

RECORD OF PROCEEDINGS

A meeting of the Woodmoor Water and Sanitation District No. 1 (WWSD) Board of Directors was held on November 13, 2014 at the Woodmoor Water and Sanitation District No. 1 office.

PRESENT: Director Town
Director Taylor
Director Schwab
Director Strom

Manager: Jessie J. Shaffer
Asst. Manager Randy Gillette
Consulting Engineer
Attorneys: Erin Smith

Secretary: Marsha Howland

Visitors: John Gallagher - Raftelis Financial Consultants
Robert Wadsworth - Raftelis Financial Consultants
Russ Broshous - Brookmoor HOA
Mel Plowman - MGP
Forrest Hindley - Village Center Estates HOA
Paul Traxler - Woodmoor Resident
Zeb Koons - Peoples National Bank
Nancy Wilkins - Our Community News

I. Call to Order:

President Town called the meeting to order at 1:00 p.m.

Motion:

Upon motion by Director Schwab, and seconded by Director Strom, the Board unanimously voted to excuse Director Courrau from the Board Meeting.

Note: President Town requested that WWSD electronically send out the Board packets to the members. The Board will discuss this issue next month.

II. **Reading of the Minutes:**

Copies of the October 9, 2014 meeting minutes and the October 21, 2014 special 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. **New Business:**

A. Brookmoor HOA Request for Non-Potable Water Service: Russ Broshous from the Brookmoor HOA presented a request to convert over to WWSD's non-potable water service. Broshous presented maps of the Brookmoor Estates showing the irrigation system now in use, and spoke of the cost to irrigate this area. Broshous stated that the Brookmoor HOA would pay for the construction to tap into the non-potable system, which he estimated a cost around \$30,000. Broshous stated that the investment would pay for itself by May, 2016. Broshous stated that WWSD would also see a savings due to less treatment cost, but less revenue due to lower water usage. Town thanked Broshous for his presentation, and told him Shaffer would contact him when the Board made a decision. The Board will discuss the request during the Executive Session.

B. Village Center HOA Proposal for Purchasing of Tract H: Forrest Hindley from Village Center Estates HOA stated that he was available for any questions the Board has concerning their proposal for purchasing Tract H. Town stated that the Board would review the proposal in Executive Session. Shaffer stated that he would contact Hindley with the Board's decision.

C. Consider Request for Extension of Deferred Supplemental Water Service Option Payments - Mel Plowman: Plowman asked the Board to extend his supplemental water service payment deferral for another year. The Board will discuss Plowman's request in Executive Session. Shaffer will contact Plowman when the Board reaches a decision.

D. 2015 Rate Discussion & Cost of Service Analysis Presentation: John Gallagher presented a cost of service and rate analysis projecting the next 5 years to the Board; a copy of which is attached hereto. The Board discussed several options to bring WWSD up to the projected cost of service needed. After a lengthy discussion, the Board decided that water and sewer rate increases are necessary and will consider approving the increase at the December Board Meeting.

E. Public Hearing on 2015 Budget: President Town opened the Public Meeting on the proposed 2015 budget.

1. Presentation of Proposed 2015 Budget (Draft 2): Shaffer presented the second 2015 draft budget to the Board. Shaffer explained the changes he has made since the budget workshop. Shaffer presented the availability of services charge, (ASC), calculation to the Board. Smith explained to the Board the cost involved in raising the ASC. Smith stated that a notice of the new charge would have to be sent to each tax payer in the District. The Board directed Shaffer for planning purposes, to show the ASC rate of \$100 a year in the final budget that will be considered for approval in December, 2014.

2. Public Comment: Town opened the public comment portion of the public hearing. Paul Traxler a Woodmoor resident stated that he would not lower the RWIF, but he would raise the ASC. Traxler asked for a copy of the draft budget, which was provided to him.

F. Resetting Public Hearing on Proposed Rate Increases for 2015:

Motion:

Upon motion by Director Taylor, and seconded by Director Schwab the Board unanimously voted to reset the Public Hearing on the proposed rate increase for 2015 to Friday, December 19, 2014 at 10 a.m. at the District office. The Board directed Shaffer to publish the rate increase on WWSD's website by November 19, 2014.

IV. **Old Business:** None

V. **Financial Discussion:**

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

VI. **Public Discussion:**

A. Unscheduled People:

1. Paul Traxler spoke to the Board about the utility cost he pays living in Woodmoor. Traxler asked about the life of the aquifers, and what other options WWSD considered before purchasing the JV Ranch as a renewable water source. Traxler also asked the Board about income coming from the JV Ranch to offset the cost. Shaffer asked Traxler to meet with him so he could explain the entire process of the JV Ranch purchase Traxler will set up a meeting with Shaffer. Town will also attend the meeting if possible.

VII. **Joint Use Committee Report:** Strom reported that the discharge permit for the wastewater facility is out for comment. Strom stated that the storage shed that was budgeted for 2014 has been moved to 2015 due to the cost of construction. Strom reported that the JUC discussed stream modeling for 2015. Strom stated that the annual JUC Board Meeting will be held on December 10, 2014 at 6:30 p.m. The meeting will be at the Villa in Palmer Lake.

VIII. **Chilcote Ditch Company/ JV Ranch Report:** Town congratulated Director Taylor for being

elected President of the Chilcott Board. Taylor reported that the annual meeting of the Chilcott Ditch Company went well. Taylor stated that the share assessments were raised to \$825 per share.

IX. Manager's Report:

1. Collaborative Organizations / Opportunities:

a. Pikes Peak Regional Water Authority (PPRWA): None

2. Operations: Randy Gillette

a. Water Report: Gillette stated that the unaccounted water percentage for the month of October and for the year is at 8%.

3. District Construction/Planning Projects:

a. North Tank Painting Update: Shaffer stated that the north tank painting project has been completed.

4. WWSD Subdivision/Development Status Update:

a. La Plata - Lake Sewer Re-alignment: Shaffer stated that the lake sewer re-alignment is in the final states, and should be completed shortly.

b. Misty Acres Filing 2C & 3: Shaffer stated that Misty Acres Filing 2C and 3 is moving forward.

5. Other Topics: None

X. Special Reports and Subjects:

- 1. Engineer's Report: None.**
- 2. Attorney's Report: None.**
- 3. WIA Meeting Report: None.**

XI. Executive Session:

It was moved, duly seconded, and unanimously approved that the Board move into Executive Session pursuant to: C.R.S. Section 24-6-402: (1) Subsection (4)(a) for discussions related to the purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest; and (2) Subsection (4)(e) to determine positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators; and (3) Subsection (4)(b) for a conference with legal counsel for the purpose of receiving legal advise on specific legal questions; all related to the Joint Use Agreement; and water. Session commenced at 4:10 p.m. The Board returned to Regular Session at 5:37 p.m.

XII. Commence Mediation under Joint Use Agreement:

Motion:

Upon motion by Director Schwab, and seconded by Director Strom the Board unanimously voted to formally commence mediation under Joint Use Agreement.

XIII. 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 5:39 p.m.

Respectfully Submitted,



Barrie Town, President