

RECORD OF PROCEEDINGS

A meeting of the Woodmoor Water and Sanitation District No. 1 (WWSD) Board of Directors was held on December 8, 2016 at the Woodmoor Water and Sanitation District No. 1 office.

PRESENT: Director Taylor
Director Strom
Director Wyss

Manager: Jessie J. Shaffer

Attorney: Erin Smith

Secretary: Marsha Howland

Visitors: Jim White - Woodmoor Resident
Rick Giardina - Raftelis Financial Consultants, Inc.
Rob Wadsworth - Raftelis Financial Consultants, Inc.
Chris Pollard - Our Community News

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

- II. **Remembering Lost Coworkers/District Employees - Moment of Silence:** President Taylor stated that Woodmoor Water & Sanitation District No. 1 had lost two employees last week. Lance Nielsen, WWSD's Operation Supervisor passed away after a short battle with cancer. Zachary Collins, WWSD's District Engineer was killed in a tragic accident. President Taylor asked for a moment of silence.

- III. **Reading of the Minutes:** Copies of the November 17, 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.

Motion: Upon motion by President Taylor, and seconded by Director Wyss the Board unanimously voted to excuse Director Strom from the November 17, 2016 Board Meeting.

Motion: Upon motion by Director Strom, and seconded by Director Wyss the Board unanimously voted to excuse Director Schwab and Director Bush from this Board Meeting.

IV. New Business:

A. Public Hearing on 2017 Proposed Rates:

- 1. Presentation of Final Proposed Rates:** Giardina stated that he has been working extensively with Wadsworth on the new rate analysis for 2017. Giardina stated that the rate analysis shows a 1% increase for water and 0% increase for sewer. Giardina stated that they made two adjustments to the rate model since last month. The first adjustment was changing a residential customer to a non-potable customer for the 2017 analysis. The second adjustment was the allocation of distribution cost, now basing it on average demands for each customer class. Giardina reported that these adjustments refine the cost of service to each customer class. Wadsworth stated that they also refined the cost of service analysis for non-potable customers. The rates model recommends a 5.1% increase for the non-potable class. Giardina reported that this increase will bring the non-potable customers up to the correct estimated cost of service in five years. Wadsworth stated that the model also recommends a decrease of \$1.00 to the renewable water investment fee, bringing it down to \$43.00 per month for single family homes. Wadsworth summarized all the rate recommendations for 2017 to the Board, a copy of which is attached hereto.
- 2. Public Comment:** Mr. White stated that he was concerned about the amount of water being wasted by the retail businesses in Woodmoor. White stated that in his opinion, the commercial businesses in Woodmoor should be paying all of the renewable water investment fee . White stated that the businesses can always raise their prices to cover the fee, and residents on a fixed income do not have that option. The Board thanked Mr. White for his comments. Mr. Pollard asked about the cost difference between pumping water out of Monument Creek versus pumping out of a well. Shaffer stated that the electricity cost is lower when pumping out of a creek, but when using an integrated water system, the cost is averaged together.

B. Close Public Comment on the 2017 Proposed Rates: President Taylor closed the public comment on the 2017 proposed rates at 1:48 p.m.

C. Continuation of Public Hearing on Proposed 2017 Budget:

- 1. Presentation of Proposed 2017 Budget:** Shaffer stated that he has not made any new changes to the budget, with the exception of the 2017 rates. Shaffer summarized the proposed budget, showing projected revenues at \$9,206,137, expenditures at \$8,481,503, and a transfer to District reserves of \$724,634.
- 2. Additional Public Comment:** None.

D. Close Public Comment on 2017 Proposed Budget: President Taylor closed the public comment on the 2017 proposed budget at 1:55 p.m.

E. Consider Adoption of 2017 Rates:

Motion: Upon motion by Director Strom, and seconded by Director Wyss the Board unanimously voted to adopt the 2017 rates.

F. Consider Adoption of 2017 Budget:

Motion: Upon motion by Director Wyss, and seconded by Director Strom the Board unanimously voted to adopt the 2017 budget, with the corrected rate schedule.

G. Consider Annual Administrative Resolutions: Smith stated that this Resolution 16-07 approves a summary of revenues and expenses, also the appropriation of monies to each fund set in the budget.

Motion: Upon motion by Director Wyss, and seconded by Director Strom the Board unanimously voted to adopt Resolution 16-07.

Smith stated that Resolution 16-08 approves the action to increase fees, rates, and charges for domestic water and sanitation services.

