

## RECORD OF PROCEEDINGS

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A meeting of the Woodmoor Water and Sanitation District No. 1 (WWSD) Board of Directors was held on June 11, 2009 at the Woodmoor Water and Sanitation District No. 1 office.

### PRESENT:

Director Hacker  
Director Nasser  
Director Whitelaw  
Director Wyss

Manager: Jessie J. Shaffer  
Ass't. Manager: Randy Gillette  
Attorney: Erin Smith  
Consulting Engineer: Mike Rothberg

Secretary: Hope Winkler

Visitors: Harriet Halbig – OCN  
Eric Davis – Integrity Bank and Trust

### I. **Call to Order:**

President Nasser called the meeting to order at 1:00 p.m. It was moved, duly seconded, and unanimously passed that the absence of Director Town be excused.

### II. **Reading of the Minutes:**

Copies of the May 21, 2009 meeting minutes of the Woodmoor Water and Sanitation District were provided to each director. It was moved, duly seconded and unanimously passed that the minutes be approved.

### III. **Financial Report:**

Wyss reviewed the May, 2009 financial reports. It was moved, duly seconded, and unanimously passed that they be accepted.

### IV. **Public Discussion:**

There was no one from the public who desired to speak.

### V. **Joint Use Committee (JUC) Report:**

Whitelaw reported that:

1. The wastewater plant is running well -- the DMR showed everything to be within the permitted limits.
2. Sludge removal is going well. About 7 or 8 tons of sludge are being hauled per day.
3. Last month the WWSD was responsible for 65% of the influent flow.
4. Burks reviewed the AJUA section five, regarding capital items as opposed to maintenance items and made some suggestions. The JUC will now try to modify the section.
5. The State assessed insurance companies to balance the budget for their Cover Colorado insurance program. The insurance company passed the charge through to insureds. Two of the people working for the plant have health insurance through the plant and were assessed \$25.13 each per month. The JUC agreed to absorb that cost for the rest of the year.
6. The plant is operating with one clarifier at present. Clarifier C is down.

VI. **Manager's Report:**

Shaffer reviewed the Manager's Report dated June 11, 2009, a copy of which is attached hereto.

1. **Pikes Peak Regional Water Authority (PPRWA):** The timing is probably not right for Mgr. Gary Barber's Pikeview Protocol. Shaffer said that he had attended the UPAC Committee meeting and they seem to be taking the matter seriously (CSU is investigating regionalization to see if it would be beneficial to CSU; and if so, how to go about it). Shaffer and other representatives of the PPRWA offered to make presentations to the committee should the committee so desire.
2. **Operations: Randy Gillette:** Gillette reported that Pumped Water VS Billed for May was 95%. May's water sales appear to be very close to those of May last year. Lake Woodmoor's fill rate is progressing a little ahead of schedule. The water is currently 7' from the spillway. The wells that were pumping into the lake have been shut off and the Monument Creek Exchange is providing all of the water going into the lake at this time. In May, 45 acre feet from the wells and 75 acre feet of water from the Monument Creek Exchange went into the lake. Gillette said that the sewer cleaning and TVing is nearing completion in Zone 3 which is south of Hwy. 105. It has been worth the time and effort since broken pipes, etc. have been found. Whitelaw commended the crew doing the work and said they were doing a wonderful job even when it comes to positioning the truck.
3. **Construction:** Gillette said that Zach Collins is still working to design two sewer projects and will go out for bid in July. The Dam Outlet Repair Project has been seeded and the grass is coming up. The District is awaiting a final pay application.
4. **Subdivision Update:** Nothing happening at this time.
5. **Woodmoor Public Safety (WPS) Agreement:** The new agreement tendered by WPS to replace the one that has been in effect for several years, has been returned to the WPS attorney to be redrafted.
6. **Investments:** Director Wyss excused himself and left the meeting while the following discussion took place because of the nature of the CEDARS Program. Eric Davis with Integrity Bank and trust appeared before the Board to explain the CEDARS Program. The District's investment strategy now requires an additional step. Colorado statutes prescribe what instruments a district, as a public entity, can invest in. Treasury Bills are no longer yielding much interest. Colorado Statute 24-75-603 states that the District has the ability to invest in out-of-state Certificates of Deposit, if the District participates in a program called CEDARS. The CEDARS Program allows District investments to be spread between multiple banks in amounts that would be FDIC insured as opposed to having bank

