

RECORD OF PROCEEDINGS

A meeting of the Woodmoor Water and Sanitation District No. 1 (WWSD) Board of Directors was held on May 6, 2010 at the Woodmoor Water and Sanitation District No. 1 office.

PRESENT:

Director Courrau (appointed today)
Director Hacker
Director Nasser
Director Town
Director Whitelaw
Director Wyss

Manager: Jessie J. Shaffer
Ass't. Manager: Randy Gillette
Attorney: Erin Smith
Consulting Engineer: Steve Tamburini
Secretary: Hope Winkler
Visitors: Zach Collins, Engineering Technician (WWSD)
Walraven Ketellapper – Stillwater Resources
Pat Hall, CPA
Bill Ray – Corporate Advocates, Inc.
Harriet Halbig – OCN

I. **Call to Order:**

President Nasser called the meeting to order at 1:00 p.m.

Presentation: Gillette reviewed the new revised System Maps Books completed by Zach Collins. The books include extras such as an index of District streets – along with their map locations, and emergency numbers. The copies for the operators' vehicles were made on waterproof paper; the office copies are just regular paper. The books will greatly improve the information database and will be tied into the GIS system. Gillette said that he and Shaffer believe that Collins went the "extra mile". Nasser presented Collins with a check for \$500.00 (after taxes).

Nasser Ends Term of Service (term limited): Nasser reviewed some of the District's accomplishments during the time he served on the Board. Some of them were: the Monument Creek Exchange, the use of Lake Woodmoor, the drilling of two wells, the South Filter Plant and its demonstration garden, and the amending of the Joint Use Agreement. He stated that the District has great employees from the top to the bottom, the best consultants, and an excellent Board of Directors. Shaffer presented a parting gift from the District to Nasser – a toilet with a wooden base which has a plaque with Nasser's time of service, a water meter lid, and a clock in the front of the tank – together

with the District's thanks. Erin Smith presented Nasser with a framed picture of Nasser's last Executive Session announcement.

Oaths of Office:

It was moved, duly seconded, and unanimously passed that Wyss serve as interim President. Whitelaw stood and Wyss administered the Oath of Office to him.

Hacker stood and Wyss administered the Oath of Office to her.

Election of Officers:

It was moved, duly seconded, and unanimously passed that Director Town be elected President. Wyss turned the meeting over to the newly elected President Town.

It was moved, duly seconded, and unanimously passed that Director Hacker be elected Secretary.

It was moved, and duly seconded that Director Wyss be appointed Treasurer by affirmation.

It was moved, and duly seconded that Director Whitelaw be appointed as the WWSD's representative to the JUC, that Director Hacker be appointed as the first alternate representative and that Director Town be appointed as the 2nd alternate representative.

II. **Reading of the Minutes:**

Copies of the April 8, 2010 morning and afternoon meetings minutes of the Woodmoor Water and Sanitation District were provided to each director. It was moved, duly seconded and unanimously passed that both sets of the minutes be approved.

III. **Financial Report:**

2009 Audit Draft: Pat Hall, CPA reviewed the 2009 Audit draft. He said that he had issued an unqualified (clean) opinion. It was noted that the District had reduced income due to conservation efforts, a relatively wet year, and the economy. Expenses were reduced accordingly. After discussion, it was moved, duly seconded, and unanimously passed that the 2009 Audit be accepted as drafted with a noted addition regarding the District's Purchase and Sale Contracts entered into in 2010.

IV. **Public Discussion:**

1. Nasser introduced Beth Courrau who is a District Resident. Courrau summarized her background and indicated her interest in serving on the Board of the WWSD.

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

Hacker reported that:

1. The DMR was good – there were no violations. The plant is operating well.

2. The Home Depot has once again agreed to remove products containing copper sulfate from the shelves.
3. Tad Foster, environmental attorney, gave an informative report on copper and phosphorus. The JUC is doing some proactive testing to find out where the wastewater plant stands relative to the State of Colorado and EPA current rule making. The effect of rip-rap (such as Briargate has) on streams will be evaluated.

VI. Manager's Report:

Shaffer reviewed the Manager's Report dated May 6, 2010, a copy of which is attached hereto.

