

DONALA WATER AND SANITATION DISTRICT
BOARD OF DIRECTORS
MEETING MINUTES
August 18, 2016

The Board of Directors of the Donala Water and Sanitation District met in regular session at the District office, 15850 Holbein, Dr., El Paso County, Colorado on August 18, 2016 at 1:30 PM.

DIRECTORS PRESENT: David Powell
Ken Judd
Bob Denny
Ed Houle
Dennis Snyder

ABSENT:

STAFF PRESENT: Kip Petersen
Betsy Bray
Sharon Samek

GUESTS Jim Kendrick
Lisa Hatfield

President Powell officially called the meeting to order at 1:30 pm. He noted for the record that Judd, Denny, Houle and Snyder are all present. Powell asked the attendees to please rise for the Pledge of Allegiance. Powell then swore Dennis R. Snyder in as Donala's newest Board Member.

PUBLIC COMMENT NON-AGENDA ITEMS:

Powell then asked if there was any public comment; Hatfield from OCN then stated that she wanted to attend a Donala Board Meeting as she had heard so many good things about Donala. Board thanked her for her kind words and mentioned that she is welcome to attend any time.

REVIEW OF MINUTES:

The Board then reviewed the minutes: the minutes were accepted as presented.

REVIEW OF FINANCIAL STATEMENTS AND CHECK SUMMARIES:

Petersen presented the July Executive Summary and Check Registers for both Donala and the Waste Treatment Plant. Petersen stated we should be at 42% remaining. Revenue is showing at 44% remaining and expenses are showing at 47% remaining. Petersen noted that the Latrobe Extension Line will be shown as an expense under the line item of New Water Infrastructure and that this expense is paid from the loan that Donala has with Colorado Water Resources and Power Development Authority. The Board then reviewed the check register. Powell asked why Donala is paying both Century Link and Comcast for phone service. Samek explained that the Century Link bill is for long distance and that Donala has 3 phone lines with Century Link. One of those lines is for the Waste Treatment Plant. The board then reviewed the Executive Summary for the Waste Treatment Plant. Petersen noted that Revenue is at 48% and that Expenses are a little behind at 53%. Houle then moved to accept financials as presented; Judd “second”, all “aye”.

MANAGER’S REPORT:

Petersen then noted that he had sent Remington an invoice for the water that Donala delivered to Triview July 4-July 9, 2016. Petersen said that Donala provided 4,663,680 gallons at a cost of \$151,943.11. Triview had asked if the payments could be spread out over time. Petersen told her that Donala could spread out the payments over a 3 month period at the outside. Remington will bring that information to the Board in September and Donala should have the information and payment soon. Remington did tell Petersen that the Board is very grateful to Donala for assistance. He noted that any comments on the new meters at the interconnections should be made during the discussion of the IGA between Donala and Triview Metro District.

Petersen asked the Board to review the Intergovernmental Agreement between Donala Water and Sanitation District and Triview Metropolitan District. He stated that he had made the requested changes from the last Board meeting. He asked the Board to reconsider their stand on the term “cooperatively or” as he felt that leaving the term in would give the Board more latitude regarding the meters on the interconnect lines in terms of funding and installation. After discussion, the Board agreed to keep the term “cooperatively or” in the Agreement. Board also approved of using an Addendum to describe the costs associated in using the Intergovernmental Agreement. Houle then moved to accept the Intergovernmental Agreement, Judd second, all “aye”.

Then Petersen requested the Board ratify the secondary Access Road Repair Award that had been signed previously by Petersen in order shorten the time between award and subsequent construction work. Petersen stated that Yocam construction expects to mobilize to the site on September 12, 2016. A pre-construction meeting is scheduled for September 2, 2016 to hammer out any variables. September 30, 2016 is the deadline to finish work on the streambed without disturbing the Preble’s Jumping Mouse. Petersen said that there were 3 bidders for the project and Yocam was the lowest responsible bid. They are accustomed to working with small companies. Denny moved to accept award, Houle second, all “aye”. Denny then asked about extra funds from FEMA; Petersen said that difference can be kept in Waste Plant account until project is finished. Then, Petersen will keep contact FEMA and see if Donala should use the funds for something else or refund back to FEMA.

Board then discussed the Investment policy. After short discussion, Judd moved to accept the Investment policy as presented, Houle second, all “aye”.

Petersen then discussed the Latrobe Water Line Extension that was awarded to Swerdfeger Construction. He stated that the line will be for a 24” line, 2/3 bored, 1/3 trenched. Project should be complete by mid-October.

Discussion then led to Arkansas Basin Roundtable. Next roundtable is September 14, 2016. Petersen asked if any of the Board would be available to attend. Judd and Houle will tentatively attend.

Petersen then noted that he had made hotel reservations for Houle, Snyder and Denny to attend SDA conference. He stated that as usual, the Board would be reimbursed for their expenses in attending.

