

RECORD OF PROCEEDINGS

A meeting of the Woodmoor Water and Sanitation District No. 1 (WWSD) Board of Directors was held on November 16, 2020 at the Woodmoor Improvement Association Barn.

PRESENT:	Director Bush Director Roddam Director Hanson Director Wyss Director Clewe
Manager:	Jessie J. Shaffer
Operations: Engineer:	Dan LaFontaine Ariel Hacker
Attorney:	Erin Smith
Secretary:	Marsha Howland
Visitors:	Stan Sievers- Monument Hill Business Park Robert Sievers – Monument Hill Business Park Eric Greven – Personal Warehouse Richard Hood – JVA Consulting Engineers Andrew Rheem – Raftelis Financial Consultants (Microsoft Team) Rob Wadsworth – Raftelis Financial Consultants (Microsoft Team)

- I. **Call to Order:** President Bush called the meeting to order at 1:05 p.m.

- II. **Reading of the Minutes:** Copies of the October 12, 2020 and October 26, 2020 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. Request to Waive Tap Fees and District Rules & Regulations – Stan Sievers, Monument Hill Business Park: President Bush stated that this agenda item will also be discussed in Executive Session. Shaffer asked the Board to review the letter that Stan Sievers sent the District requesting the Board to waive the tap fees associated with his project, a copy of which is attached hereto. Stan Sievers introduced himself, his son Robert, and his consultant Eric Greven to the Board. Sievers stated that he has been working in Colorado for ten years and this is his fourth project in the Front Range. Sievers stated that a lack of communications between El Paso County, the Woodmoor District, and his company has caused this unforeseen issue regarding tap fees. Sievers stated that he was notified on October 24, 2020, after he submitted his condominium plat and his project completed, that under the District's rules and regulations he will have to modify the project to install a separate meter for each of the units. Sievers reported that he has 32 units and half of them are already under contract. Sievers stated that he has completed other similar projects in Colorado, and they were approved with one master meter per building. Sievers reported that there will be a Condo Association that will pay the water bill in full to the District each month. The Association will hire a management company to handle any issues with the unit owners. Greven stated that they also will hire a third party to monitor and meter each unit for utilities. Sievers stated that if the Board denies his request to waive the individual tap fee per unit, it will be a financial catastrophe to the project. Sievers thanked the Board for their time. President Bush stated that the Board would make a decision regarding his request after Executive Session and would notify Sievers of that decision.

B. SPF/CWTP/LPS CMAR Progress Update – JVA Consulting: Hood gave the Board an update on the scope of improvements at CWTP. Hood reported that the goal at CWTP is to convert the plant from groundwater to surface water allowing the District to utilize water from Lake Woodmoor. Hood stated that the improvements include a new pretreatment building including equipment, also an equalization tank. Hood stated that the equipment at CWTP is over 30 years old and needs to be replaced. Hood reported that they are also upgrading the electrical equipment. Hood stated that they are working with Stanek Constructors along with District staff for these improvements. Hood stated that Stanek presented their guaranteed maximum price, (GMP) for this improvement on November 11, 2020. The GMP came in at \$2,397,684. Hood reported that Stanek has not received the final cost for recoating the existing building, and the electrical cost line item might change, but the amounts should be covered on the final GMP. Shaffer stated that Stanek receives three competitive bids for each line item for the improvement projects to provide quality work and the best pricing. Shaffer stated that the GMP is based on those bids.

C. Consider Executing Construction Change Order with Stanek Constructors – CWTP Surface Water Conversion:

Motion: Upon motion by Director Roddam, and seconded by Director Wyss, the Board unanimously voted to execute the construction change order with Stanek Constructors for the Central Water Treatment Plant. The Board authorized President Bush to sign the change order.

D. 2020 Preliminary Rates Discussion, Renewable Water Investment Fee, and Cost of Services Analysis – Andrew Rheem/Rob Wadsworth, Raftelis Financial Consultants: Rheem and Wadsworth joined the Board Meeting via Microsoft Teams. Shaffer stated that Rheem and Wadsworth have prepared the 2021 water and sewer financial planning rate analysis for the Board. Rheem reviewed the analysis with the Board. The Board discussed the rates for tap fees, increasing the tap fee by 2% for water and sewer. The analysis left the renewable investment fee at \$40.00 per month. The analysis showed an increase in sewer rates at 2%. The rate increase for water was higher than the Board was comfortable with. The Board asked the consultants to bring back a new analysis for the water rates showing the customer impact with an increase between 1% and 3%. The consultants will submit a new analysis to Shaffer in time for the Board to review the new analysis before the December Board Meeting. The Board thanked the consultants for all their work on the 2021 rate analysis.

E. Public Hearing on 2021 Budget:

Motion: Upon motion by Director Roddam, and seconded by Director Wyss, the Board unanimously voted to open the Public Hearing on the 2021 Budget.