1. **Pikes Peak Regional Water Authority (PPRWA):** Shaffer said that he has the documents for the Board to sign if they desire to become a participant in the Colorado/Wyoming Coalition. Shaffer does not believe that it will hinder the District's relationship with the Million Group. The Million Group must get the approval of the Corps of Engineers because of the Green River. The Colorado/Wyoming Coalition must go through the Bureau of Reclamation. After discussion, it was moved, duly seconded and unanimously passed that the Board approve entering into the Colorado Water Resources Co-op Development Authority establishing contract and intergovernmental agreement and authorize the President to sign it subject to counsel's review and that payment to the PPACG be authorized in the amount of \$5,000. Shaffer said that a letter had been received from Super Ditch and the District is again approved for negotiations with them. UPAC presented their recommendations to the Colorado Springs City Council and the Colorado Springs Utilities. No decisions have yet been made as to whether or not the city should accept other entities into their Southern Delivery System project. The El Paso County Water Authority has the Keystone Center studying the feasibility of the Million Group's Flaming Gorge project as opposed to the feasibility of the Colorado/Wyoming Co-op's Flaming Gorge project.
2. **Operations: Randy Gillette:** Gillette reported that 46% of water sold last month was lake water. Lake Woodmoor is 2 ½ feet from the spillway and rising. With it being such a wet spring, the District is having some ground water issues. Sewer line rehabilitation work is ongoing. Summer help people are starting. Shaffer expects to clean Zone 4 this summer. Some manholes have problems -- 31 have root issues, and others have water infiltration.
3. **Subdivision Update:** No new subdivisions to report at this time.
4. **Construction:** The contractor issues with Twin Peaks Utilities on the White Fawn/Deer Creek project have not yet been resolved. The contractor has two places to fix and then the road needs to be paved. They should start Monday. The District is getting complaints. District personnel have filled potholes as necessary.
5. **District Wide Augmentation Plan Water Court Filing:** After discussion, it was moved, duly seconded and unanimously passed that the District move ahead with the Water Court applications subject to Sperling's review of the drafts and that the President be authorized to sign the applications.
6. **Airport Equity Supplemental Water Agreement:** Smith presented a document undoing the Supplemental Water Agreement for Mientka's property; relinquishing any claim to supplemental

water and acknowledging no right to sue. It was moved, duly seconded and unanimously passed that the District proceed with the cancellation of the Airport Equity Supplemental Water Agreement; that the document be recorded to notify property purchasers that the current property owner has relinquished any claim to supplemental water and acknowledging no right to sue; and that the President be authorized to execute the document.

7. **Bank Midwest** – (foreclosure bank for Misty Acres property) – Bank Midwest’s Supplemental Water agreement will be amended. Their amendment will differ from WED’s in that a change was initiated by a party to the agreement VS being delinquent in payment of lease fees.
8. **WED, LLC:** A letter demanding payment and/or showing cause as to why the Supplemental Water Agreement should not be cancelled was sent to WED, LLC. Smith advised that the District wait and not gather information until WED presents extenuating circumstances and the staff presents history prior to making a decision at the June meeting.
9. **Poster Contest:** Shaffer reported that 3 schools and a total of 736 students participated. First place posters are displayed in the front office and on the website. The theme was “Water is Fun”. The contest was successful. Laura administers the contest and does a great job.
10. **Water Conservation:** The water conservation brochures were mailed with this month’s bill. It also includes a paragraph on the rebate program.

VII. **Special Reports and Subjects:**

1. **Engineer’s Report:** Rothberg said there was nothing other than Executive Session.
2. **Attorney’s Report:** Smith said that she had nothing additional other than Executive Session.

VIII. **Old Business:**

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

IX. **New Business:**

1. **Board Vacancy:** A discussion of possible candidates ensued. Smith said that James Taylor would have legal issues in regard to term limits. Town suggested that the District have Smith research the issue. Wyss said that if Taylor is not absolutely being considered and if the Board is worried about legal issues and that if there is a qualified candidate willing to serve, then dollars should not be spent on research. After discussion, it was moved, duly seconded and unanimously passed that Beth E. Courrau be appointed to fill the open Board of Directors Position. Courrau accepted and President Town then administered the Oath of Office to Courrau.

Executive Session:

It was moved, duly seconded, and unanimously approved that the Board move into Executive Session pursuant to Section 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”; pursuant to

Section 24-6-402(4)(b), C.R.S., for “Conferences with an attorney for the district for the purpose of receiving legal advice on specific legal questions; 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, property interests, and statewide ballot initiatives. The Executive Session commenced at 2:56 p.m. The Board returned to Regular Session at 4:12 p.m.

It was moved by Director Hacker and seconded by Director Wyss that the “Contract to Buy and Sell Real Estate” between the Woodmoor Water and Sanitation District No. 1 and Stonewall Springs Quarry, LLC and Stonewall Water, LLC be approved and that the president be authorized to sign it. The motion passed unanimously and a copy of the contract is attached hereto.


It was moved by Director Hacker and seconded by Director Wyss that the “Contract to Buy and Sell Real Estate” between the Woodmoor Water and Sanitation District No. 1 and Larry and Kay Cheney be approved and that the president be authorized to sign it. The motion passed unanimously and a copy of the contract is attached hereto.

It was moved, duly seconded and unanimously passed that Shaffer seek financial advice regarding statewide ballot initiatives.

X. **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 4:17 p.m.

Respectfully Submitted,



Elizabeth Hacker, Ass't. Secretary