

DONALA WATER AND SANITATION DISTRICT
BOARD OF DIRECTORS
MEETING MINUTES
June 18, 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 June 18, 2026, at 1:30 P.M.

Director's Present:

Wayne Vanderschuere
Bill George (excused absence)
Kevin Deardorff
Scott McCulloch (absent)
Kenneth Judd

Staff Present:

John Kuosman (virtual)
Christina Hawker
Carla Edwards
Ronny Wright
Jarred Durham

Consultants' Present:

Roger Sams (GMS)
Brett Gracely (Plummer)
Madison Plasencia (CEGR)

Guests:

None Present

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:

- No public comments.

Review of Minutes:

- Minutes from May 21, 2026, Regular Board Meeting accepted.
 - Judd motioned to approve, Deardorff seconds, all aye.

Financial Report by Christina Hawker:

- Hawker stated that as of the end of May, Donala has about 58% remaining in the budget.
- Hawker said we have 60% of revenues left to collect and 77% of expenses left to pay for Donala.
- Hawker also said the wastewater plant has a budget remaining of 67% which is on track at this point in the year.

- All expenses are tracking well, with Hawker pointing out only one expense that was higher than normal for water.
 - This is for the Northgate Storm Drain Project that the Board approved at the last meeting in May.
 - Judd wanted to clarify if this was the last of the money we need to pay for this project or not.
 - Sams stated there is still a small amount of retainage that may be due, but it won't be much if there is.
- Hawker said wastewater budget and expenses are on track for the year as well.
- Hawker also pointed out that we received our final reimbursement payment for our ARPA grant in May.
- Judd motioned to approve, Deardorff seconds, all aye.

Action Items

- Resolution 2026-4 Designating John Kuosman as Representative for Major Decisions Under the Terms of Regional IGA (Intergovernmental Agreement) for the Upper Monument Creek Regional WTP
 - Judd motioned to approve, Deardorff seconds, all aye.
- Resolution 2026-5 Authorizing the District Manager to procure and contract with a Public Relations Firm for a time-and-materials contract, not to exceed \$85,000, following the District's procurement policies. The Public Relations firm will collaborate with a customer survey firm, procured separately, to help guide strategy, planning, and implementation of communications around Donala's Water Resiliency Program. The General Manager's recommendation will be documented in a memorandum to the Board of Directors.
 - Judd motioned to approve, Deardorff seconds, all aye.
- Kuosman gave a brief overview of the process so far:
 - He stated we solicited quotes from four firms, and we are just waiting for the last one to submit their quote, which is why he didn't specifically list who we are hiring just yet.
 - Three of the firms fit into the public awareness space and the last firm fits into the public survey space.
 - He said he would like to hire one of each type of firm. A public survey firm to establish a baseline of future education and outreach efforts and one of the three public awareness firms to implement the education and awareness campaign tied to the ballot initiative.
 - Kuosman stated this will be a phased approach.
 - Vanderschuere stated the board would like periodic updates on progress of the firm's activities and important milestones throughout this process.
 - Kuosman said the next step is drafting a survey and he will reach out to the board for thoughts and questions.
 - Vanderschuere stated he wants to make sure the board, and front office staff are informed throughout the process, so they are not blindsided when surveys go out to the district and calls start rolling in.
 - Hawker stated she believes the whole staff will be involved in the process in case they have to field any questions.

General Manager Report by John Kuosman:

- Kuosman stated Donala staff have spent a lot of time recently getting the Willow Creek flumes up and operating and calibrated.
- Kuosman has also been working with the ARWC to get that project initiated. There will be a kickoff meeting on June 25th.
- Kuosman stated the Donala board meeting in August will be held at the UMCR WWTP and include a tour of M1, R. Hull, M2, and WWTP.
- Kuosman stated it has been a challenging couple of weeks over at the WWTP and Durham has done an excellent job managing these issues.
- Kuosman noted we will be starting CCTV sewer inspections going forward and he is coordinating with Billy Hudson to get this accomplished.
- Kuosman stated the Holbein Treatment Plant was put into operation. Donala is now running both plants to meet increased summer demand.
- Kuosman mentioned we are still planning on performing the Latrobe water tank inspection; however, staff have been currently diverted to Willow Creek operations. Once that is completed, we can focus on the inspection.
- Kuosman said he will be focused on refining Level of Service Evaluations as part of asset management improvements.
- Kuosman said we won't have a 60% price opinion from a contractor until January 2027 for the Loop design. By Sept 17th, we will have 30% cost opinions from the contractor and engineer which will be used as part of our budgeting process.
- Another Loop update provided by Kuosman is regarding the negotiations with Cherokee regarding the Sundance Pipeline purchase agreement. Negotiations are taking longer than planned and will not be ready in time for the due diligence evaluations. Donala will not make any payments until after the 60% cost opinion is back in 2027.
- Kuosman said staff are working with the developer of the Santa Fe Meadows project to align the inspection of the two pipelines that are under that planned development. NASSCO standards for the CCTV inspections need to be met.
- Kuosman stated Sams has taken the lead on the Northgate Development Project.
 - Sams said they have not returned the exhibits yet and he has nothing to add at this time regarding the project.
- Kuosman said we are targeting September of 2026 for Donala's Open House. This will be integrated into a communications strategy with the survey and education firms. It also fits well into the Loop Water Authority's timeline, as they will be having a public meeting related to 1041 permitting in September.
 - Judd asked if we have tentative dates for the Open House yet. Kuosman said we should have a tentative date set by the July board meeting and to let himself or Hawker know of any dates the board will not be available to attend.
 - Judd said he will not be available from September 12-15.
 - Hawker stated she believes that is the week of the SDA so we cannot have it that week.
- Kuosman mentioned that himself and Vanderschuere are registered for the Summer Water Congress in Steamboat Springs that takes place August 18th-20th. If anyone else is interested in attending, they can reach out to Hawker to get registered.
- Kuosman met with Jim McGrady last week and will be meeting with Ann Nichols and Jenny Bishop in the near future.

