

RECORD OF PROCEEDINGS

A meeting of the Woodmoor Water and Sanitation District No. 1 (WWSD) Board of Directors was held on October 20, 2016 at the Woodmoor Water and Sanitation District No. 1 office.

PRESENT: Director Taylor
Director Strom
Director Schwab
Director Wyss
Director Bush

Manager: Jessie J. Shaffer

Attorney: Erin Smith

Secretary: Marsha Howland

Visitors: Darryl Beckmann - Woodmoor Resident
Greg Nagel - Woodmoor Village, LLC
Chris Wright - Pikes Peak Brewery
James Howald - Our Community News

- I. **Call to Order:** President Taylor called the meeting to order at 1:00 p.m.

- II. **Reading of the Minutes:** Copies of the September 1st and September 19th, 2016 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. **Consider The Mine Shopping Center Supplemental Water Service Request:** Shaffer reported that Mr. Nagel from the Woodmoor Village, LLC has made a formal request to purchase supplemental water service. Shaffer stated that the reason for the request is that the Pikes Peak Brewery is considering expansion. Shaffer reported that the brewery will be using a methodically different from WWSD's standard demand table for the request. Shaffer stated he has reviewed their methodically, and considers it reasonable. However, a covenant will be placed on their land that will allow WWSD to add a surcharge for any water used above the quantity requested. The brewery is requesting 3.56 acre feet of water in reserve plus 1.2 acre feet for their initial purchase. Mr. Nagel stated that the brewery is a family owned business and a good asset to the Woodmoor community. Mr. Nagel thanked the Board for their consideration. Mr. Wright stated that he had looked at a

larger facility in Colorado Springs for the expansion, but due to the support he has received from the Woodmoor community, he is excited to keep the business in Woodmoor.

Motion: Upon motion by President Taylor, and seconded by Director Strom the Board unanimously voted to approve the supplemental water service request proposal for The Mine Shopping Center.

Motion: Upon motion by Director Strom, and seconded by Director Bush the Board unanimously voted to authorize Jessie Shaffer and Erin Smith to develop the final supplemental water service agreement for The Mine Shopping Center.

B. 2017 Draft Budget and Workshop Date Confirmation: Shaffer stated that the first draft of the 2017 budget was delivered to the Director's mailboxes on October 13, 2016. The budget workshop will be held on October 25, 2016.

C. Set a Public Hearing on Consideration of Rate Increases for December 8, 2016 and Order Notice by Publication on the District's Website:

Motion: Upon motion by President Taylor, and seconded by Director Wyss the Board unanimously voted to set the public hearing on proposed rate increases for 2017 on December 8, 2016 and ordered notice of publication on the District's website.

D. Set the Public Hearing on the 2017 Budget for November 17, 2016 and Order Notice by Publication in the Newspaper:

Motion: Upon motion by Director Schwab, and seconded by Director Bush the Board unanimously voted to set the public hearing on the 2017 budget for November 17, 2016 and ordered notice of publication in the Tri-Lakes Tribune.

E. Consider Execution of Professional Service Agreement with Raftelis Financial Consultants:

Shaffer stated that a copy of the final agreement for professional services with Raftelis Financial Consultants was provided to each Director, a copy of which is attached hereto. Shaffer stated that Raftelis will perform the cost of service model for the 2017 budget. Shaffer reported that Smith has reviewed the agreement. The cost for the rates model will be \$14,300, which is the amount budgeted.

Motion: Upon motion by Director Schwab, and seconded by Director Strom the Board unanimously voted to execute the professional service agreement with Raftelis Financial Consultants, and authorized President Taylor to sign the agreement.

F. Consider Investigating Potential Benefits of Water Interconnect with the Town of Monument: Shaffer stated the the Town of Monument approached him concerning a water interconnect project with neighboring Districts. Shaffer stated that the staff at the Town of Monument is concerned over an emergency causing a water shortage and how to safeguard the town if such an occurrence should happen. Shaffer stated that the interconnect would only be used short term in the case of an emergency. Shaffer stated that the interconnect with the Town of Monument would ensure that Woodmoor would also have an emergency backup plan if the need arises. After a lengthy discussion, the Board directed Shaffer to move forward using staff to investigate the interconnect project. Shaffer stated that he would have more information in the next few months.

IV. **Old Business:** None.

V. **Financial Report:** Director Wyss stated that he has reviewed the financial statements, and does not have any changes. It was moved, seconded and unanimously passed that the financial reports be accepted.