funds pledged to cover the investments. Banks pay a fee to participate in the network. The funds funnel through Integrity Bank and Trust and are then spread out through the CEDARS Program. Smith has reviewed all of the agreements involved. After discussion, it was moved and duly seconded that the Board approve the CEDARS Program Agency Agreement between the WWSD and Integrity Bank and Trust and the accompanying agreements which consist of the General Agreement for Custody of Certificate of Deposits, and the Integrity Bank and Trust CEDARS Deposit Placement Agreement. The motion was passed unanimously by the directors in attendance with Director Wyss not present to vote. Copies of the agreements are attached hereto. Director Wyss was then invited to return to the meeting.

7. **Public Relations Consulting:** Shaffer said that in present times, with media coverage; and, as the District may need to ask its constituents to approve a bond issue for renewable water in the future; he believes that the District needs to be better equipped and more knowledgeable in regards to public relations. He said that the same message needs to be disseminated by key players. He asked that the Board review and consider approving the Work Agreement Proposal submitted by JKD, a copy of which is attached. After discussion, it was moved, duly seconded and unanimously passed that the JKD Work Agreement Proposal in the amount of \$2500 not to exceed \$3,500 be approved and that the President be authorized to sign it. Shaffer said that the people that would be involved would be he, Gillette, and as many of the Directors as wished to attend.
8. **Mid-Year Budget:** Shaffer said that unless the Board required it earlier, he would present a mid-year budget update at the August Board Meeting. The Board concurred.
9. **July Board Meeting:** Directors Hacker and Whitelaw will be out of town the month of July. Town's availability will need to be confirmed.
10. **Cover Colorado Assessment by the State:** Shaffer explained that HB01-1319 in 1990 provides PPO Health Insurance to people in Colorado who have a hard time obtaining insurance and it provides the State the ability to assess fees to insurance companies. Assessments are variable twice per year. Insurance companies are allowed to pass those fees through to their health insureds. The State has assessed a \$25.13 fee to insurance companies for every one of their insureds. Aetna passed the fee through to the District for every employee who carries health insurance through the District – currently 6 people. Shaffer asked if the fees should be passed through to the employees or paid by the District. After discussion, it was moved, duly seconded and unanimously passed that the District absorb the cost of the Cover Colorado Assessment for the year of 2009.

#### VII. Special Reports and Subjects:

1. **Engineer's Report:** Rothberg said he had nothing other than Executive Session material.
2. **Attorney's Report:** Smith said she had Executive Session information only.

#### VIII. Old Business:

1. There was no other Old Business to come before the Board at this time.

#### IX. New Business:

**Executive Session:**

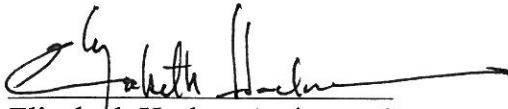
It was moved, duly seconded, and unanimously approved that the Board move into Executive Session pursuant to 24-6-402(4)(a), C.R.S., for discussions related to the purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest; and pursuant to Section 24-6-402(4)(e) C.R.S., "Determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators" all related to water and storage rights negotiations and water rights impacts, the acquisition of Well 22 property, and an Intergovernmental Agreement with Monument Sanitation District; and pursuant to Section 24-6-402(4)(b), C.R.S., for conference with general counsel on specific legal questions regarding pending litigation. The Executive session commenced at 2.02 p.m. The Board returned to Regular Session at 3:25 p.m.

Winkler presented a bank resolution to the Board that would authorize a change of signatories for the money market account at Integrity Bank and Trust. It was moved and duly seconded that the Corporate Authorization Resolution giving Benny Nasser, Jessie Shaffer, Barrie Town and Hope Winkler signature authority for the money market account #7001827 at Integrity Bank and Trust be approved. The motion passed with three in favor and Wyss abstaining.

XI. **Adjournment:**

There being no other business to come before the Board, it was moved and duly seconded that the meeting be adjourned. The motion passed unanimously and the meeting adjourned at 3:30 p.m.

Respectfully Submitted,



Elizabeth Hacker, Assistant, Secretary