

# RECORD OF PROCEEDINGS

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## MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

### OF THE

### WIDEFIELD WATER AND SANITATION DISTRICT

Held: Monday, April 16, 2018, at 12:00 p.m. at 8495 Fontaine Blvd., in Colorado Springs, Colorado, 80925.

#### Attendance

##### Directors in Attendance Were:

Mark Watson, President  
Frank Watson, Secretary / Treasurer  
Marlene Buttle, Director  
Dan Ittner, Director

Mark Dunsmoor, Vice President \*arrived where noted

##### Directors Absent (excused):

None.

##### Also in Attendance:

Steve Wilson, District Manager  
Lucas Hale, Finance Director  
Rob Bannister, District Engineer  
Brandon Bernard, Water Department Manager  
Joe Norris, Collins Cockrel & Cole, P.C., General Counsel  
Howard Kennison, Blaine Bengston, Jones & Keller, P.C.  
Members of the Public: Jean Smith, Margie Trujillo, and a guest of Margie Trujillo

#### 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 special 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

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of interest regarding item 7.a 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 of the statements are on file with and available online from the Colorado Secretary of State.

### Approval of Minutes

The Board reviewed the Minutes of the March 19, 2018 special meeting. Upon motion duly made, seconded and unanimously carried, the Minutes of such meeting were approved as presented.

### Executive Session

President Watson recommended a motion to amend the agenda to hear item 7.b first and allow the District's special counsel to leave after their briefing of the Board in executive session. A motion was made, seconded and unanimously carried.

\* Director Dunsmoor arrived at 12:06 p.m.

Upon motion duly made by Director F. Watson, seconded by Director Buttle, and unanimously carried, the Board entered into Executive Session at 12:06 p.m. pursuant to § 24-6-402(4)(b), C.R.S., for the purpose of receiving legal advice regarding options related to response to PFC contamination in the Widefield Aquifer. At 1:02 p.m., the Board came out of executive session. No action was taken by the Board during executive session.

### Financial Matters

#### - Monthly Financials:

Mr. Hale reviewed with the Board the District's financial reports ending February 28, 2018. An \$825,000 payment from the VA was received pursuant to the Service Agreement, including both tap fees and contribution towards line expansions, so cash increased significantly in the month. Overall water payments decreased in February due to an annual FMIC payment made in January. Maintenance and repair expenses decreased by about \$7,000. Chemical expenses decreased about \$15,000 due to a bulk purchase made in January; this purchase should last through about two and a half months. Mr. Hale noted the "bad debts" row: a District hydrant was hit by a driver and the driver's insurance claim was denied.

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## **Manager's Report**

### - Public Media Campaign Update

Mr. Wilson discussed the television commercial that has been airing on Comcast television stations; the District purchased 816 spots running on air. Cable and radio advertisements are running simultaneously for the previous two weeks. The District also sent out a mailer to all customers and has similar online advertisements targeting online accounts within the District's area using IP address locations. Mr. Wilson stated that follow-up surveys of Customers are being done to see how the media campaign is doing. Future videos are planned to highlight the treatment plant construction and regular sewer inspections to show other aspects of the District's work than just PFCs.

### - Abeyance Agreement

An Abeyance Agreement with Venetucci has been entered to ensure/agree that lease payments for the Venetucci well water is suspended unless/until the water can be treated.

Mr. Wilson noted that there is currently one vacancy on the District staff (a training position). Conversion to the new SCADA system is close to being completed. Mr. Wilson also noted that he has been meeting with developers (Lorson/Norwood) related to their ongoing development.

## **Engineer's Report**

Mr. Bannister reported that three bids have been received on the Fountain Mesa Sewer project. The wastewater plant project is now approximately 20% complete. There have been several setbacks but the project appears to still be on schedule. Mr. Wilson noted that the District is incurring roughly \$50,000 to \$100,000 for modified pumping while basins are being repaired by contractor. Mr. Bannister noted that landscaping of Southmoor treatment plant will begin this week and the ion exchange tanks for the AS-1 facility are scheduled for delivery in June. The current plan for the manifold project to connect additional wells to the Southmoor treatment plant is in two phases. The first phase will be temporary collection during summer while in high demand. The second phase will complete the project on a more permanent basis in the low-demand season.

### - VA Pipeline

Mr. Bannister then reported that work on the VA Cemetery site is about 80% complete. The District is waiting for pumps to be delivered at the Rolling Hills Pump Station which will serve the VA Cemetery. The District's construction work is on schedule but the VA's on-site construction is behind schedule and they may not have their on-site pump-house on-line as originally scheduled. Despite that, development is going very quickly.

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### **Attorney's Report**

Mr. Norris presented to the Board the proposed Resolution to Approve Addendum to Water and Sewer Offsite Improvements Participation and Cost Recovery Agreement. Mr. Norris explained that the Addendum is intended to address the change in development plans for the VA Cemetery parcel and reallocate responsibility for costs of expanding the District's water and sewer system to serve the lands affected. Upon further discussion, with President Watson and Director Watson abstaining from discussion or participation in the vote, and upon motion duly made by Director Ittner, seconded by Director Buttle, and unanimously carried on a vote of 3 in favor, 0 opposed, and 2 abstaining, the Resolution to Approve Addendum to Water and Sewer Offsite Improvements Participation and Cost Recovery Agreement was approved as presented.

### **Public Comment**

Jean Smith mentioned that she had received her mailer with PFC information and thanked the District for all the work educating the public.

Margie Trujillo questioned the status of the Enfield Wells. Ms. Trujillo informed the Board that she is interested in selling the wells to the District and would like to know why the District is not interested in buying. President Watson offered to discuss the issues with her privately but that the District is not currently in a position to buy the rights to the wells. Mr. Wilson added that the terms of Ms. Trujillo's lease of the Enfield Wells is unchanged currently and they still get paid based on a percentage of the amount pumped by the District from the Widefield Aquifer. Ms. Trujillo asked about private wells to which Mr. Bernard responded that El Paso County Health is coordinating private wells. Ms. Trujillo then asked Mr. Wilson if the District has plans to operate the Enfield Wells. Mr. Wilson stated that the operation of those wells was not in the current plans due to the high costs associated with treating PFC contaminants in the water produced at the Enfield Wells, which are some of the highest concentration of PFCs in the District.

### **Other Business**

None.

### **Adjournment**

There being no further business to come before the Board, the meeting was adjourned at approximately 1:57 p.m.

  
Secretary

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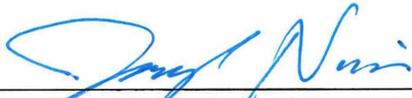
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## Attorney Statement

### REGARDING PRIVILEGED ATTORNEY-CLIENT COMMUNICATION

Pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., I attest that, in my capacity as the attorney representing the Widefield Water and Sanitation District, I attended the executive session meeting of the Widefield Water and Sanitation District convened at approximately 12:06 p.m. on April 16, 2018 for the sole purpose of providing advice as the District's attorney regarding options related to response to PFC contamination in the Widefield Aquifer. I further attest it is my opinion that all of the executive session discussion constituted a privileged attorney-client communication as provided by Section 24-6-402(4)(b), C.R.S. and, based on that opinion, no further record, written or electronic, was kept or required to be kept pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S. The Board did not adopt any proposed policy, position, rule, regulation, or take any formal action during the executive session.

By:

  
\_\_\_\_\_  
Joseph W. Norris, General Counsel

Dated:

6/20/18  
\_\_\_\_\_

By:

  
\_\_\_\_\_  
Howard Kenison, Special Counsel

Dated:

June 20, 2018  
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