently reassessed fire conditions, weather forecasts, and suppression progress and reduced evacuation restrictions affecting portions of the area. Zones previously under pre-evacuation status have been returned to normal status. While these changes reflect improved conditions, the Willow Fire remains an active incident, and District staff continues to monitor developments and maintain communication with incident management personnel.

During the reporting period, the District entered into an active **Land Use Agreement (LUA)** with the United States Forest Service to support ongoing wildfire response operations and activities occurring within the affected area. This coordination has allowed District property and access considerations to be incorporated into incident management activities while maintaining communication regarding operational needs and future recovery efforts.

Once the wildfire is fully contained and incident management activities conclude, the District intends to coordinate with the United States Forest Service, the Arkansas River Watershed Collaborative, and other relevant agencies to complete a comprehensive post-fire site assessment. The assessment will evaluate:

- Watershed impacts and erosion risks
- Vegetation loss and restoration opportunities
- Access and infrastructure conditions
- Sediment transport and water quality concerns
- Potential watershed protection and mitigation measures

The objective of this effort will be to identify practical and cost-effective actions necessary to protect source water quality, preserve watershed function, and reduce long-term operational risks associated with post-fire runoff conditions.

Based on current assessments and available information, **staff does not anticipate utilizing the \$280,000 budgeted in the 2026 Capital Improvement Program for wildfire mitigation activities** during 2026. Staff will continue evaluating conditions as post-fire assessments are completed and will provide recommendations to the Board should future mitigation or restoration expenditures become necessary.

The District also continues to advance watershed protection initiatives and long-term water rights administration activities, including ongoing efforts to improve calibration and reliability of flow monitoring infrastructure at the Willow Creek Range Flume to support operational planning and water resource management.

3) Wastewater Treatment System Operations Update

The Upper Monument Creek Regional Wastewater Treatment Facility (UMCR WWTF) remained fully operational and in compliance with all applicable permit requirements throughout the reporting period. **The facility incurred no permit violations during the month and remains in regulatory compliance.**

During routine monitoring activities, staff observed elevated arsenic concentrations in select wastewater samples during July. Upon receiving the analytical results, operations personnel immediately initiated additional sampling, data evaluation, and process reviews to better understand the source and extent of the elevated readings.

Through the collection of additional compliance samples, staff confirmed that the treatment facility remained compliant with its discharge permit requirements. While an initial sample result indicated elevated arsenic concentrations, supplemental sampling conducted later in the month reduced the monthly average discharge concentration to approximately **6.3 micrograms per liter**, below the facility's permit limit of **8.7 micrograms per liter**. As a result, no permit exceedance occurred and no enforcement actions were triggered.

District staff has undertaken a proactive investigation to better understand the factors contributing to the elevated influent arsenic concentrations. Preliminary evaluation indicates that operational conditions associated with peak summer water demand may be contributing to the observed trend. Higher seasonal production rates at the District's water treatment facilities increase the volume of filter backwash and residual streams that are routed through the residuals management basin and subsequently returned for treatment. Initial observations suggest this recirculation process may be concentrating naturally occurring arsenic within portions of the treatment system.

To evaluate this hypothesis, staff has implemented an expanded sampling program that includes:

- Influent wastewater sampling.
- Water treatment residual and decant water sampling.
- Water treatment filter performance evaluation.
- Assessment of arsenic concentrations at multiple process locations.
- Evaluation of treatment performance associated with aging filter media.

Staff are actively investigating if decant water returned from the residuals management process may be contributing to increased arsenic concentrations entering the wastewater treatment process. Staff is currently collecting and evaluating additional data to confirm these observations and quantify potential impacts.

As part of the evaluation, staff is also considering operational strategies that may reduce filter loading during critical monitoring periods, including increased use of Willow Creek water delivered through Colorado Springs Utilities supplemental water supplies when operationally advantageous. Additional analysis will be completed before any permanent operational adjustments are considered.

The investigation also highlighted the importance of understanding differences between drinking water and wastewater regulatory standards. Staff noted that the federal drinking water maximum contaminant level for arsenic is 10 micrograms per liter, while the UMCR WWTF discharge permit establishes a more stringent effluent limitation of 8.7 micrograms per liter.

The District appreciates the diligence and professionalism of the operations teams, whose proactive sampling, data analysis, and transparent communication ensured continued compliance while advancing understanding of system performance. The team's response reflects the District's commitment to regulatory stewardship, continuous improvement, and operational excellence. Staff will continue monitoring arsenic concentrations, evaluating treatment process performance, and updating the Board as additional sampling results become available.

During the reporting period, staff confirmed completion of several long-standing technology-related operational items, including successful deployment and stabilization of the District's new server environment at the UMCR, restoration of critical spreadsheet functionality, and reliable historian data collection supporting treatment facility operations.

These improvements enhance operational visibility, reporting capabilities, and data management across the District's water and wastewater facilities. The District intends to continue building upon these foundational improvements as PTG Technologies, Timberline, and District personnel further evaluate long-term opportunities related to operational technology reliability, cybersecurity, documentation standards, disaster recovery planning, and critical infrastructure resilience.

