

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

WIDEFIELD WATER AND SANITATION DISTRICT

Held: Tuesday, September 20, 2017, 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, Asst. Secretary
Brian Huth, Secretary / Treasurer
Marlene Buttle, Director

Directors Absent (Excused):

None.

Also in Attendance:

Steve Wilson, District Manager
Lucas Hale, Finance Director
John McGinn, JDS Hydro Consultants, Inc.
Rob Bannister, District Engineer
Joe Norris, Collins Cockrel & Cole, P.C.
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 12:00 p.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.

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Approval of Minutes

The Board reviewed the Minutes of the August 15, 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 July of 2017. Cash position increased due to operations and tap fees; however, water usage is beginning to decline for seasonal outdoor usage. Additional payments made to FVA for capital improvements. Professional fees for legal and engineering were adjusted and capitalized to the VA Cemetery project. The maintenance services agreements line increased mostly due to the District's payment on a financial software contract. The District's utility costs were higher, mostly due to electric costs for running wells in June, the costs then paid in July. Sludge hauling expense decreased by \$11,000 and meter replacement costs decreased by \$24,000. The District has now paid for the full number of meters it will need through end of the year. 233 ½ water and 231 ½ sewer taps have been sold as of July (taps year to date).

District Water Issues

- Water Court:

Mr. Wilson reported the CDPHE is proposing a new site-specific groundwater rule for PFCs (Widefield Aquifer only). The District expects to participate in rulemaking with "party-status."

The District team recently met with the U.S. Air Force representatives. To this point, the District has been misled about assistance from the Air Force and the amount of payments allocated to the District's treatment efforts for PFCs. The District has now submitted a proposal for the Air Force to contribute towards a new project that would provide additional source water to the Southmoor plant for treatment.

Mr. Wilson also mentioned that the District responded to four CORA requests last week related to PFC test results.

- PFC Treatment Plant:

Mr. Wilson reported that the PFC treatment plant (Southmoor) is working well and is keeping up with all of the demands.

District Manager's Report

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- Monthly Report: Mr. Wilson reported that next month will be preliminary budget presentation with rate recommendations.

The new District Engineer, Rob Bannister, was present and introduced to the board. Mr. Wilson noted that Stacy, the District's senior accountant, obtained her CPA. Kelly and Linda are in Denver at trainer-training.

The District is making progress in its effort to scan and digitize files. They will be looking at replacing the District's seven-year-old server next year as it is becoming outdated.

Regarding the Pedro Claim, the District is working through deadlines and has prepared a response to the expert report.

Next Tuesday the District will have a safety celebration for employees due to having no lost time for multiple years. The District is also now obtaining quotes for new liability and employee insurance and the safety record should help the District obtain favorable rates.

Finally, Mr. Wilson shared example of water quality complaint form with the Board so they can see how the District receives the information and the detail to which they respond.

Engineer's Report

Mr. McGinn reported that the VA finally let their contract for the cemetery project, now about four months behind their original schedule. Should be activity moving forward now though and the District is still moving forward on-schedule.

Mr. McGinn reported that we are approaching the time to bid Regulation 85 compliance wastewater improvements.

Mr. McGinn discussed the Cygnet development and need for the State Land Board right of way to install service lines to connect the Cygnet property to the District's system. A resolution approving such resolutions (and copies of the same) is in the Board packet. Mr. McGinn provided an overview of the terms of the SLB's standard form terms and conditions on such right of way agreements.

Question from Director Dunsmoor: What happens after 30 years when the right of way agreement terminates?

Mr. Norris: The SLB is unwilling to negotiate a permanent easement as is their policy. There is a possibility that the District would have to re-apply or extend these agreements at an additional expense or the

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District could condemn the easement at that time. On the other hand, the SLB may have sold the property by then and the District could secure its permanent easement at that time.

Upon further discussion and motion duly made, seconded and unanimously carried, the Resolution Regarding Approval of Right of Way Contract Nos. 111168, 111170, and 111172 with the Colorado State Land Board was approved as presented.

Question from Director Buttle: What is the timeline for wastewater compliance?

Mr. Norris: July 31 is the last day in the schedule but CDPHE is 8-months backlogged for plan review.

Mr. Wilson discussed the letter recently sent by CDPHE requesting additional sampling for lead and copper solely due to the PFC/ion-exchange plant coming on line. The District responded that the large expense associated with the testing is unnecessary as the ion-exchange process has nothing to do with lead or copper and would add unnecessary costs that would be borne directly by District customers. In addition, the District's current sampling of lead and copper have not shown change since the ion-exchange plant went online.

Attorney's Report

Mr. Norris presented to the Board the resolution approving and updating the District's open records policy to comply with the recent bill passed by the Colorado legislature in 2017 dealing with electronic data.

Upon further discussion and motion duly made, seconded and unanimously carried, the Resolution Designating the Official Custodian of Records and Adopting a Policy on Responding to Open Records Requests was approved as presented.

Mr. Norris presented to the Board the annual resolution to certify delinquent accounts for non-payment to the County for collection. Such accounts are required to be at least 6-months delinquent and over \$150.

Upon further discussion and motion duly made, seconded and unanimously carried, the Resolution Authorizing Certification of Delinquent Accounts for Collection by the County Treasurer was approved as presented.

Public Comment

Question from Ms. Smith: Would Mr. McGinn respond/describe the waste produced by or associated with the ion-exchange plant?

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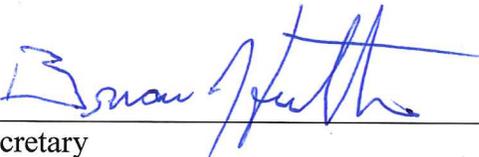
Mr. McGinn: Described process for treatment using single-use resins but that additional regenerative methods are being studied. He does not know where exactly the waste is taken, but knows that it goes out of state to the west of Colorado and will ask their contractors.

Other Business

None.

Adjournment

There being no further business to come before the Board, the meeting was adjourned at approximately 1:19 p.m.


Secretary
