

DONALA WATER AND SANITATION DISTRICT
BOARD OF DIRECTORS
MEETING MINUTES
December 12, 2019

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 12, 2019 at 1:30pm.

Directors Present: Ken Judd
Ed Houle
Dennis Snyder
Wayne Vanderschuere
Kevin Deardorff

Staff Present: Kip Petersen
Tanja Smith
Christina Hawker
Mark Parker

Guests: David Powell
Jennifer Kaylor
Steve Hrin

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

Public Comment Non-Agenda Items:

- None.

Review of Minutes:

- Minutes from October and November 2019 Board Meetings accepted as submitted. Houle motioned to approve, Snyder second, all aye.

Review of Financial Statements and Check Summaries:

- Should be at 8.3%. Operating revenue is at (22.94)%. Does not include Nov. billing as we billed on Dec. 2nd due to the Thanksgiving holiday. Expenditures are at 6.13%.
- Waste operating revenue at (1.29)%. Expenditures is at 12.92%.
- General Fund return is 1.64% and Debt Fund is at 1.54%.
- Houle motioned to accept, Vanderschuere second, all aye.

Manager's Report:

- Presentation of the 2020 District Budget and Public Hearing.
 - Judd formally opened the public hearing at 1:42pm.
 - Based upon Cost of Service Analysis provided by GMS, recommendation of 2.4% increase across all tiers of water sales, \$1.75 increase to sewer service fee and \$1 increase to water service fee.
 - Public comment open:
 - Hrin was approached by a high school student in regards to rising water rates and was asked if rates will ever go down. He explained that probably not due to maintenance and continually searching for renewable water. He asked the Board for verification, of which the Board agreed.
 - Public comment closed at 1:56pm.
- Resolution 2019-4 to set the mill levies in Area A. Houle motion to accept, Judd second, all aye.
- Resolution 2019-5 to set the mill levies in Area B. Houle motion to accept, Vanderschuere second, all aye.
- Resolution 2019-6 to adopt the 2020 budget. Vanderschuere motion to accept, Deardorff second, all aye.

- Resolution 2019-7 to appropriate the funds for the budget. Houle motion to accept, Snyder second, all aye.
- Resolution 2019-8 to establish the rates and fees for 2020. Houle motion to accept, Deardorff second, all aye.
- Appointment of DEO for 2020 election. Snyder motion to accept, Houle second, all aye.
- Memorandum of Understanding between Fountain, Donala Water and Triview Metro for water storage.
 - Establishes the framework of which the 3 entities will cooperate on the preliminary design on a possible reservoir site in Fountain, repurposing several former gravel pits off Fountain Creek.
 - Donala will require storage for the District's Laughlin water right.
 - MOU is for 3 years. The first year Donala and Triview will update previous engineering studies. In 2021 Fountain will participate and the costs will be divided equally.
 - Will not exceed \$100,000.
 - All Board Directors agreed to give consent to Petersen to continue with the engineering study.
- PPRWA met on Nov. 6. Next meeting will be Feb. 5, 2020.
- Arkansas Basin Roundtable was held on Nov. 13 and Petersen, Houle and Vanderschuere attended. Next meeting is Jan. 8, 2020. Vanderschuere and Houle will attend.

Willow Creek Ranch:

- Ranch is in hibernation mode.
- Petersen and Parker retrieved the ranger from the ranch.
- Snowpack was minimal. Willow Creek was frozen with water running underneath and North Willow Creek was free flowing.
- Still dealing with beaver dams. This spring we will attempt to get the stream back in its banks with some heavier equipment that can fully remove the dams.
- All of the No Trespassing/No Hunting signs have been removed from the western boundary and a section of fence was rolled up and left open. We will reinstall the signs this spring.
- Judd recommends we contact DOW in Leadville to let them know we have had trespassers.
- Met the new owner of the O'Driscall property, John Scott. Discussed how to better keep access road open for everyone. He has installed snow fence which seems to help.
- We will have to pay Pueblo County the balance of the stormwater impact fee they assessed as part of our 1041j permit.
- In January we will need to forward payment of \$10,300 to the Fountain Creek Watershed and Flood Control District, also as part of our stormwater impacts identified by Pueblo County. This is an annual payment.

Status of Operations:

- Demands are consistent with colder temps. Of 11,592,336 gallons produced in November, 75% was from Willow Creek Ranch and 25% from our well system.
- Holbein plant will be decommissioned in January for annual rehabilitation. R. Hull is currently online and producing water.

UMCRWWTF:

- Waste-water treatment plant is operating well.
- Arsenic levels are reduced from previous levels earlier this summer.
 - We continue to monitor the flows coming into the facility and anticipate having an automatic composite sampler on-line within the next several weeks to monitor the arsenic levels coming in from Triview and Forest Lakes, separately from Donala's raw influent.
- M. Parvacella bacteria has resurged, however it is manageable. This is due to the outreach by all Districts and media efforts by CSU as well as favorable weather.

Capital Projects:

- Beers Construction still has repairs to Gleneagle to complete.
- Staff met with Glacier Construction and GMS to examine the cost estimates for the Residual Management Facility.

- The final construction estimate has grown from the initial \$1,000,000 to \$2,037,319. The original estimate came in mid-2017. Costs have increased dramatically due to the robust economy which has created a “contractor’s market”.
- We were able to reduce the costs to \$1,637,319 which still leaves a shortfall of \$637,319 in the 2020 budget. Petersen will not request to access the reserves and will instead reduce the AC water line replacement project to cover the shortfall.

Development Update:

- There have been no new contacts regarding additional development.
- The former Loaf and Jug is being converted to house Enterprise Car Rental.
 - We will require an upgraded oil and grease trap as they will be washing cars at this location.

Additional Comments:

- None.

It was moved by Vanderschuere, second by Houle, to adjourn into Executive Session, under the provisions of CRS 24-6-402(4)(e) to discuss with legal counsel, matters that may be subject to negotiations and developing strategies for negotiations and instructing negotiators. Motion carried and the Board went into Executive Session at 2:50 pm. Direction was provided to staff for on-going negotiations. It was moved by Houle, second by Deardorff, to adjourn the Executive Session at 4:00 pm and return to open session. Motion carried. Petersen announced that he had been given direction by the Board related to water service options for Triview Metropolitan.

There being no further business before the Board, it was moved by Houle, second by Snyder, to adjourn the meeting at 4:03 pm. Motion carried.

These minutes are respectfully submitted for record by Tanja Smith on December 12, 2019.