4) Wastewater Collection System Operations Update

The District's wastewater collection system remained operational throughout the reporting period. Following the July Holbein Road sewer main collapse and associated Sanitary Sewer Overflow (SSO), staff continues to focus on system condition assessment, risk reduction, emergency response improvements, and long-term collection system resiliency initiatives.

Staff continues to evaluate lessons learned from the Holbein incident through a structured after-action review process. The review identified several opportunities for improvement, including enhanced situational awareness during sewer cleaning operations, expanded CCTV inspection capabilities, improved emergency traffic control and site security practices, more formalized incident command procedures, and continued refinement of the District's asset management program. While the response successfully restored service, protected customers, and stabilized the affected area, staff believes the event provided valuable insight into opportunities for improving emergency preparedness and infrastructure management.

Consistent with these findings, staff continues to implement corrective actions and operational improvements identified during the post-incident debrief process. Activities underway include additional corridor investigations, GIS asset record updates, emergency response planning improvements, evaluation of equipment needs, and continued condition assessment of similarly aged collection system assets. Staff is also compiling a comprehensive summary of costs associated with the SSO response, including overtime labor, contractor services, customer mitigation activities, follow-up investigations, CCTV inspections, materials consumption, and associated engineering evaluations. A financial impact summary will be presented to the Board once the information has been finalized and validated.

A significant outcome of the post-incident review has been recognition of the need for a comprehensive, system-wide understanding of collection system condition. As a result, staff has developed a proposed **Wastewater Collection System CCTV Inspection Program** intended to inspect, assess, and document the condition of the District's wastewater collection infrastructure using NASSCO-compliant inspection standards. The proposed program would provide the District with decision-grade information regarding structural condition, maintenance needs, defect prioritization, rehabilitation opportunities, and long-term capital planning requirements.

The proposed inspection effort divides the collection system into a series of planned work areas and inspection sequences to improve efficiency and account for operational constraints. The inspection planning process identifies and evaluates factors such as:

- Traffic control requirements.
- Easement and access coordination needs.
- Weather and seasonal restrictions.
- School-zone and high-traffic roadway considerations.
- Bypass pumping requirements.
- Previously identified problem areas.
- Difficult-to-access facilities and manholes.
- Coordination requirements with District operations staff.

Several segments associated with the Holbein corridor and other areas of prior concern have already been identified for priority evaluation as part of the proposed effort. Information obtained through the inspection program would be incorporated into the District's GIS, asset management framework, and future Capital Improvement Program planning processes.

In a manner similar to the Water for Tomorrow Program, staff is evaluating the potential redirection of previously budgeted Loop Water Authority capital funding toward implementation of this collection system condition assessment effort. Staff believes that obtaining comprehensive condition information on the District's wastewater infrastructure will provide immediate value for risk management, regulatory compliance, emergency preparedness, and capital planning. The proposed program would establish baseline condition ratings utilizing NASSCO PACP and MACP methodologies and support future rehabilitation, replacement, maintenance, and budgeting decisions.

The overall objective of the program is to transition from a reactive understanding of collection system condition to a proactive, data-driven asset management approach that improves reliability, reduces risk of future SSOs, strengthens emergency preparedness, and supports more informed long-term infrastructure investment decisions.

5) Water System Operations Update

The District's water treatment, storage, and distribution facilities continued to operate reliably throughout the reporting period and remained in compliance with all applicable drinking water regulations and permit requirements. Despite sustained summer temperatures, elevated irrigation demand, and increased production requirements, staff successfully maintained water quality, system pressures, storage levels, and overall service reliability. No drinking water compliance issues were experienced during the

month. The District's treatment facilities continued to meet operational objectives while supporting some of the highest-demand conditions of the year.

As part of ongoing operational evaluations, staff continues to monitor treatment performance, source water quality, groundwater production trends, and residuals management processes. While the District remains fully compliant with drinking water requirements, staff has proactively evaluated opportunities to optimize operations and reduce stress on critical water production infrastructure during periods of peak demand.

One operational strategy currently under consideration involves utilizing Colorado Springs Utilities (CSU) conveyance, treatment, and delivery services for a portion of the District's Willow Creek water rights portfolio. The District has completed internal evaluations of this option and has notified CSU of its intent to preserve the ability to activate deliveries when operational conditions warrant. Existing agreements allow the District to request delivery of Willow Creek water through CSU's system with advance operational notification. Staff has confirmed that the District may initiate use of this supply when desired and has coordinated the necessary communications pathways with CSU operations personnel.

The District's evaluation of this strategy is thoughtful and intentional and is not driven by any water quality compliance concern. Rather, staff is considering the potential benefits associated with:

- Reducing pumping demands on selected District wells during periods of peak summer production.
- Reducing wear and tear on groundwater production facilities and associated electro-mechanical equipment.
- Lowering treatment plant loading and filter utilization rates.
- Improving operational flexibility during periods of high demand.
- Evaluating opportunities to optimize source-water blending strategies.
- Supporting long-term groundwater sustainability objectives consistent with the Water for Tomorrow Program.