1. Presentation of Proposed 2021 budget: Shaffer presented the second draft of the 2021 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. For the Directors that missed the budget workshop, Bush discussed the line items for the possible bond refinance and the renewal and replacement project scheduled for 2021. The Board discussed the long -range planned projects and cash reserves for those projects.

2. Public Comment:

Motion: Upon motion by Hanson, and seconded by Director Wyss, the Board unanimously voted to open the Public Comment portion of the Public Hearing on the 2021 budget which will remain open until December 14, 2020.

F. **Schedule Public Hearing on Proposed 2021 Rates:** President Bush scheduled the Public Hearing on the proposed 2021 rates for December 14, 2020.

IV. **Old Business:** None.

V. **Financial Report:** Director Wyss stated that he has reviewed the financial statements for October 2020 and did not have any changes. Wyss reported that the financials are right in line with the 2020 budget. The Board accepted the October 2020 financial reports.

VI. **Public Discussion:** None.

VII. **Joint Use Committee Report:** Director Hanson reported that the generator at the wastewater plant needs to be replaced. The cost is around \$15,000. Hanson stated that Burks is going to check into leasing the generator and will get three lease rates for consideration.

VIII. **Chilcott Ditch Company / The Ranch Report:** Shaffer reported that staff is continuing to clean out the ditch and winterizing the ranch equipment. Both projects should be complete by the end of this month. Shaffer stated that the annual Chilcott Ditch Stockholder and fourth quarter Trustee meeting will be on December 8th at 10:30 a.m. The meeting will be held on Zoom or Microsoft Teams. Shaffer will send out invitations to anyone interested in joining the meeting.

IX. **Manager's Report:** Shaffer reviewed the manager's report dated November 16, 2020, a copy of which is attached hereto.

A. Collaborative Organizations / Opportunities:

- i. PPRWA: Shaffer reported that the PPRWA will be part of the Regional Water Project Study.

B. Operations

- i. **Water Report:** LaFontaine reported that the unaccounted water percent for October was at 8%, and year to date is 8%. LaFontaine stated that he hopes the new meters that are included in the upgrades they are doing will lower the unaccounted water percentage. LaFontaine reported that the District is on 100% groundwater as of October 19th. LaFontaine reported that staff will continue refilling Lake Woodmoor. LaFontaine reported that the backlot cleaning should be completed later today.

C. District Construction/Planning Projects: None.

D. WWSD Subdivision/Development Status Update:

- i. **Cloverleaf:** Hacker stated that she has received the re-plat plans for Cloverleaf and construction will probably start in the spring of 2021. Hacker stated that she also received notice that Northbay will also start construction in 2021.
- ii. **Steel Structures America:** Hacker reported that Steel Structures America constructs and sells buildings. Hacker stated that they need to make a few changes to the plans they submitted, but the project is moving forward.
- iii. **Mountain Springs Recovery Expansion:** Hacker stated that Mountain Springs has two more buildings coming on-line and will probably need to use their supplemental water option with the District.

E. Other Topics:

- i. **COVID 19:** Shaffer reported that the District will not hold their annual Board or staff Christmas Parties due to COVID 19. The Board decided to continue holding Board Meetings at the "Barn". Smith suggested that the Board Meetings could also be available to the public on Zoom. Shaffer stated that he would post an invitation on the District's web site.

X. Special Reports & Subjects:

A. **WIA Meeting Report:** Bush stated that they are still in negotiations with Walter's Open Space Committee, LLC.

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 with JUWI, Inc., waiving tap fees and District rules and regulations, and tap fee issues. Session commenced at 4:00 p.m. The Board returned to Regular Session at 4:20 p.m.

Note: Director Wyss excused himself from the Executive Session discussion regarding waiving tap fees and District rules and regulations due to a conflict.

XII. Consider Authorizing the Execution of Easement Documents with JUWI, Inc.

Motion: Upon motion by Director Hanson, and seconded by Director Roddam, the Board unanimously voted to execute the easement documents with JUWI, Inc. in the amount of \$50,000 upon a complete review of the documents from staff and legal counsel. The Board authorized President Bush to sign the easement document.

XIII. Consider Taking Action on Waiver Request: Bush reported to Sievers that the Board discussed this issue in Executive Session with their legal counsel.

Motion: Upon motion by Director Hanson, and seconded by Director Clewe, the Board unanimously voted to waive the District's Rules and Regulations in regards to the application of individual tap fees and will not enforce physical changes to the current building structure for individual meters for the Monument Hills Business Park project.

Note: Director Wyss excused himself from this discussion and motion.

XIV. End of Year Employee Recognition: Shaffer stated that in the past, the Board authorized him to purchase each employee a prime rib roast with a thank-you card from the Board and \$100.00 for employee recognition. Shaffer asked the Board if they would like to do the same this year. The Board approved this request.

XV. Adjournment: There being no other business before the Board, it was moved and duly seconded that the meeting be adjourned. The motion passed unanimously and the meeting adjourned at 4:25 p.m.

Record of November 16, 2020 Board Meeting

Respectfully Submitted,

William Clewe
William Clewe, Secretary