

## RECORD OF PROCEEDINGS

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A meeting of the Woodmoor Water and Sanitation District No. 1 (WWSD) Board of Directors was held on December 20, 2013 at the Woodmoor Water and Sanitation District No. 1 office.

PRESENT:                    Director Town  
                                  Director Courrau  
                                  Director Taylor  
                                  Director Schwab  
                                  Director Strom

Manager:                    Jessie J. Shaffer  
Asst. Manager             Randy Gillette  
Attorney:                    Erin Smith  
Consulting Engineers:    Mike Rothberg, Steve Tamburini  
Secretary:                  Marsha Howland  
Visitors:                    Roni Sperling – Buchanan and Sperling, P.C.  
                                  John Gallagher – Raftelis Financial Consultants  
                                  Robert Wadsworth – Raftelis Financial Consultants  
                                  Ben Coles – Woodmoor Resident  
                                  Dave Motyka – Woodmoor Resident

### I. Call to Order:

President Town called the meeting to order at 1:32 p.m.

### II. Reading of the Minutes:

Copies of the November 14, 2013 meeting minutes of the Woodmoor Water and Sanitation District were provided to each Director. It was moved, duly seconded, and unanimously passed that the minutes be approved.

### III. Financial Report:

Taylor stated that he had reviewed the financial statements and did not have any changes. It was moved, duly seconded, and unanimously passed that the financial reports be approved.

IV. **Public Discussion:**

A. **Unscheduled People:**

1. **Ben Coles** - Mr. Coles addressed the Board concerning the Renewable Water Investment Fee (RWIF). Coles stated that he understood and agreed with the concept of the fee, but did not understand why the fee was lower for multi-family homes. Town explained the rationale of the fee. Shaffer stated that he would be happy to have a meeting with Mr. Coles to explain the logistics of the fee in more detail.

V. **Joint Use Committee Report (JUC):**

Strom stated that everything is running smooth with the JUC members. Strom reported that the Town of Monument's reserve bond passed. Gillette stated that the JUC is looking at testing the streams for sediment in the future.

VI. **Manager's Report:**

Shaffer reviewed the Manager's Report dated December 20, 2013, a copy of which is attached hereto.

1. **Collaborative Organizations/Opportunities:**

a. **Pikes Peak Regional Water Authority (PPRWA):** Shaffer stated that the PPRWA is looking forward to starting the Regional Infrastructure Project (RIP). The study should start early in of 2014.

2. **Operations:**

a. **Water Report – Unaccounted for Water Summary:** Gillette stated that this month's actual unaccounted water percentage is around 11%, not 29% as the report shows. Shaffer stated that there was a five day difference between the production metered usage and the customer meter readings. Gillette stated that WWSD will continue to investigate the unaccounted water percentage. Shaffer stated that WWSD will begin installing the new system meters in 2014. Gillette stated that the mixer in Lake Woodmoor is frozen in place, but is still operating.

### **3. District Construction/Planning Projects:**

- a. Lake Best Management Practices (BMP) Study Report/Update:** Shaffer stated that he has received the draft BMP study report. Shaffer is going to send GEI his comments concerning the study, and then GEI will send him the finalized report. Shaffer will have the final report next month for the Board to review.

**4. WWSO Subdivision/Development Status Update:** Shaffer reported that 33 tap fees have been purchased so far in 2013.

### **5. Other Topics:**

- a. Progress Report on JV Water Rights Change Case:** Shaffer reported that WWSO is slated for Water Court the last week in February, 2014. Shaffer detailed the Water Court process to the Board. The Board will continue this discussion in Executive Session.
- b. Golf Course Augmentation Service for 2014:** Shaffer reported that Touchstone Golf has terminated their augmentation agreement with WWSO for pond #4. However, they will need to continue augmentation services for ponds 1, 2, and 3. Shaffer will start WWSO's formal augmentation policy process with Touchstone Golf for 2014.
- c. The "Pipeline" 4<sup>th</sup> quarter Newsletter Draft:** Shaffer presented a draft copy of the pipeline for the 4<sup>th</sup> quarter to the Board. Shaffer asked the Board to e-mail any changes or corrections they have to him. The newsletter will go out with the next billing.

