

## **RECORD OF PROCEEDINGS**

A meeting of the Woodmoor Water and Sanitation District No. 1 (WWSD) Board of Directors was held on November 12, 2018 at the Woodmoor Water and Sanitation District No. 1 office.

<b>PRESENT:</b>	Director Taylor Director Wyss Director Bush Director Hanson Director Roddam
<b>Manager:</b>	Jessie J. Shaffer
<b>Assistant Manager:</b>	Randy Gillette
<b>Engineer:</b>	Ariel Hacker
<b>Attorney:</b>	Erin Smith
<b>Secretary:</b>	Marsha Howland
<b>Visitors:</b>	James Howald - Our Community News Rob Wadsworth - Raftelis Financial Consultants, Inc. LaDonna Nelson - Construction Management Group, LLC RJ Steer - Construction Management Group, LLC Telecia McCline - Colorado Department of Transportation Sarah Zarzeck - Stanley Consultants Jeff Stevenson - Colorado Department of Transportation

- I. **Call to Order:** President Taylor called the meeting to order at 1:00 p.m.
  
- II. **Reading of the Minutes:** Copies of the October 8th and October 17th, 2018 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 Approval of Supplemental Water Service Request - Cipriani, LLC: Shaffer stated that he received a supplemental water service request from Construction Management Group, LLC (a copy of which is attached hereto) asking for 2.5 acre-feet of supplemental water for a new business/retail space in the Tuscan Hills Plaza that Cipriani, LLC owns. Shaffer reported that

Cipriani, LLC is requesting .05 acre-feet of supplemental water being initially purchased, and the remaining 2 acre-feet being placed under option for execution at a later date. Shaffer reported that they are proposing a commercial development of a shell building that may possibly be a restaurant. Cipriani, LLC does not have a specific lessee at this time, so the amount of supplemental water needed immediately cannot be determined at this time. LaDonna Nelson who is a managing member of Construction Management Group, LLC stated that the shell building being proposed will be 3,700 square feet and they hope to start construction early spring 2019. Shaffer stated that Cipriani, LLC will pay an annual reserve option fee for the additional 2 acre-feet of supplemental water they are requesting.

**Motion:** Upon motion by Director Bush, and seconded by Director Hanson the Board unanimously voted to approve the supplemental water request from Construction Management Group, LLC and directed staff to bring the final agreement back to the Board for consideration.

B. Consider Approval of Supplemental Water Service Request - Monument Hill Business Park, LLC: Shaffer reported that he received a letter from Hover Architecture requesting supplemental water service for a proposed warehouse project located at 1945 Deer Creek Road. Shaffer stated that the project will have 38 units. The units can be used for a combination warehouse/office space for individual tenants. Shaffer stated that there is not enough data available to determine if the project will be able to stay under the standard water allocation, and the developer is willing to have a covenant agreement placed on the project including a surcharge if they use more than the District's standard allocation of 1/2 acre-feet of water per acre entitlement.

**Motion:** Upon motion by Director Bush, and seconded by Director Roddam the Board unanimously voted to approve the supplemental water request with a covenant agreement being placed on the Hover Architecture development.

C. CDOT - Gap Project Utility Overview - Sarah Zarzeck of Stanley Consultants: Shaffer stated that as part of the package two of the Gap project, a wildlife crossing will be constructed at Monument Hill Road going under Interstate 25. In order for that crossing to be built, a District sewer line will need to be relocated. Shaffer reported that Kramer Construction will be relocating the sewer line. Shaffer stated that the Colorado Department of Transportation will be paying for the construction of the sewer line relocate. Shaffer introduced Sarah Zarzeck to the Board. Zarzeck stated that the wildlife crossing will be approximately 12 to 14 foot wide, and will have fencing to guide the wildlife under the highway. Shaffer asked the Board to consider approving the utility agreement, (a copy of which is attached hereto) for the sewer relocate.

**Motion:** Upon motion by Director Bush, and seconded by Director Wyss the Board unanimously voted to execute the Contractor Adjusted Utility Agreement between the State of Colorado and Woodmoor Water & Sanitation District No. 1. The Board authorized President Taylor to sign the agreement.

D. 2019 Preliminary Rates Discussion, Renewable Water Investment Fee & Cost of Service Analysis - Rob Wadsworth - Raftelis Financial Consultants: Shaffer stated that Rob Wadsworth from Raftelis Financial Consultants prepared the 2019 water and sewer financial planning rate study for the Board. Wadsworth went through the rate study with the Board. The study shows that there is not a need to increase rates for water and sewer usage in 2019. The renewable water investment fee will be lowered to \$40.00 per month. The sewer and water tap fees will remain the same at \$32,621. The non-potable irrigation rate also will not increase in 2019. The Board thanked Wadsworth for all his work on the rate study.