Consultants' Comments:

- Sams provided an update on the Subaru dealership. He said they still have some work to do when providing us with access to our existing infrastructure, but they are on their way to resolving that issue. We are still waiting for them to submit revised plans to the county.
- Sams stated he is in the process of reviewing some of the 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. Sams has opened a discussion with them and requested a meeting to discuss this when Kuosman is back in office. Sams said the project should start in about six months.
- 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. Sams said it has been 3 years since we have been inside the Fox Run tank, so we will be doing that one at the same time.
 - Kuosman stated before we perform any tank inspections, we need to get our SOP written and get an ERP in place as well. He said we need to have proper planning in place before we can proceed with the inspections.
- Gracely stated he has been active in some water rights cases on Donala's behalf in collaboration with HPK and Spheros.
 - Donala objected to a CSU diligence case.
 - Gracely said this is regarding making sure that they are being held to the same standards as Donala is with respect to the exchanges in the Upper Basin Reservoirs.
 - Gracely also spoke on the make absolute exchange to Clear Creek and has been working with Matt at HPK.
 - Gracely said Carly with Spheros has been working on dry year liability of the exchanges they presented at an early board meeting.
 - Gracely spoke on the inquiry we received from El Paso County regarding water augmentation.
 - El Paso County is not changing their irrigation area or building any new ponds, they are just asking for an adjustment in augmentation.
- Gracely has been working closely with Kuosman, Hawker, and Spheros to discuss the alternatives analysis options.
- Gracely provided some updates on Well 9A.
 - No structural issues were found, only minor gravel packing. No gaping holes or rust were found and it seems to be in good overall condition.
- Gracely said he needs to address all the comments made by staff on the Risk and Resiliency Assessment and he needs to perform a final review. Once that is complete Kuosman and Hawker can submit their certification letter to the EPA by June 30th. We have six months to complete the Emergency Response Plan.
 - Kuosman stated he will make a presentation on our Risk and Resiliency Plan at the July Board Meeting.

Directors Comments:

- None.

Public Comment:

- None.

President Vanderschuere adjourned the regular board meeting at 2:23 pm and motioned to move into Executive Session after a brief break.

- Judd motioned to approve, Deardorff seconds, all aye.

President Vanderschuere reads in Executive session A pursuant to § 24-6-402(4)(e), C.R.S., to determine positions relative to matters that may be subject to negotiation, develop strategy for negotiations, and instruct negotiators regarding Colorado Springs Utilities' Convey, Treat, and Deliver (CTD) agreement at 2:34 pm.

- Vanderschuere moves to adjourn Executive Session A and moves into Executive Session B at 2:49 pm.
 - Judd motioned to approve, Deardorff seconds, all aye.

Vanderschuere reads in Executive Session B pursuant to § 24-6-402(4)(e), C.R.S., to develop strategy and determine positions regarding the District's Water Resiliency Program alternatives analysis and evaluation timeline at 2:49 pm.

- Vanderschuere moves to adjourn Executive Session B and moves into Executive Session C with legal counsel present at 3:11 pm.
 - Judd motioned to approve, Deardorff seconds, all aye.

Vanderschuere reads in Executive Session C 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 at 3:12 pm.

- Vanderschuere moves to adjourn Executive Session C and moves into Open Session at 3:44pm.
 - Judd motioned to approve, Deardorff seconds, all aye.

Open Session began at 3:44 pm and ended at 3:45 pm.

- Direction for negotiation was given, but no formal action was taken.

These minutes are respectfully submitted for record by Carla Edwards on July 7, 2026.