

# RECORD OF PROCEEDINGS

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## MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

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### WIDEFIELD WATER AND SANITATION DISTRICT

Held: Wednesday, February 21, 2018, at 12:00 p.m. at 8495 Fontaine Blvd., in Colorado Springs, Colorado, 80925.

#### Attendance

##### Directors in Attendance Were:

Mark Watson, President  
Mark Dunsmoor, Vice President  
Frank Watson, Secretary / Treasurer  
Marlene Buttle, Director

##### Directors Absent:

None

##### Also in Attendance:

Lucas Hale, Finance Director  
Rob Bannister, District Engineer  
Joe Norris, Collins Cockrel & Cole, P.C., General Counsel  
Members of the Public: Jean Smith

#### Call to Order

President Watson noted that a quorum of the Board was present and that the Directors had confirmed their continuing qualification to serve, and therefore called the regular meeting of the Board of Directors of the Widefield Water and Sanitation District to order at 12:03 p.m.

#### Notice

Notice of the meeting was properly posted as required by law. The notice also included the agenda items. Certification of such posting is attached hereto.

#### Disclosure Matters

Joe Norris reported that general conflict of interest statements had been received from all directors and previously filed with the Secretary of State at least 72 hours in advance of the meeting. Mr. Norris noted, and President Watson, and Director Watson confirmed, the potential conflict of interest regarding item 7.b on the agenda relating to a proposed addendum to the Cost Recovery Agreement. President Watson and Director Watson have an ownership interest in entities which are signatory to the existing Cost Recovery Agreement and confirmed that they would not participate in any discussion or participate in any vote upon the proposed addendum to the Cost Recovery Agreement. Copies

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of the statements are on file with and available online from the Colorado Secretary of State.

## **Nominations and Appointment to Vacant Director Position**

Mr. Norris confirmed that Director Huth had officially resigned from his position with the Board and that the Board had received only one nomination for Dan Ittner to fill Director Huth's vacant seat. Mr. Norris introduced Mr. Dan Ittner to the Board, noting that Mr. Ittner has served on the District's Citizens' Advisory Council long-time resident of the District. Mr. Ittner shared that he would accept the nomination and would be pleased to serve the District in this new capacity. Mr. Norris also confirmed that Mr. Ittner was qualified to serve as a member of the District's Board of Directors.

Following further discussion by the Board and upon motion by Director Buttle, seconded by Director Frank Watson, and unanimous vote, the Board appointed Dan Ittner to the vacant seat on the District's Board of Directors, whose term is set to expire May, 2018.

## **Approval of Minutes**

The Board reviewed the Minutes of the January 17, 2018 regular meeting. Upon motion duly made, seconded and unanimously carried, the Minutes of such meeting were approved as presented.

## **Financial Matters**

### **- Monthly Financials:**

Mr. Hale reviewed with the Board the District's draft financial report for the period ending December of 2017. Cash decreased due to pre-payment for FVA water. The District's payroll increased in the period due to distribution of year-end employee bonuses. Maintenance and repairs decreased as there were no un-expected repairs required. Sludge hauling demand decreased due to less sludge being processed. The District issued 17 new water and sewer taps and collected 5 water resource acquisition fees in the month.

Mr. Hale shared the summary 2017 year-end financial statement with the Board noting that they are un-audited but that there are no changes expected. Overall, it was a very positive year for the District from a financial position.

Lastly, Mr. Hale noted that the District received its first of two scheduled payments from the VA in February pursuant to the Water Connection Agreement for the Pikes Peak National Cemetery.

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## **Engineer's Report**

Mr. Bannister reported that the building is going up around the Southmoor plant as scheduled. Director Buttle confirmed that she saw the crews working on it today in the cold weather.

Mr. Bannister reported that the project to provide PFC treatment as the AS-1 facility is starting to progress quickly and plans have been provided to CDPHE for approval. The District may need to start construction without Air Force support as the Air Force has been very slow to act in response to District requests. Mr. Bannister also mentioned the status of the project to construct additional headers to deliver water to the Southmoor plant for PFC testing.

**Question from President Watson:** What is the cost of the facility?

**Mr. Bannister:** The project to construct a header and connection to the Southmoor plant is approximately \$900,000 and the AS-1 treatment project is approximately \$500,000.

Mr. Norris brought up the Environmental Services Agreement which is also on the agenda. The agreement would provide for the Air Force to pay for operational costs of the PFC treatment and has no impact on the capital costs for the AS-1 or header projects.

Mr. Bannister continued the engineer's report stating that a shoring sub-contractor for the ongoing wastewater plant project has backed out causing a minor delay. Construction of the water service line to the VA Cemetery property is progressing and the boring/casing is already complete under Bradley Road. Finally, Mr. Bannister is working on subdivision reviews with the City of Fountain for new construction.

## **Attorney's Report**

- Resolution re  
ESA with the Air  
Force

Mr. Norris discussed the proposed Environmental Services Agreement ("ESA") with the Board, describing that the ESA is intended to allow for the Air Force to provide funding and reimbursement to the District primarily for operational expenses of the District's PFC treatment operations during a 1-year term. The ESA expressly does not prevent the District from pursuing other alternatives for recovering costs associated with the increased PFC treatment costs but it would represent the first actual dollars provided by the Air Force in response to the contamination. Following further discussion by the Board and upon motion duly made, seconded, and unanimously carried, the Board approved the Resolution Approving Environmental Services Agreement for the Provision of Drinking Water Sampling Data.

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- Update re  
Addendum to Cost  
Recovery  
Agreement

Mr. Norris provided an update regarding progress on the Addendum to the Cost Recovery Agreement related to the development of the Northeast quadrant of the District's service area. Drafts of the addendum has been provided to the various landowners. No further discussion or action was taken regarding this item.

- 2018 Election  
Resolution

Mr. Norris presented the Resolution calling for the 2018 regular District election and appointing a Designated Election Official ("Election Resolution"). The Board reviewed the Election Resolution and upon motion duly made, seconded and unanimously carried, the Election Resolution approved as presented.

### **Public Comment**

Jean Smith mentioned approval of additional building on Lorson property and language she read stating that "they have sustainable water supply for 300 years." Is this actually true considering the District's water supply contains PFCs.

President Watson responded that the 300-year language is a county requirement in the development process. President Watson explained the District's augmentation plan and how the District has enough water supplies to serve its entire identified service area at full build-out

### **Other Business**

None.

### **Adjournment**

There being no further business to come before the Board, the meeting was adjourned at approximately 1:09 p.m.



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Secretary