Staff is also evaluating how supplemental CSU deliveries could improve operational flexibility while investigations continue regarding naturally occurring arsenic concentrations observed in portions of the District's groundwater supply and residuals management processes. Potential use of CSU-delivered Willow Creek water could provide operational flexibility by reducing reliance on higher-producing wells and reducing treatment system loading during critical operating periods. Additional operational and water quality evaluations remain ongoing before final implementation decisions are made.

Several asset management and condition assessment initiatives also remain underway, including water storage facility inspections, treatment infrastructure evaluations, and planning activities associated with long-term water resiliency initiatives. These efforts continue to improve understanding of asset condition, maintenance requirements, remaining useful life, and future capital investment needs.

In addition to infrastructure-focused improvements, staff has initiated operational resiliency enhancements intended to improve transparency, accountability, and consistency associated with after-hours emergency response activities. During the reporting period, the District finalized a comprehensive 2026 on-call schedule and implemented a formal On-Call Shift Exchange Policy and Approval Process applicable to both water and wastewater operations personnel. The policy establishes standardized procedures for schedule modifications, supervisory approvals, documentation requirements, billing notifications, and management oversight of on-call assignments.

The updated approach is intended to:

- Improve operational readiness and emergency response reliability.
- Provide greater transparency regarding on-call responsibilities and schedule changes.
- Ensure qualified personnel are available to respond to system emergencies.
- Improve internal communication and administrative tracking.
- Strengthen workforce accountability while providing employees with a clear and consistent process for schedule adjustments.

Operational focus remains on maintaining water quality, treatment reliability, system redundancy, workforce resiliency, and long-term water supply sustainability. The District continues to evaluate both immediate operational opportunities and long-term resiliency strategies that will reduce dependence on Denver Basin groundwater while preserving reliable service, affordability, and local control for District customers.

6) Loop Water Authority Update

During the reporting period, both the Town of Monument and Donala Water & Sanitation District communicated their respective intentions to withdraw from participation in the Loop Water Authority (LWA), with formal Board actions anticipated during August. As a result, the Authority has transitioned from active project development into an organized project closeout and asset preservation phase.

In response to the anticipated withdrawal actions, Authority leadership directed that most consultant and contractor activities be suspended pending further Board direction. Limited

work continues only on tasks that are substantially complete or provide continuing value to the member agencies independent of future Authority activities.

To facilitate an orderly and financially responsible closeout process, Authority staff has initiated coordination with all contractors and consultants to document the status of current assignments, outstanding deliverables, and associated completion costs. Each consultant has been requested to provide:

- Completion status of current work products.
- Outstanding deliverables and associated milestones.
- Estimated costs required to complete partially finished assignments.
- Recommendations regarding work products that should be completed versus those that can be closed without additional effort.

Authority advisory committees will review these recommendations and provide input regarding which deliverables should be finalized as part of project closeout. Final direction regarding completion of remaining tasks will be provided through future Authority Board actions.

Staff is also coordinating:

- Final contractor invoicing and contract administration activities.
- Collection and archiving of project records and technical work products.
- Contract closeout and termination procedures where appropriate.
- Post-project evaluations and lessons-learned discussions.
- Reconciliation of Authority financial obligations.
- Calculation of member agency investments, contributions, reimbursements, and remaining financial balances.

The District believes substantial value was created through the Authority's efforts despite the anticipated project closure. Over the course of the initiative, participating agencies advanced significant engineering evaluations, regulatory assessments, permitting activities, cost estimating efforts, regional coordination discussions, and long-term water resiliency planning concepts. Staff intends to preserve the knowledge, technical information, and work products generated through these efforts for potential application to future regional and local water supply initiatives.

Authority leadership is also coordinating communication strategies with participating agencies, El Paso County, project stakeholders, and the public. Future communications will emphasize the positive outcomes achieved through the collaborative planning effort while providing a transparent explanation of project closure activities and next steps.

Public-facing communications and formal closeout meetings are expected to be phased and coordinated to ensure consistency among participating agencies.

Staff will continue to update the Board as closeout activities progress and as final financial reconciliation, asset disposition, and member reimbursement calculations become available. The anticipated reduction in future LWA expenditures is also creating opportunities for the District to evaluate redirection of previously budgeted capital funding toward other strategic priorities, including Water for Tomorrow (W4T) planning initiatives and comprehensive wastewater collection system condition assessment activities.

7) Regional Partnerships, Cost Recovery Agreements, and UMCRC Governance

The District continues to work collaboratively with Tri-View Metropolitan District and Forest Lakes Metropolitan District regarding the future governance, ownership structure, capacity allocation, financial obligations, and long-term strategic direction of the Upper Monument Creek Regional Wastewater Treatment Facility (UMCR WWTF).

During the reporting period, staff continued coordination with representatives from both partner agencies regarding the District's previously presented concepts associated with ownership interests, treatment capacity rights, future capital obligations, governance considerations, and potential exit framework concepts. These discussions are intended to provide all parties with a common understanding of available options while protecting the long-term interests of each participating agency.