Motion: Upon motion by Director Strom, and seconded by Director Wyss the Board unanimously voted to adopt Resolution 16-08.

Smith stated that Resolution 16-06 is the Board's Annual Administrative Resolution. This Resolution directs WWSD's auditor, District Manager, and legal counsel to complete various tasks in accordance with state laws, also standard procedures completed by the District. The Resolution designates the Tri-Lakes Tribune for all published legal notices. The Resolution also states offices held by the Directors of the District..

Motion: Upon motion by Director Strom, and seconded by Director Wyss the Board unanimously voted to adopt Resolution 16-06.

- V. **Old Business:** None.

- VI. **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.

- VII. **Public Discussion:** None.

- VIII. **Joint Use Committee Report:** Director Strom stated that the JUC annual meeting will be held on December 15, 2016 at the Villa in Palmer Lake. Strom reported that the 2017 JUC budget was approved. Strom stated that there has been a few issues with the completion of the construction at the plant, and will have more information next month. Shaffer stated that the fire inspection went well at the new plant.

- IX. **Chilcott Ditch Company / The Ranch Report:** Shaffer stated that the Chilcott Ditch Company held their annual meeting on November 2, 2016. Shaffer stated that the Chilcott Ditch Company is on track to borrow the funds needed to replace the siphon, and has hired an engineer to develop the feasibility report that the Colorado Water Conservation Board needs to submit the loan application.

- X. **Manager's Report:** Shaffer reviewed the manager's report dated December 8, 2016, a copy of which is attached hereto.
 - A. **Collaborative Organizations / Opportunities:**
 - i. PPRWA: Shaffer stated that the PPRWA has resumed their monthly meetings.

B. Operations:

- i. **Water Report:** Gillette reported that the unaccounted water percentage is 10% for November, 2016. Gillette stated that there was a valve at the Central Water Tank that was incorrectly set that caused the higher percentage. The valve has now been set correctly. Director Strom spoke about the fact that WWSD lost three of the operators at the beginning of the year, and the three new replacement operators are doing a great job, gaining the experience and training needed for their new positions. Shaffer stated that it takes extensive training to get the new operators up to speed for all the procedures they have to do within the District.
- ii. **Sewer Report:** Gillette reported that the company WWSD has used for sewer cleaning is no longer available. WWSD will be looking for another company, but until that time, the operators will be taking on some of those cleaning duties.

C. District Construction/Planning Projects:

- i. **The Ranch Agricultural Equipment Storage Building Construction Process:** Shaffer stated that the construction of the storage building is underway. The project should be complete by the end of December, 2016.
- ii. **Lake Aeration System Installation:** Shaffer stated the installation of the new aeration system at Lake Woodmoor is complete. Shaffer stated that he will schedule training with the installer for the operators soon.

D. WWSD Subdivision/Development Status Update:

- i. **Misty Acres Filing 4:** Shaffer stated that conditional acceptance for Misty Acres Filing 4 and the Dunes at Woodmoor will be issued in the next couple of weeks. Gillette stated that the walk through of the developments went very smoothly due to Zach Collins's excellent work.

E. Other Topics: None.

XI. Special Reports & Subjects:

- i. Engineer's Report: None
- ii. Attorney's Report: None
- iii. WIA Meeting Report: Taylor reported that at the WIA meeting, they recognized a young man for completing an eagle project for the Boy Scouts, the young man happened to be President Taylor's grandson.

XII. 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 services with FEI Engineers, Inc.; and (3) Subsection (f)(1) for a personnel matter. Session commenced at 2:17 p.m. The Board returned to Regular Session at 3:00 p.m.

XIII. Employee Recognition: President Taylor stated that at the beginning of this meeting he spoke about the District losing two employees. President Taylor stated that the Board Of Directors would like to recognize Jessie Shaffer, Randy Gillette and Gary Potter for taking up the extra duties needed to keep the District running smoothly with the loss of these employees. The Board presented each with a Certificate of Recognition, along with a thank you note. Potter thanked the Board, and thanked Shaffer and Gillette for all their help in operations. Gillette stated that he appreciated the recognition, and he also wanted to recognize the entire WWSD staff, stating that everybody has stepped up to help in these trying times. Shaffer also thanked the Board and stated that he has a great staff and appreciates how they have all helped in every way possible.

XIV. 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 3:14 p.m.

Record of Board Minutes 12-8-2016

Respectfully Submitted,


James Taylor, President