

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

WIDEFIELD WATER AND SANITATION DISTRICT

Held: Tuesday, June 20, 2017, at 10:00 a.m. at 8495 Fontaine Blvd.,
in Colorado Springs, Colorado, 80925.

Attendance

Directors in Attendance Were:

Mark Dunsmoor, Vice President
Brian Huth, Secretary / Treasurer*
Frank Watson, Asst. Secretary
Marlene Buttle, Director

Directors Absent (Excused):

Mark Watson, President

Also in Attendance:

Steve Wilson, District Manager
Lucas Hale, Finance Director
Joe Norris, Collins Cockrel & Cole, P.C.
Jean Smith

* arrived where noted

Call to Order

Director Dunsmoor, acting President for the meeting, 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 10:09 a.m.

Notice

Steve Wilson stated that notice of the meeting had been 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. Copies of the statements are on file with and available online from the Colorado Secretary of State.

RECORD OF PROCEEDINGS

Approval of Minutes

The Board reviewed the Minutes of the May 16, 2017 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 April 30, 2017. Cash increased over the prior month due to operations and tap fees. Construction and progress payments increased substantially by about \$620,000 from the prior month due to several payments made on the construction of the PFC treatment facility. Other income increased about \$90,000 due to the lease income from Colorado Water Protective and Development Association. The annual CSU Augmentation payment has been made. Professional fees increased from the prior month primarily due to the \$14,000 payment due to the auditors to complete the audit.

*Director Huth arrived at approximately 10:13 a.m.

Water meters and replacement program included a purchase of about \$22,000 worth of new meters in April. Thirty-eight water and thirty-eight sewer taps were issued in April, along with thirty-four water acquisition fees.

Following further discussion and review, and upon motion duly made, seconded and unanimously carried, the Board accepted the financial report as presented.

- Air Force Reimbursement:

Mr. Hale and Brandon Bernard met with Air Force and their consultants in which the Air Force requested documentation regarding reimbursement. Mr. Hale submitted a large number of documents and an invoice to the Air Force for approximately \$2,500,000. A follow up meeting is scheduled for June 28, 2017 with the Air Force to discuss the reimbursement invoice at that time.

District Water Issues

- VA Cemetery Update:

Mr. Wilson discussed the status of the VA service agreement.

Question from Director Huth: Is this a potable water service line?

Mr. Wilson: Yes, potable water needed at this time so there is no staining of the headstones.

RECORD OF PROCEEDINGS

Question from Director Dunsmoor: How much is the District's initial contribution?

Mr. Wilson: Approximately \$850,000. Despite the up-front contribution, there are many immediate benefits to existing District customers and this alignment represents the most feasible and economical solution to providing service to the VA Cemetery. For example, water quality and pressure in the Peaceful Valley area will be improved.

District Manager's Report

- Monthly Report: Mr. Wilson reported that the District is still in the recruiting process for the open engineer position; currently, there are multiple candidates being interviewed and the District has not identified a candidate to extend an offer to. The open wastewater lead position was switched to a wastewater supervisor and a candidate has been recruited and hired.
- Annual Summit Mr. Wilson discussed the annual summit, potential PFC litigation and the meeting with the attorney.

Question from Director Buttle: Would Widefield participate [in a class action suit] with Fountain and Security?

Mr. Wilson: Potentially, need to meet internally first and will be reporting to the Board in Executive Session next month.

Mr. Wilson then mentioned that public relation efforts to educate the public and the media about PFC treatment. He has contacted the *Denver Post* about their multiple incorrect reports in the newspaper.

Attorney's Report

Mr. Norris discussed extending the imposition of a tap surcharge for Southern Sewer Interceptor, Mesa Ridge Interceptor, and Cottonwood Meadows Interceptor. No action will be taken at this meeting, but notice has been posted for a rate hearing at next month's Board Meeting.

Public Comment

Jean Smith complimented Mr. Wilson and Mr. McGinn on being proactive in treating the water. People in Security are unsure of what is going on. Ms. Smith would like to hear if there is an alternative truth to the Channel 5 news story about the EPA/CDPHE not testing for PFC's any longer.

Mr. Wilson responded by explaining that the EPA testing requirement has been satisfied for some time now; therefore, no more PFC testing is

RECORD OF PROCEEDINGS

required unless it becomes a primary drinking water standard. The District is still testing its own water to be sure their plant is working.

Other Business

None.

Adjournment

There being no further business to come before the Board, the meeting was adjourned at approximately 11:17 a.m.



Secretary