

DONALA WATER AND SANITATION DISTRICT
BOARD OF DIRECTORS
MEETING MINUTES
AUGUST 20, 2020

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 August 20, 2020 at 1:30pm.

Directors Present: Ed Houle
Dennis Snyder
Wayne Vanderschuere
Kevin Deardorff
Bill George

Staff Present: Jeff Hodge
Tanja Smith
Christina Hawker
Mark Parker

Guests: Rick Fendel
Matthew Poznanovic
Jennifer Kaylor
Nate Eckloff
Stephen Hrin (via phone)

President Houle called the meeting to order at 1:30pm.

Public Comment Non-Agenda Items:

Review of Minutes:

- Minutes from July 2020 Board Meeting accepted as submitted. Snyder motioned to approve, George second, all aye.

Review of Financial Statements and Check Summaries:

- Should be at 42%; revenue is at 26.37% and expenses 32.35%.
- Waste revenue is currently at 47.62% and expenses 43.47%.
- General Fund return is .16% and Debt Fund is at .07%.
- Deardorff motion to accept, George second, all aye.

New Business:

- Refinance Existing Debt.
 - Laughlin Loan has a balloon payment that pays off the remaining principle due March of 2021. Current low interest rates would be beneficial to refinance this loan along with other existing debt to realize significant annual and long-term savings.
 - Staff reached out to 3 agencies that provide bonding. Recommend engaging Piper Sandler to provide their services to the District.
 - Total amount refinanced will be \$13,214,626.88. This includes the Laughlin Ditch Water Right and the CWRPDA 2007 and 2011 loans.
 - District will realize level future payments while only adding 4 years to the current pay off dates of 2040.
 - Staff recommends adoption of Resolution 2020-4 to start the refinancing and bond issuance process.
 - Adoption of Resolution 2020-4 moved by George, second by Deardorff second, all aye.

Manager's Report:

- Northern Monument Creek Interceptor Design Contract:
 - CSU sent out a contract for the NMCI partners to review and comment. On Wednesday August 12th the Northern Partners held a meeting to collectively review the contract. Majority of Partners have concerns about return flows. It was agreed to send a request to CSU to hold a joint meeting with staff to discuss the issue. Currently awaiting a meeting to be scheduled.
- CSU, Triview and Donala Agreement:
 - CSU is currently reviewing the revisions Donala made to the agreement.
- PPRWA:
 - Hodge attended the Regionalization Subcommittee meeting at Cherokee Metro District July 23rd. This was the first meeting of the subcommittee, so it was more of a kickoff/organizational meeting. CSU did mention that they were nearing completion of a water model report that the group requested a copy of as it becomes available.
- Drought Report:
 - Drought intensity has not changed much from the last chart. We have seen a record or near record run of high and dry temperatures.

Willow Creek Ranch:

- Week of July 13-17 was work week at the Ranch. Were successful accomplishing this year's projects of beaver mitigation and beetle/fire mitigation.
- Did not take our full allotment of water off the Ranch for July and will not take it in August. We will save it for a better year.
- Will make trip to Ranch soon for a site visit.

Status of Operations:

- Demands on the District's water supplies are consistent with hot, dry temperatures. The District produced 39,748,307 gallons in July versus 36,717,862 in June. Of this total 41% as from Willow Creek and the balance of 59% from District wells.
- Well 4A has been in use for a month now without any issues.
- Well 7D was videoed and we believe the pump and motor have dropped to the bottom of the well after being dislodged by the retrieval attempt. Currently working with Hydro Resources on getting the Well re-equipped to a depth of 1220 ft from the previous 770 ft and equipping the Well with a VFD to better control it and hopefully get another 20 years out of it.

Capital Projects:

- Residuals management facility project is completed.
 - Was run through a full start-up with the representative from MW Watermark. Start-up was less than optimum. Ran 30,000 gallons and only made a semi-dry cake material. We are in the process of filling the tanks with a thicker sludge and will run the process again to see what kind of cake we can produce. May have to add thickener to make optimum cake.
- Annual infrastructure project started on August 18, 3 weeks behind schedule. Pate ensured us that they will complete the project time though.

UMCRWWTF:

- Plant is operating within normal operating standards.
- Transition from Robert to Michael is going well.
- Amy found some discrepancies in lab sampling and immediately got the resolved before any issues arose.

Development Update:

- We received an inquiry into the status of the Donala legal and physical ability to serve the 6. Acres located on the southeast corner of Struthers and Spanish Bit. The is within the Donala service area. The property would need to be included into the District when water and sewer service is requested.

Additional Comments:

- Hrin asked if we had heard any more about Triview purchasing Stonewall Reservoir, if so would we be able to store water there? Matt said it is possible.

A motion was made by Director George and seconded by Director Deardorff for the Board to enter into Executive Session pursuant to C.R.S. Section 24-6-402(4) (a), (e), Potential Water Rights Purchase and Negotiations of Interim Wastewater Conveyance and Treatment Agreement. The motion carried unanimously to enter into executive session at 2:20 p.m.

Adjourned from Executive session reconvened into regular open session at 3:20p.m. No reportable action was taken.

Meeting adjourned 3:21 p.m.

These minutes are respectfully submitted for record by Tanja Smith on August 20, 2020.