Petersen noted he will attend the Colorado Water Congress in Steamboat Springs. He will leave at noon on Tuesday and return Friday night.

Petersen stated that he has asked the lead staff members to provide their capital needs list to begin working on the 2017 budget. Petersen plans to meet with Remington, Sams and staff to discuss the Waste plant budget for 2017. He noted that he will provide the 2017 Waste Plant budget to both Nichols and Remington by September 15th, per IGA, so they can plan ahead for their respective budgets. At the September Board meeting, Petersen will provide the basis for his budget development. The statutory deadline for presenting the first preliminary budget to the Board of Directors is by October 15th of each year.

Preflourinated compounds update was then provided to the Board by Petersen. As he had suspected, Petersen stated that the compounds were tested and the tests came back as a “non-detect”. He will post this information in the next newsletter as well as on the website. This information will be put in the Tri-Lakes Tribune, OCN and the September 2016 newsletter. Lead and Copper testing are next to be tested. These tests are performed annually.

Petersen then provided information on other water opportunities: the Laughlin Ditch and the Homeplace Ranch. As of the meeting though, Barber called to let Petersen know that the Laughlin Ditch will soon be under contract at this time and if the District is interested, time is running short. Homeplace Ranch is actually a reservoir site. At this time Petersen is not sure if other Districts would be interested in cooperating in a reservoir site. The Board did ask Petersen to pursue the Laughlin Ditch further.

Petersen then noted the final opportunity being the DEWSS project for reuse water. This project could net Donala another 525 AF and it seems that public perception is beginning to change favorably. Denny asked why Donala is revisiting this project. Petersen stated that with the rising costs of acquiring depleting water sources, this may become Donala’s most viable option. Petersen then mentioned that Donala had considered purchasing another ranch near the Leadville ranch, but it seems unlikely that that property will be available for another 10 years. Petersen will ask both Sams and Katie Fendel to review the DEWSS project to see if there is merit in pursuing it at this time.

WILLOW CREEK RANCH:

Petersen stated Willow Creek Ranch continues to take water. He mentioned that he has visited the ranch and seen the fence that Somerville put up and that Somerville and Donala will share the cost. Petersen said that the fence was well done. Petersen said that some of the Donala Staff had a weekend camp-out the first weekend and had a great time. The staff is grateful to have the opportunity to use the ranch. Petersen and Parker are going up to the ranch next month to check out the flumes and telemetry system.

STATUS OF OPERATIONS/PROJECTS:

Both R Hull plant and Holbein Plants are both producing at this time Well 2A and Well 4A are both back in operation. On August 9, 2016, Kaleb Dunn, the Groundwater Commissioner for Division 2, came out to tour Donala’s well. He was very impressed with our operations and stated that he will not need to come back until 2017.

Waste water treatment plant is going well; however, arsenic levels are increasing. Hull had noted that there seems to be a correlation between higher levels of arsenic when water plants are producing more. The Board asked if it is possible to test the well head for arsenic; Petersen said that it is and the well heads will be tested for arsenic. Right now Triview does not have the capability to treat for arsenic. Powell asked about Forest Lakes; do they have an arsenic problem? Petersen said that he doesn't believe so.

Petersen stated that Yocam construction had bid less on the access road repairs than the engineers had estimated. Petersen is also going to ask Yocam to bid on the cost of the dump pad for the Waste Plant.

DEVELOPMENT UPDATES:

Petersen is still waiting for more information on the golf course redevelopment. Judd stated that he had heard that development of the golf course is in limbo at this point. Petersen said that he had heard of 2 separate hotels thinking of building on Barash's property. He also stated that he has been in contact the engineering firm that is looking into building the USAFA Visitor's Center. The firm is interested in asking Donala to provide water and sewer connections to the Visitor's Center. Petersen explained that this is not possible as we cannot provide services to them as they are outside our service area.

Snyder then asked about development on Struthers Road. Petersen noted that the area south of Big R has been looked at by a realtor for various commercial developments. Houle noted that Cathedral Rock is building a church on Struthers Ranch Road.

Petersen then directed the Board to the Monthly Volume Report. He noted volume of 36,172,570 gallons; the reason % billed vs. distributed is only 87.98% is the water that was transported to Triview Metro District and then subsequently billed to them (outside of the monthly volume report). Factoring in water billed to Triview would net a percentage of 98%.

Petersen then asked which Board members would be able to attend the Chandler Open House. Houle, Snyder, Petersen will all be able to attend. Denny then noted that the website needs some updates. He was particularly concerned about the FAQ's. Bray said that she would work on it.

Board then asked about the November 17, 2016 workshop meeting. The board would like to address strategic issues and a regional concept.

PUBLIC COMMENT:

Powell asked for public comment; there was no public comment.

There being no further business of the board it was moved by Judd, second by Houle, all "aye" to adjourn the meeting at 3:21 PM. Motion carried.

These minutes are respectfully submitted for record by Betsy Bray on August 19, 2016