Following the District's outreach, representatives from Forest Lakes and Tri-View advised that both agencies have been conducting internal reviews and coordinating with legal counsel to evaluate the information provided by Donala and develop their respective negotiation strategies. Leadership from both agencies reaffirmed their commitment to maintaining momentum and continuing constructive discussions regarding the future of the regional facility.

Staff had hoped to initiate formal discussions during early August; however, at the request of Forest Lakes Metropolitan District, initial negotiations were deferred to allow additional time for Board and legal counsel review. Forest Lakes has indicated that its Board is scheduled to review the matter during an August 13 executive session, after which representatives anticipate being prepared to begin more substantive discussions. As a result, initial meetings are currently expected to occur during the week of August 17 or thereafter.

The District views this additional review period as a positive step that allows each agency to fully evaluate the technical, legal, financial, and governance considerations associated with any future agreement. Staff remains encouraged by the willingness of all parties to

engage in open dialogue and continue working toward solutions that recognize historical investments, protect utility customers, preserve operational reliability, and support long-term regional cooperation.

In parallel, District staff continues coordinating with legal counsel regarding development of analytical frameworks that may assist future discussions, including considerations related to ownership interests, treatment capacity allocations, capital responsibilities, governance structures, and potential transition scenarios. These efforts are intended to facilitate productive negotiations once formal meetings commence.

Staff will continue updating the Board as discussions advance and anticipates providing additional information following the initial interagency meetings anticipated later in August.

8) Staffing, Workforce Development, and Organizational Resiliency

Consistent with the District's adopted 2026 Budget, staff continues evaluating workforce needs intended to strengthen operational resiliency, improve succession planning, and support ongoing asset management initiatives.

During the reporting period, the District advertised and initiated recruitment efforts for the **Collections and Maintenance Specialist** position. This position is intended to enhance field operations capacity, support preventative maintenance activities, strengthen collection system reliability, and improve long-term operational resiliency.

Recruitment efforts associated with the previously discussed Operations Superintendent position have been temporarily deferred pending further organizational review and consideration of broader staffing and organizational development initiatives. Staff will continue evaluating future workforce requirements and will return to the Board with recommendations as appropriate.

Infrastructure Project Management and Capital Program Coordination

During the reporting period, the District continued implementation of organizational changes intended to improve project delivery, accountability, communication, and capital program management. As part of these efforts, **Ronny Wright transitioned into the role of Infrastructure Projects Manager**, with responsibility for coordinating a growing portfolio of capital, operational improvement, development, and strategic infrastructure projects across the District.

The new role is intended to strengthen coordination between operations staff, consultants, contractors, developers, and District leadership while providing increased visibility into project status, schedules, budgets, risks, and resource requirements. To support this

transition, staff established a formal project portfolio framework that organizes District projects into three primary categories:

- Developer, customer, and Rules & Regulations projects.
- Superintendent-coordinated repair and maintenance initiatives.
- Budgeted capital improvement and strategic infrastructure projects.

Under this framework, the Infrastructure Projects Manager has assumed responsibility for developing more structured project tracking, reporting, prioritization, and coordination processes. Initial efforts are focused on improving transparency and consistency in project management activities, establishing regular status reporting, clarifying ownership and accountability, and supporting implementation of both Water for Tomorrow and wastewater asset management initiatives.

Current assignments include coordination of development-related activities, post-Holbein sewer investigations, water storage tank inspections, well program initiatives, technology transition activities, emergency preparedness improvements, Water for Tomorrow implementation support, Loop Water Authority closeout activities, and the District's proposed comprehensive CCTV inspection program. Additional responsibilities include supporting consultant coordination, monitoring project schedules and budgets, and assisting District leadership with prioritization of capital investments and operational improvement projects.

Staff believes the Infrastructure Projects Manager role will play an important part in strengthening organizational resiliency, improving execution of increasingly complex infrastructure programs, and ensuring that projects supporting long-term strategic objectives are advanced in a disciplined, transparent, and well-coordinated manner.

The District remains committed to maintaining a highly qualified workforce while ensuring staffing decisions align with operational needs, succession planning objectives, organizational resiliency goals, and long-term strategic priorities.

9) Information Technology Services

During the reporting period, the District completed contract negotiations and executed an agreement with **PTG Technologies** for managed information technology services. Following contract execution, staff completed kickoff meetings and initiated onboarding and transition activities. Initial implementation efforts include coordination with the District's previous IT service provider, transfer of administrative credentials, system documentation review, inventory validation, and establishment of support procedures intended to improve long-term reliability, cybersecurity, and operational resiliency.

The District's information technology systems support critical operational, financial, customer service, communications, regulatory compliance, and business continuity functions. Given the importance of these systems, staff is taking a deliberate and structured approach to the transition to ensure continuity of operations while improving overall technology governance and support capabilities.

In parallel with onboarding activities, staff has begun preliminary discussions with both **PTG Technologies** and **Timberline** regarding opportunities to improve the District's cybersecurity posture, technology governance framework, disaster recovery planning, business continuity preparedness, and protection of operational technology (OT) and supervisory control systems. These discussions have become increasingly important following recent federal and state cybersecurity advisories regarding heightened threats targeting operational technology and industrial control systems within the water and wastewater sector.