## **VII. Special Reports and Subjects:**

- 1. Engineer's Report:** Tamburini stated that Tetra Tech is in the process of completing the taste and odor pilot study. They are also working on the regional water reclamation facility report. Both reports should be completed by next month.
- 2. Attorney's Report:** Reserved for Executive Session.

## **VIII. Old Business:**

- 1. 2014 Rates Discussion & Cost of Service Analysis:** Shaffer stated that the rate model he presented to the Board last month had to be modified. The amended model shows that the rate recommendation on the sanitary sewer side would be a 1.6% increase. On the water side, an increase of 3.6% per year for 3 years is needed to cover the cost of services. John Gallagher explained the modifications made to the model. Gallagher presented a rate chart showing the increase for water, spread between 1 and 3 years. Shaffer explained that the Board did not have to make a definite decision today, but he needs to post proposed rates for the public hearing. After a lengthy discussion, the Board directed Shaffer to post rates for the Public Hearing not to exceed a 6% increase.

**Note:** The January 9, 2014 Board Meeting has been canceled. There will be a Special Meeting held at 8:00 a.m. on January 20, 2014.

- 2. Close Public Hearing on 2014 Budget:** President Town asked for a Motion to close the public comment portion of the Public Hearing.

### **Motion:**

Upon motion by Director Schwab, and second by Director Courrau, the Board unanimously voted to close the public comment portion of the Public Hearing and to continue the Public Hearing on the 2014 budget until January 20, 2014.

- 3. Consider approval of the Amended and Restated Supplemental Water Service Agreement - YMCA:** Shaffer reported that the YMCA has reviewed the amended supplemental water agreement with WWSD. The YMCA requested that WWSD change the non-payment termination terms from 10 days to 30 days.

**Motion:**

Upon motion by Director Taylor, and second by Director Schwab, the Board unanimously voted to change the non-payment terms on the Supplemental Water Service Agreement with the YMCA from 10 to 30 days. The Board authorized District Manager, Jessie Shaffer, to sign the amended agreement.

**Note:** Director Schwab stated that he received a letter from a Woodmoor Resident concerning the walking trail around Lake Woodmoor. The Board will review the letter for discussion next month. Director Schwab will respond to the resident.

**Note:** President Town alerted the Board that someone threw a 35lb stone through his picture window at his residence. Town stated that he thinks this was a random act of vandalism and nothing to do with the WWSD Board, but wanted to make the Board aware.

**IX. New Business:**

**1. Conservation Credits toward Tap Fees for New Developments Discussion:**

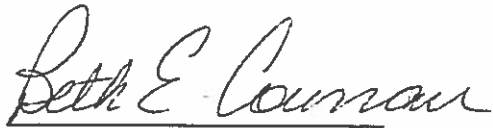
Shaffer stated that Challenger Homes contacted him asking if the Board would consider conservation credits toward tap fees, such as they have with the City of Fountain. Shaffer stated that he compared WWSD tap structure with the City of Fountain, and stated that they are set up completely different. Shaffer stated the supplemental water agreement that WWSD offers, actually gives new sub-divisions conservation options. The Board decided to leave WWSD's tap fee structure as is.

**X. Executive Session:**

It was moved, duly seconded, and unanimously approved that the Board move into Executive Session pursuant to: (1) C.R.S. Section 24-6-402 (4) (e) to determine positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators, all related to water and storage rights; (2) 24-6-402-4 (b) for conferences with special water council for specific legal questions regarding water rights. Executive Session commenced at 3:23 p.m. The Board returned to Regular Session at 4:15 p.m.

XI: **Adjournment:**

There being no other business to come before the Board, it was moved and duly seconded that the meeting be adjourned. The motion passed unanimously and the meeting adjourned at 4:17 p.m.

A handwritten signature in cursive script that reads "Beth E. Courrau". The signature is written in black ink and is positioned above a horizontal line.

Beth Courrau, Secretary