VI. **Public Discussion:** Darryl Beckmann, a Woodmoor resident, thanked the Board for their insight in purchasing a renewable water source. Mr. Beckmann stated that he is concerned about all the new development in Woodmoor, and where the water will come from to service them. Beckmann asked the Board if growth was a factor when purchasing the ranch. Shaffer explained that WWSD does perform a long range plan, which was used for the renewable water purchase. Shaffer explained that WWSD's long range plan projects water service at total build out of Woodmoor. Beckmann asked if the Board had any plans to slow down development in Woodmoor. President Taylor stated that WWSD is a water broker, and does not have any authority in controlling the development. Beckmann stated that he was concerned about the developers planting grass instead of xeriscaping the properties, and wanted to know at what point WWSD would tell them to stop. President Taylor stated that WWSD did not have any authority regarding the developer's landscape plans. Beckmann asked when the water would be delivered from the ranch. Shaffer stated that WWSD is looking at several options, including partnerships to bring the water to Woodmoor, but it would be several years before the project begins. Beckmann thanked the Board for the information.

VII. **Joint Use Committee Report:** Director Strom stated that the JUC annual meeting will be held on December 15, 2016 at the Villa. Strom reported that the construction at the wastewater plant should be completed this month, and the JUC plans on operating the new plant through the warranty period. Strom stated that the JUC has been working on their 2017 budget.

VIII. Chilcott Ditch Company / The Ranch Report: Shaffer stated that the Chilcott Ditch Co. annual meeting and the meeting of the trustees will be held in the City of Fountain on November 2, 2016. Shaffer reported that he is working on the 2017 budget, and will present it at that meeting. Shaffer reported that they are looking to replace the siphon in 2017. Shaffer stated that they are checking into applying for a loan with the Colorado Water Conservation Board to pay for the construction of the new siphon. Shaffer stated that the loan interest would be between 1.6 and 2.6 annual percent. Shaffer reported that the embankment at Fountain Creek has eroded, and the augmentation station is only 30 feet from the bank now. If the erosion continues, Chilcott could possibly lose that station. Shaffer stated that they are closely watching the situation.

IX. Manager's Report: Shaffer reviewed the manager's report dated October 20, 2016, a copy of which is attached hereto.

A. Collaborative Organizations / Opportunities:

- i. PPRWA: None.
- ii. Zone 3 Preliminary Study: Shaffer stated that he has received the zone 3 study, but has yet to review it. Shaffer will have more information on the study next month.

B. Operations:

- i. Water Report: Shaffer reported that the unaccounted water percentage is at 6% for the year.
- ii. Sewer Report: None.

C. District Construction/Planning Projects:

- i. The Ranch Agricultural Equipment Storage Building Bidding Process: Shaffer stated that the contract has been signed for the new storage building at the ranch. Shaffer stated that construction will start in a couple of weeks. Shaffer is still working out a solution for the lighting for the building.
- ii. Revegetation Results Summary 2016: Shaffer stated that Paul Flak will have the revegetation summary results ready to present to the Board at the November, 2016 Board Meeting.

- iii. Lake Aeration System Installation: Shaffer stated the installation of the new aeration system at Lake Woodmoor is underway. Shaffer reported that the project should be complete within a week.
- iv. Lake Boat Ramp Installation: Shaffer stated that this project has been put on hold until 2017.

D. WWSD Subdivision/Development Status Update:

- i. North Bay at Woodmoor - Shaffer reported that a new development called North Bay at Woodmoor is planning on building 28 multi-family homes. Shaffer stated that the development is still in the preliminary stages.

E. Other Topics: None.

X. Special Reports & Subjects:

- i. Engineer's Report: None
- ii. Attorney's Report: None
- iii. WIA Meeting Report: Bush reported that there have been three or more Woodmoor residents fined for having open fires. Bush reported that WIA is considering raising the fines for open fires.

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 (e) to determine positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators; and (2) Subsection (b) for a conference with legal counsel for the purpose of receiving legal advice on specific legal questions; all related to the Joint Use Agreement and contract for consulting engineering service with FEI Engineers, Inc.; and (3) Subsection (f)(I) for a personnel matter. Session commenced at 2:30 p.m. The Board returned to Regular Session at 3:35 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 3:36 p.m.

Respectfully Submitted,



Tommy Schwab, Secretary