

RECORD OF PROCEEDINGS

A meeting of the Woodmoor Water and Sanitation District No. 1 (WWSO) Board of Directors was held on November 12, 2015 at the Woodmoor Water and Sanitation District No. 1 office.

PRESENT:	Director Town Director Courrau Director Taylor Director Strom Director Schwab
Manager:	Jessie J. Shaffer
Asst. Manager:	Randy Gillette
Consulting Engineer:	
Attorney:	Erin Smith
Secretary:	Marsha Howland
Visitors:	Robert Wadsworth - Raftelis Financial Consultants James Howald - Our Community News

I. Call to Order:

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

II. Reading of the Minutes:

Copies of the October 8 and October 26, 2015 meeting minutes of the Woodmoor Water and Sanitation District were provided to each Director. It was moved, duly seconded, and unanimously passed that the meeting minutes be approved.

III. New Business:

A. 2015 Rates Discussion, RWIF Analysis and Cost of Service Analysis: Shaffer presented the Board with the 2016 rate model. Shaffer stated that the non-potable system rate model shows approximately a 16% increase for 2016. Shaffer stated that this increase is due to WWSD adopting the non-potable water service policy to all customers. Shaffer stated that other than the non-potable water not being treated, the rate methodology to recover cost of services is the same as potable water service. The Board discussed the impact this increase would have on the current non-potable water customers. After a lengthy discussion, the Board, with the exception of Director Schwab, directed Shaffer to move forward with the rate increase for the non-potable water service. Town directed Shaffer to explain the logistics of the increase in the next issue of the Pipeline. Shaffer reported that he posted the Notice as to Action to Increase Water and Sewer Rates for 2016 on WWSD's website as per Colorado Statute. Shaffer stated that the water composite rate increase is approximately 4%. Shaffer stated that the bulk water rate increase is at 3.5% and the irrigation rate increase is at 6%. The Board directed Shaffer to move forward on all the rates increases. Rob Wadsworth explained how the rate increases are applied to WWSD's cost of service to the Board. Shaffer reported that he spoke with WWSD's financial advisor and bond attorney about reducing the renewable water investment fee. Shaffer reported that both advisors stated that WWSD could lower the rate and stay in compliance with the bond covenants. After a lengthy discussion, the Board directed Shaffer to move forward to lower the renewable water investment fee to \$44.00 a month. Smith stated that notice of the public hearing was published in the Tri-Lakes Tribune as per Colorado Statute.

B. Public Hearing on 2016 Budget: President Town opened the public hearing at 2:16 p.m. Shaffer presented the changes made to the proposed 2016 budget, as directed by the Board at the budget workshop. Strom presented the changes to the proposed 2016 budget for the Tri-Lakes Wastewater Treatment Facility. President Town opened the public comment portion of the public hearing.

C. Setting public Hearing on Proposed Rate Increases for 2016:

Motion: Upon motion by Director Courrau, and seconded by Director Strom the Board unanimously voted to set the public hearing on proposed rate increases for 2016 on December 10, 2015.

D. Cost Increase for Access Road to Lake Woodmoor: Shaffer stated that WWSD received the easements needed for the access road to Lake Woodmoor. Shaffer reported that the contract pricing he received to cutting in the access road is approximately \$25,000, which is \$10,000 above the budgeted amount. The Board directed Shaffer to move forward on the project.

IV. **Old Business:** None.

V. **Financial Discussion:**

Director Schwab 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.

VI. **Public Discussion:**

A. **Unscheduled People:** None.

VII. **Joint Use Committee Report:** Strom reported that the construction at the Tri-Lakes Wastewater Treatment Facility is going well. Strom stated that the new generator that is required will cost approximately \$50,000.00. Strom reported that Bill Burks is looking into the qualifications of a new grant that the State is offering. Strom will have more information next month. Burks will contact the Directors when he knows the exact date of the annual Tri-Lakes Wastewater Treatment Facility Christmas party.

VIII. **Chilcott Ditch Company/ JV Ranch Report:** Taylor stated that the annual Chilcott Ditch meeting will be on November 18, 2015.

IX. **Manager's Report:**

Shaffer reviewed the Managers Report dated October 8, 2015, a copy of which is attached hereto.

A. **Collaborative Organizations / Opportunities:**

- i. **Pikes Peak Regional Water Authority (PPRWA):** Shaffer stated there should not be any financial impact for members of the PPRWA in 2016. Shaffer reported that there will be an upgrade to the transit loss model in 2017. Shaffer stated that the Zone 3 project is still in the data collection phase.

B. Operations: Randy Gillette

- i. Water Report: Gillette reported that the unaccounted water for October, 2015 is at 1%. Gillette reported that WWSD is finishing up the sewer relining and manhole lining process for 2015.

C. District Construction/Planning Projects: None.

D. WWSD Subdivision/Development Status Update:

- i. Dunes at Woodmoor: Shaffer stated that the Dunes project is moving forward.
- ii. Lake Woodmoor Re-development: Shaffer reported that WWSD issued this development conditional acceptance.
- iii. Village Center Filing 4: Shaffer stated that this development is moving forward. Shaffer stated that Village Center Filing 4 has completed the application process for a non-potable tap.

E. Other Topics:

- i. Potential for Non-Potable Customers 2016: Shaffer stated that he did not include any up-grades to the Lake Pump Station for the 2016 budget. Shaffer stated that the up-grade would cost approximately \$150,000. Shaffer asked the Board if they would like to include this up-grade in the 2016 budget, in order to serve more non-potable customers if they should apply. The Board directed Shaffer not to change the 2016 budget at this time.

X. Special Reports and Subjects:

- A. Engineer's Report: None.
- B. Attorney's Report: None.
- C. WIA Meeting Report: None.

Note: President Town congratulated Randy Gillette on his Water Utility Management class he is teaching at Pikes Peak Community College.

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 (4): (1) Subsection (e) to determine positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators; (2) Subsection (b) for a conference with legal counsel for the purpose of receiving legal advise on specific legal questions related to the Joint Use Agreement; and (3) Subsection (f) (I) to discuss personnel matters.. Session commenced at 3:01 p.m. The Board returned to Regular Session at 3:42 p.m.

XII. 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 3:44 p.m.

Respectfully Submitted,


Beth Courrau, Secretary