Staff anticipates presenting preliminary information to the Board regarding:

- Cybersecurity and operational technology risk management.
- Protection of SCADA, PLC, and industrial control system assets.
- Information technology governance and system documentation.
- Disaster recovery and business continuity planning.
- Cybersecurity awareness, preparedness, and resiliency initiatives.
- Opportunities to strengthen coordination between information technology and operational technology environments.
- Evaluation of industry best practices applicable to water and wastewater utilities.

These initial discussions are intended to provide early situational awareness to the Board and establish a framework for future planning. Staff expects more detailed recommendations, implementation strategies, risk assessments, and budgeting considerations to be developed following additional onboarding time between PTG Technologies, Timberline, and District personnel. As system inventories, network architectures, cybersecurity practices, operational technology environments, and business processes are further evaluated, staff anticipates returning to the Board with more comprehensive recommendations regarding technology modernization, cybersecurity investments, and operational resiliency initiatives.

Staff remains optimistic that the new partnership with PTG Technologies will improve responsiveness, enhance cybersecurity readiness, strengthen documentation and

continuity planning, and support the District's long-term operational objectives. The District will continue prioritizing technology investments that protect critical infrastructure, support regulatory compliance, and improve service reliability for customers.

10) Professional Services Support and Strategic Planning

The District continues to utilize specialized professional services to support operational excellence, organizational resiliency, asset management improvements, regulatory compliance, strategic planning, and long-term infrastructure decision-making. Staff remains focused on ensuring consultant resources are aligned with Board priorities and provide decision-grade information to support future budgeting and policy discussions.

During the reporting period, the District continued coordination with its engineering, legal, communications, financial, technology, and planning consultants in support of several major initiatives, including the Water for Tomorrow (W4T) Program, wastewater asset management improvements, regional partnership evaluations, water treatment planning, information technology modernization, and organizational development activities.

Water For Tomorrow and Strategic Planning

Staff continues working with Plummer Associates, Spheros Environmental, Public Alignment Communications, and Magellan Strategies to advance components of the Water for Tomorrow Program. Activities continue to focus on long-term water resiliency, renewable water development, public engagement, water rights planning, regulatory considerations, infrastructure alternatives, and financial planning associated with future water supply investments.

R. Hull Water Treatment Plant Options Evaluation

During the reporting period, staff authorized **Plummer Associates** to proceed with a comprehensive **R. Hull Water Treatment Plant Improvements Program and Options Evaluation** intended to provide decision-grade information supporting long-term facility planning and development of the 2027 Budget. Funding for this effort is anticipated to come from capital funds originally budgeted for Loop Water Authority activities.

The study will evaluate the condition, future role, and strategic value of the R. Hull facility through a phased assessment process that includes:

- Comprehensive facility condition assessment.
- Review of treatment processes, equipment, structures, controls, and support systems.
- Evaluation of rehabilitation and life-extension opportunities.
- Assessment of operational, safety, and code-related improvements.

- Development of planning-level alternatives and cost opinions.

The evaluation will consider three primary alternatives:

1. In-kind rehabilitation and life extension of the existing facility.
2. Upgrades and modernization within the existing plant footprint.
3. Repurposing portions of the existing facility and development of a new treatment facility on adjacent District property.

Consistent with Water for Tomorrow planning objectives, the study will evaluate both near-term groundwater treatment needs and the facility's potential future role in treating blended groundwater, surface water, and advanced treated water supplies. Staff considers this evaluation a critical building block in developing a more resilient and flexible long-term water treatment strategy for the District.

Wastewater Collection System Asset Management

Following the Holbein Road sewer collapse and associated sanitary sewer overflow, staff has expanded coordination with **GMS** regarding collection system condition assessment, capital planning, and asset management initiatives. As part of the District's ongoing lessons-learned efforts, GMS is assisting with evaluation of post-incident findings, rehabilitation considerations, and development of strategies intended to improve collection system resiliency.

In addition, staff has begun development of a comprehensive CCTV inspection initiative intended to establish system-wide condition ratings utilizing NASSCO standards and provide the District with a more complete understanding of collection system condition, rehabilitation needs, and capital replacement priorities. Similar to the Water for Tomorrow Program, staff envisions a structured and data-driven planning effort intended to support future budgeting, capital planning, and risk management decisions.

Information Technology and Cybersecurity Support

Staff continues coordinating with **PTG Technologies**, Timberline, and legal counsel following execution of the District's new managed information technology services agreement. Current efforts focus on onboarding, system documentation, technology governance, cybersecurity improvements, business continuity planning, and operational technology resiliency. Staff additionally utilized professional support for contract review, transition planning, and establishment of long-term technology service expectations. Future recommendations related to cybersecurity, operational technology protection,

disaster recovery planning, and critical infrastructure resiliency are expected to be presented to the Board following additional onboarding and evaluation activities.

