

DONALA WATER AND SANITATION DISTRICT
BOARD OF DIRECTORS
MEETING MINUTES
December 7, 2017

The Board of Directors of the Donala Water and Sanitation District met in regular session at the District's office, 15850 Holbein Dr., El Paso County, Colorado on December 7, 2017 at 1:30pm.

Directors Present: David Powell
Ken Judd
Bob Denny
Ed Houle

Absent: Dennis Snyder

Staff Present: Kip Petersen
Tanja Smith
Christina Hawker
Mark Parker
Betsy Bray

Guests: Bill George
Jim Kendrick

President Powell called the meeting to order at 1:30pm. All arose for the Pledge of Allegiance.

Public Comment Non-Agenda Items:

- Bill George inquired about changing term limits. Petersen responded that Board had discussed this at the November workshop and agreed to keep the current limits in place.

Review of Minutes:

- Minutes from October 2017 Board Meeting accepted as amended.

Review of Financial Statements and Check Summaries:

- Judd asked about legal notice for the Gazette. It is an annual charge.
- December report – goal is 8.3%, we are a little short. Still have another month for water revenues. Will collect another \$460,000 in Dec.
- My Place Hotel paid TAPS of \$197,000 yesterday.
- Petersen projects we will be at 11% by end of Dec., will be a little short. Will be offset as there are a couple of capital projects we did not include this year.
- Ultimately revenue will equal expenses.
- Denny inquired about payment to Timberline for camera and retrofit. Cost of camera equipment was minimal, 98% of the charge came from the retrofit.

- Judd asked about excess in repair & maintenance, training, office equipment, office supplies and tools are all low. Petersen explained there are some purchases to be made and has asked Mark Parker to get started on repair projects.
- Judd asked what Green Legacies is. That is our xeric education outreach program for Donala customers.
- Denny questioned the Triview and Forest Lakes quarterly payments for the Waste Plant. Triview is still outstanding. Do we have problems collecting their payment? Petersen noted that we do get quarterly payments from Triview with no problems.
- Mark Parker noted that the payment to Forest Lakes for potable water in Oct was on the Donala Water register, should it not have been paid out by Waste? Yes, Christina will make the correction.
- Powell motioned to accept all financials with changes, Judd second, unanimous to accept.

Manager's Report and Presentation of the 2018 Proposed Budget:

- Some modifications made to presentation based on comments from Mr. Book at the October meeting.
 - Multifamily accounts using one master meter will be calculated by dividing the number of units per meter.
 - In keeping with parity, multifamily units will also be charged the same water service fee as single family units at \$25 per month vs. \$18 per month.
 - This new structure will go into effect on May 1, 2018.
- Waste monthly service fee will increase from \$31 per month to \$33 per month. This will help to offset new arsenic treatment guidelines. The cost is estimated to be \$2,200,000 for needed upgrades. Donala's share will be \$836,000.
- Restructure of multifamily rate will result in a reduction of revenue of \$166,000. The reduction will be made up with reserves, if necessary. Have reduced operating expenses by \$14,200 and expect TAPS will increase with new construction.
- AVS prediction has changed, AVS can only be charged when water and sewer are available. Based on that, the original calculation of the entire golf course redevelopment has been changed to only currently being able to charge AVS on 5 lots.
- Property taxes will reduce by \$1,411.
- Denny has questions on how numbers all line up. Looks like there will be a surplus. Petersen explained the \$893,000 in revenue from Academy Water and Sanitation will be put in a reserve account to fund the arsenic treatment for the Waste Plant.
- Motion to accept the budget by Powell, second by Houle, all in favor.

Resolutions 2017 1-5:

- Resolution to set mill levy 2017-1 Area A
 - Houle moved to adopt, Denny second, all in favor.
- Resolution to set mill Levy 2017-2 Area B
 - Judd moved to adopt, Houle second, all in favor.
- Resolution to set 2017-3 adopt budget 2018
 - Judd moved to approve, Denny second, all in favor.
- Resolution to set 2017-4 to appropriate funds
 - Denny moved to approve, Houle second, all in favor.
- Resolution to set 2017-5 rate resolution
 - Judd moved to approve, Houle second, all in favor.

- Peterson asked Board to excuse Snyder from meeting.

Appointment of Designated Election Official:

- Petersen requested that Betsy Bray be appointed as DEO.
 - Houle moved to appoint, Judd second, all in favor.
- Will determine if District will have a polling place or a mail in ballot in January.

Manager's Report Cont.:

- Consideration of month to month service agreement with CSU. City has signed off it.
 - Petersen met with Brett Gracely and Pat Lowell to discuss long term agreement.
 - Denny moved to approve addendum, Houle second, all in favor
- Bureau of Reclamation long term contract may be delayed due to potential government shut down.
 - Denny moved to authorize either Petersen or Powell to sign contract when available, Judd second, all in favor.
- Petersen and Powell attended Arkansas Basin Roundtable meeting on Nov. 8th. Petersen and Will Koger from Forsgren and Associates made presentation of the Regional Infrastructure Study. There was also a presentation related to Wildfire Risk Assessment in the Arkansas Basin.
- Donala hosted a tour of the Water plant and Wastewater Plant to a group of 10-12 year old students. Students entered contest with study on using reuse water. They placed 1st out of 48 teams and will now compete at State level. Petersen has asked that they keep us informed.
 - Petersen noted that Donala fully supports public involvement and education.

Willow Creek Ranch:

- Water season is now over.
- Installed camera on flume to better judge snowpack
- Will continue monthly visits to the ranch to observe equipment as well as snowpack.

Status of Operations:

- R. Hull plant is complete. Has been producing water since last week.
- Well 8 remains down. Should be up by the time irrigation season arrives.
- Doral Way water line project is complete, except for a few punch list items.

Development Update:

- Grading on commercial lots at Struthers and Northgate continues.
- Golf course redevelopment moving slowly. Impass on storm drainage for developer has held up approval of the 12 additional lots.
- Water production dropped from 16,000,000 in October to 11,000,000 in November.

Additional Comments:

- Petersen thanked Betsy Bray for her 24 years of service and dedication to Donala. Overwhelming applause from all in attendance!!

With no further comments, the Board adjourned at 2:50 pm.

These minutes are respectfully submitted for record by Tanja Smith on December 8, 2017.