E. Public Hearing on 2019 Budget: President Taylor opened the Public Hearing on the 2019 Budget at 3:43 p.m.

(i) Presentation of Proposed 2019 Budget: Shaffer stated that he made the changes to the second draft 2019 budget that the Board requested during the budget workshop. Shaffer went over each line item that changed from the first draft budget with the Board.

(ii) Board Questions: None.

(iii) Public Comment: None.

Note: The Public Hearing and Public Comment on the 2019 Budget will remain open until the December 10, 2018 Board Meeting.

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:** None.

VII. **Joint Use Committee Report:** Director Hanson stated that Bill Burks delivered the Tri-Lakes Wastewater Treatment Facility's third draft 2019 budget. Hanson stated the wastewater plant had three failed wet tests and JUC committee will discuss the issue tomorrow at their meeting.

**VIII. Chilcott Ditch Company / The Ranch Report:**

- A. Augmentation Station Armament: Gillette stated that he has shut down operations at the Chilcott Ditch Co. Gillette stated that he met with Matrix Design Group last week and they had the pre-bid meeting for the armament project. Gillette stated that four contractors were present at the meeting. The construction bid opens Friday, November 16, 2018.
  
- B. Winterization: Shaffer stated that the irrigation process at the ranch has been concluded. Staff is dismantling the aluminum pressure pipe and winterizing the equipment. Shaffer stated the ranch crew will return to the WWSD operation crew the first of December. Shaffer stated that Paul Flak will attend the December Board Meeting to present his 2018 Rangeland Summary Report to the Board.

**IX. Manager's Report: Shaffer reviewed the manager's report dated November 12, 2018 a copy of which is attached hereto.**

**A. Collaborative Organizations / Opportunities:**

- i. PPRWA: None.

**B. Operations**

- i. Water Report: Gillette reported that water demands are down. Gillette stated that there were three main breaks in October.

**C. District Construction/Planning Projects:**

- i. Well 21 (Drilling, Site Work and Transmission Line): Shaffer reported that Hydro Resources tried to run a 24- hour pumping test, but their generator failed 12 hours into the test. Hydro replaced the generator and started the pump test again. Eight hours into the test, the downhole equipment failed. Shaffer stated that after they replace the equipment, they will start another test. Shaffer stated that JVA is working on the well house and site design.

- ii. Monument Hill Road Sewer and Water Line Replacement: Hacker reported that AECOM issued a previous revision of plans but used a later revision for bidding. The contractors did not receive the updated plans. This issue has caused a three week push back on the work schedule. The original plan was for 386 feet of pipe, and the new plan is for 908 feet. This issue caused a change order for \$36,000 but the project is still under the budgeted amount. Shaffer stated that this change order exceeded the amount allocated for change orders, and asked the Board to consider raising the change order contingency up to 30%.

**Motion:** Upon motion by Director Bush, and seconded by Director Hanson the Board unanimously voted to increase the change order contingency to 30% for the Monument Hill Road sewer and water line replacement project.

**D. WWSD Subdivision/Development Status Update:**

- i. The Beach at Woodmoor: Hacker reported that she sent out invitations for a pre-construction meeting for this project to be held on November 20, 2018.
- ii. North Bay at Lake Woodmoor: Shaffer stated that he received revised plans for the North Bay project and is now waiting for the developer to make his changes.

**E. Other Topics:** None.

**X. Special Reports & Subjects:**

- i. Engineer's Report: None
- ii. Attorney's Report: None.

- iii. **WIA Meeting Report:** Director Bush stated that on behalf of the WIA Board he sent the Walters family a letter expressing concern by WIA over their proposed sale of the property. Bush reported that he has not received a response back. Bush stated that the traffic increase at Deer Creek Road and Woodmoor Drive is vexing, and is asking everyone to please be aware of pedestrians, especially around the school.

**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 (a) for discussions related to the purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest; and (2) Subsection (e) to determine positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators; and (3) Subsection (b) for a conference with legal counsel for the purpose of receiving legal advice on specific legal questions; all related to a potential agreement(s) with Hanna Ranch and JUWI, Inc. and Colorado Springs Utilities. Session commenced at 4:15 p.m. The Board returned to Regular Session at 5:08 p.m.

**XII. Consider Ratifying Letter of Intent with JUWI, Inc. Dated November 1, 2018:**

**Motion:** Upon motion by Director Bush, and seconded by Director Hanson the Board unanimously voted to ratify the letter of intent with JUWI, Inc. dated November 1, 2018.

**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 5:09 p.m.

**Record of November 12, 2018 Board Meeting**

Respectfully Submitted,



Brian Bush  
Secretary