Renewable Water Exchange Evaluations and Water Rights Planning

Staff continues working closely with **Spheros Environmental** and associated water rights planning consultants to evaluate potential renewable water supply pathways involving both **Willow Creek** and **Laughlin** water rights portfolios. A significant portion of the current effort is focused on understanding opportunities for direct exchanges, exchange reliability, operational feasibility, and anticipated yield under both average-year and dry-year hydrologic conditions.

During the reporting period, Spheros completed additional analyses evaluating multiple exchange scenarios and delivery pathways associated with the District's renewable water portfolio alternatives. The work builds upon the District's broader alternatives evaluation effort and is intended to quantify the potential amount of renewable water that may be available under various exchange configurations, operational assumptions, and hydrologic conditions. Staff and consultants continue refining these evaluations as individual alternatives are further screened and narrowed.

The analysis is providing valuable insight into:

- Potential direct exchange opportunities involving Willow Creek water rights.
- Potential direct exchange opportunities involving Laughlin water rights.
- Average-year and dry-year renewable water availability.
- Operational constraints associated with alternative delivery pathways.
- Water rights administration considerations.
- Infrastructure requirements associated with future exchange alternatives.
- Reliability considerations associated with various renewable water supply strategies.

As alternatives continue to mature, the exchange evaluations will assist the District in better understanding how renewable water supplies may be integrated into the Water for Tomorrow framework and how future infrastructure investments can be sequenced to maximize operational flexibility and long-term water supply reliability. The work is also helping staff identify which alternatives warrant additional technical evaluation and which pathways may ultimately provide the greatest value to District customers.

These evaluations remain an important component of the District's ongoing efforts to reduce long-term dependence on Denver Basin groundwater and establish a diversified portfolio of renewable water resources while preserving local control, affordability, and operational resiliency. Findings from the exchange analyses will continue to inform Water

for Tomorrow planning activities, future budget development, and long-range infrastructure planning discussions.

Organizational and Human Resources Support

The District has also initiated discussions with CEGR to assist with organizational development, personnel policies, governance reviews, employee relations support, and other human resources matters. Staff is evaluating approaches intended to improve transparency, consistency, accountability, and workforce resiliency while ensuring the District continues to follow sound public-sector management and governance practices.

Staff will continue to update the Board as these consultant-led initiatives advance and as additional recommendations are developed for consideration during the 2027 budgeting process and future strategic planning discussions.

11) Customer Service, Public Outreach, Conferences, Training, and District Communications

The District remains committed to transparency, customer engagement, and proactive communication regarding operational performance, infrastructure investments, water supply reliability, and long-term resiliency planning initiatives.

Public outreach activities associated with the **Water for Tomorrow (W4T) Program** continue to advance through coordination with Public Alignment Communications (PAC) and Magellan Strategies. Current efforts remain focused on development of customer research tools, public education materials, community engagement strategies, and communication frameworks intended to support informed public dialogue regarding long-term water supply planning and infrastructure investment needs. The District's objective remains providing customers with clear, factual, and data-driven information regarding water reliability, affordability, and future resiliency considerations.

The District is also experiencing increased interest from local media and community stakeholders as regional water planning discussions continue to evolve. During the reporting period, staff received inquiries from the **Colorado Springs Gazette** regarding developments associated with the Loop Water Authority. In coordination with regional partners, staff has continued to emphasize the importance of maintaining clear and consistent communications regarding Authority matters while ensuring that information related to individual member agencies is communicated through the appropriate channels.

Staff also continues planning for future public engagement opportunities, including a District Open House (Scheduled for Thursday, October 1), educational outreach activities,

infrastructure tours, and community information events associated with Water for Tomorrow initiatives and broader asset management programs. These efforts are intended to improve public understanding of District operations, infrastructure needs, watershed stewardship responsibilities, and long-term planning initiatives.

The Summer Water Congress will take place in Steamboat Springs from August 18th to 20th this year. At this time, Wayne and John have been registered to attend on behalf of our organization.

Staff remains committed to providing transparent and professional communications regarding District activities, including the transition from Loop Water Authority participation and the advancement of the District's independent Water for Tomorrow planning efforts.

As discussions surrounding the Loop Water Authority transition continue, staff anticipates future communication efforts will focus on helping customers and stakeholders understand the District's long-term planning objectives, the value generated through previous regional planning efforts, and the pathways the District is evaluating to achieve sustainable and reliable water supplies in the future.

