

RECORD OF PROCEEDINGS

A meeting of the Woodmoor Water and Sanitation District No. 1 (WWSD) Board of Directors was held on November 11, 2019 at the Woodmoor Water and Sanitation District No. 1 office.

PRESENT: Director Taylor
Director Bush
Director Wyss
Director Roddam

Manager: Jessie J. Shaffer

Attorney: Charles Norton

Secretary: Marsha Howland

Visitors: James Howald - Our Community News
Joe Desjardin – Pro Terra Properties, LLC
Andrew Biggs – Pro Terra Properties, LLC
Paul Flack – Resource Based International
Andrew Rheem – Raftelis Financial Consultants, Inc.
Hannah Palmer-Dwore - Raftelis Financial Consultants, Inc.

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

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

II. Reading of the Minutes: Copies of the October 14th and October 28, 2019 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 Supplemental Water Service Request – Pro Terra Properties, LLC:** Shaffer reported that Pro Terra is a development company. Shaffer stated that Pro Terra has been working with the Woodmoor Open Space Committee regarding the Walters property. Shaffer reported that Pro Terra is interested in developing 37 acres of the Walters property into 152 single family lots, and to move forward with the project they would need a water commitment form the District. Andrew Biggs stated that Shaffer described their development plans well and they are excited to move forward with the development. Biggs reported that they need 60.5 acre-feet of water for the development. Biggs reported that they will have to rezone the property from ½ acre lots down to 50' x 115' standard single family home lots. Biggs stated that negotiations are still in process, that there are two sellers involved and the process is complicated. Desjardin reported that it will take several months to get the project completely approved. Shaffer stated that an option agreement to purchase supplemental water would work best at this time for Pro Terra, since that they do not own the property yet. The option agreement would give them the District's commitment they need. Shaffer asked the Board for direction to move forward drafting the supplemental water agreement under the option concept. Shaffer stated that the option payment is due when the agreement is signed. Biggs stated that they would be hard-pressed to pay the option fee while they are still in negotiations to purchase the property. The Board directed Shaffer to move forward on drafting a supplemental water agreement with Pro Terra and to bring it back to the Board for consideration when Pro Terra is ready to sign and pay for the option agreement.
- B. 2019 Ranch Revegetation Project Update and Report – Paul Flack, Resource Based International:** Flack reported that operations at the ranch went smoothly this year. Flack stated that staff seeded 127 acres, irrigated 202 acres, and continued weed control on 1,620 acres. Flack reported that 1,330 acres have been signed off. Flack stated that the acreage left to revegetate is a different soil type and will need tilling before staff can start to seed the area. Flack reported that the new soil is sandy and does not have the nutrients needed for the project. Flack stated that tilling the acreage will take up to two years, and staff will not be able to seed the land until the year after the tilling is complete. Flack reported that two more irrigation reels will be added in 2020, and the grasses will need to be irrigated seven days a week. Flack stated that the revegetation project will take approximately another seven years to complete. The Board thanked Flack for his work and the year-end progress report.

C. 2020 Preliminary Rate Discussion, Renewable Water Investment Fee & Cost of Service Analysis – Andrew Rheem/Hannah Palmer-Dwore, Raftelis Financial Consultants: Shaffer stated that Andrew and Hannah Palmer-Dwore from Raftelis Financial Consultants prepared the 2020 water and sewer financial planning rate analysis for the Board. Rheem reviewed the rate analysis with the Board. The Board discussed raising the sewer and water tap fees by 2% in 2020, and variable water and sewer increases designed by class. The analysis left the renewable water investment fee at \$40.00 per month. The Board thanked the consultants for all their work on the rate analysis. The Board directed Shaffer to adjust the 2020 budget using the analysis's recommended rate changes.

D. Public Hearing on 2020 Budget: President Taylor opened the Public Hearing on the 2020 budget at 3:25 p.m.

1. **Presentation of Proposed 2020 budget:** Shaffer presented the second draft of the 2020 budget to the Board. Shaffer reviewed the changes he made from the first draft of the budget that the Board had discussed during the budget workshop.
2. **Public Comment:** None.

IV. Old Business: None.

V. Financial Report: Director Wyss stated that he has reviewed the financial statements and did not have any changes. Shaffer stated that the financials are marked as draft copies, due to staff not receiving a few invoices before the meeting, and Howland will adjust the numbers for the final filing of the financial reports. The Board accepted the draft October financial reports.

VI. Public Discussion: None.

VII. Joint Use Committee Report: None.

VIII. Chilcott Ditch Company / The Ranch Report: Shaffer reported that the annual stockholders meeting of the Chilcott Ditch Co. will be held on December 5, 2019 at 10:30 a.m. in the city of Fountain. Shaffer stated that the Chilcott Ditch is shut down for the winter. Shaffer reported that staff is working on the year-end maintenance at the ranch. Gillette is working with contractors to complete the maintenance needed at the Callahan Reservoir and dam.

IX. Manager's Report: Shaffer reviewed the manager's report dated November 11, 2019, a copy of which is attached hereto.

A. Collaborative Organizations / Opportunities:

- i. PPRWA: Shaffer reported that the PPRWA is back in session.

B. Operations

- i. Water Report: Gillette reported that the District is 100% on well water now. Gillette stated that the unaccounted water October was 15% and year to date is 6%. Gillette stated that the District had four main breaks in October. Gillette reported that Well 15 is out of service and should be repaired soon.

C. District Construction/Planning Projects:

- i. Well 21 Site Work and Transmission Line: Shaffer reported that he has posted an invitation to bid on the Well 21 transmission line project. Shaffer stated that he has scheduled a pre-bid meeting for November 19, 2019 and he plans to open the bidding on November 26, 2019. Shaffer hopes to bring back a recommendation to award the contract for this project to the Board at the December Board Meeting.
- ii. Lake Woodmoor Driveway Loop: Shaffer reported that this project is moving forward and should take approximately three weeks to complete.
- iii. Scrub Oak Circle Water Line Replacement: Shaffer stated that contractors are moving forward with this project. Shaffer stated that staff notified the customers in the area so they would know what to expect during construction.

D. WWSD Subdivision/Development Status Update:

- i. The Beach at Woodmoor: Shaffer reported that this development is moving forward.

E. Other Topics: Public Hearing on Proposed Rates Set for December 9, 2019: Shaffer stated that the Public Hearing for the 2020 rates will be opened On December 9, 2019.

X. Special Reports & Subjects:

- A. Engineer's Report: None.
- B. Attorney's Report: None.
- C. WIA: 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 (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 agreements with David Easton and Lewis Palmer School District 38, Kings Deer Homeowners Association and Orgis Energy. Session commenced at 3:58 p.m. The Board returned to Regular Session at 4:57 p.m.

XII. Consider Authorizing the Purchase of Easements and Execution of Easement Documents:

Motion: Upon motion by Director Bush, and seconded by Director Wyss, the Board unanimously voted to authorize President Taylor to sign both the temporary and permanent easement agreements from School District 38 to Woodmoor Water and Sanitation District #1 for construction of the Well 21 transmission line in the event that efforts to secure such easement for a nominal price proves unsuccessful. The Board also approved up to \$65,000 for the purchase of the easement.

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 4:59 p.m.

Record of November 11, 2019 Board Meeting

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Brain Bush', is written over a horizontal line. The signature is stylized and cursive.

Brain Bush, Secretary