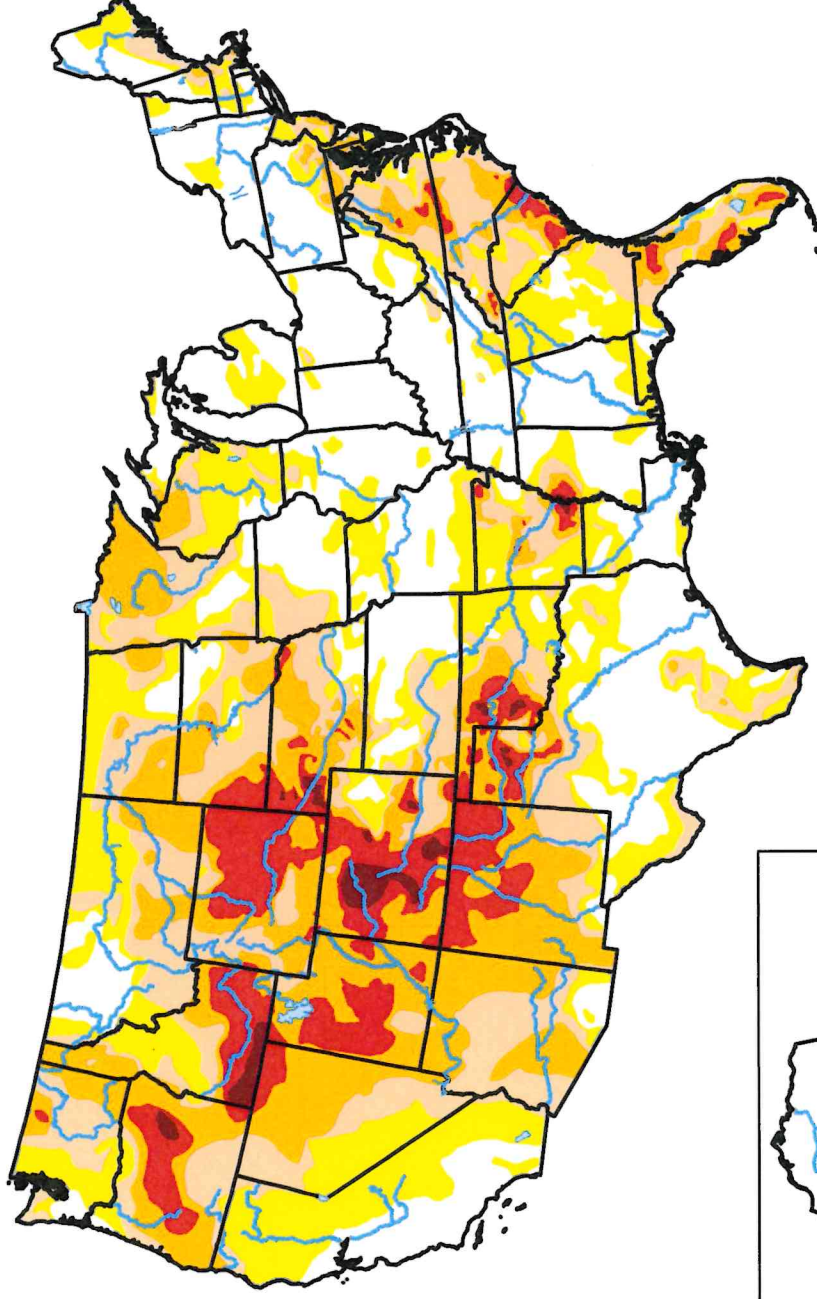
Consistent with prior Board direction, communications will seek to maintain a positive, constructive, and forward-looking focus while emphasizing the District's commitment to local control, prudent financial stewardship, and long-term water resiliency.

August 4, 2026

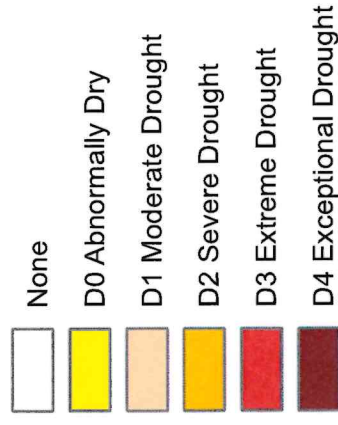
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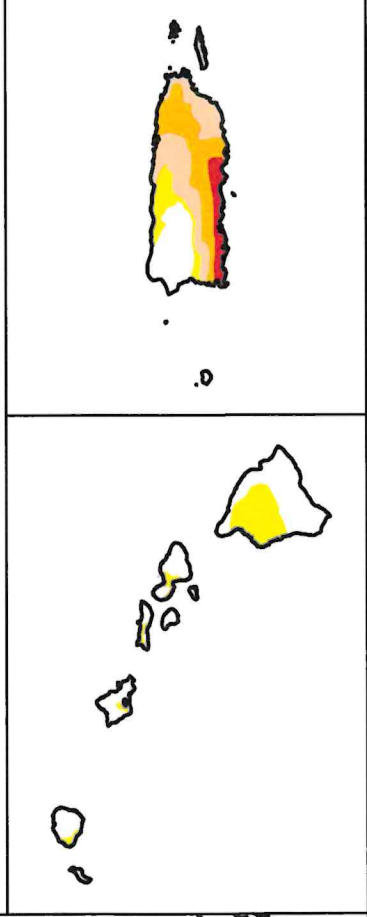
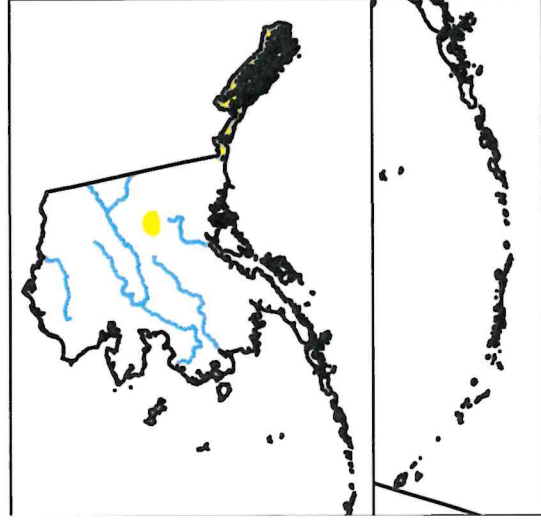
Intensity:



The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>

Author:

Richard Tinker
CPC/NOAA/NWS/NCEP

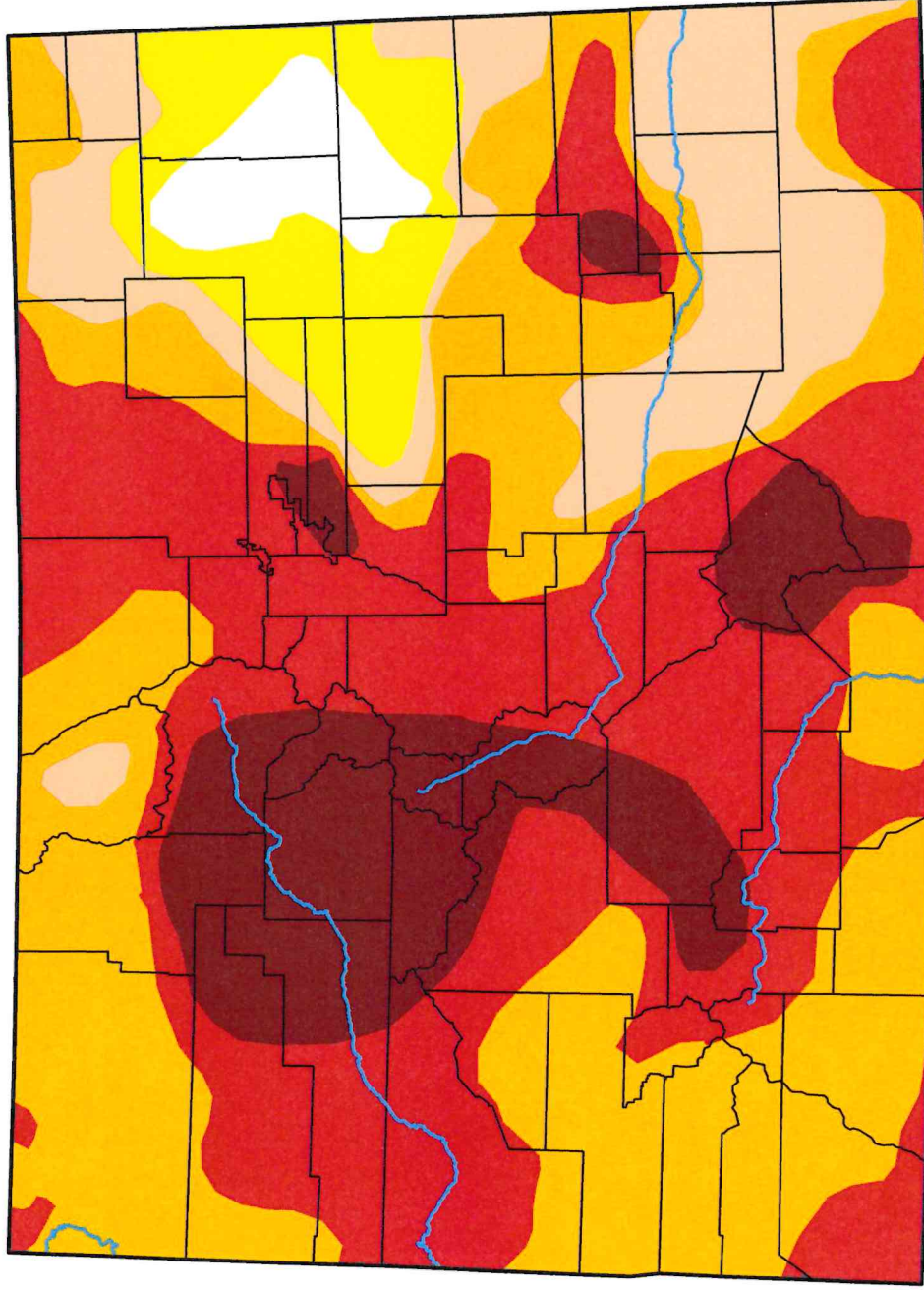


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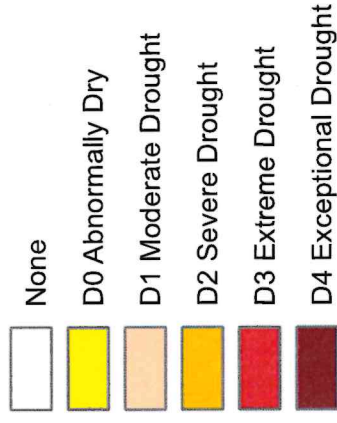
U.S. Drought Monitor

Colorado

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Author:

Richard Tinker
CPC/NOAA/NWS/NCEP



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