

RECORD OF PROCEEDINGS

A meeting of the Woodmoor Water and Sanitation District No. 1 (WWSD) Board of Directors was held on January 13, 2011 at the Woodmoor Water and Sanitation District No. 1 office.

PRESENT:

Director Town
Director Whitelaw
Director Courrau

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

Secretary: Marsha Howland, Hope Winkler

Visitors: Ronnie Sperling – Buchanan & Sperling P.C.
Daniel Niemela – BBA
Julie Cozad – Tetra Tech
Walraven Ketellapper – Stillwater Resources

I. Call to Order:

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

II. Announcement:

Director Town reported that due to retirement this would be Hope Winkler's last Board Meeting, he thanked her for her 29 years of service. He also wished her luck, prosperity, and happiness in her future. Shaffer also commented on how Hope Winkler's service to the district was phenomenal and we would all miss her. Shaffer also introduced and welcomed Marsha Howland who will be taking Hope Winkler's place.

III. Reading of the Minutes:

Copies of the December 9th, 2010 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.

IV. **Financial Report:**

Shaffer reviewed the December Financial Report and commented that it is an unaudited financial for the year ending 2010. The District met its budgeted income and budgeted expenditures were close to the expected amounts. Director Town asked if we have addressed changing the billing for our large customers. Shaffer said that would be addressed early in 2011.

V. **Public Discussion:**

1. There was no one who wished to appear before the Board.

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

Town and Shaffer reported that:

1. The JUC has hired a firm to perform an evaluation on what types of grant money are available for security and renewable energy. The firm noted about eight or nine grant programs from various sources such as public and private funds. The firm recommended that the JUC move forward and look at some grants to do some preliminary designs and evaluations. The JUC did not take any action on the recommendation.
2. The status of the plant was discussed. Everything seems to be in order. The copper is in line this month. The spike in BOD last month was thought to be a one time occurrence. The DMR was good, there were no violations.
3. There was a request from Monument Sanitation District for monetary assistance for the cost of travel for Jim Kendrick. Any contributions from the districts would be greatly appreciated but is not mandatory. It was discussed if the Board should participate and contribute the same amount of \$600.00 as last year.

Motion:

It was moved by Director Whitelaw, duly seconded by Director Courrau and unanimously passed that WWSD contribute to the Monument Sanitation District cost for Jim Kendrick in the same amount as last year, \$600.00.

VI. **Manager's Report:**

Shaffer reviewed the Manager's Report dated January 13, 2011, a copy of which is attached hereto.

1. **Pikes Peak Regional Water Authority (PPRWA):** Shaffer said that he was pleased to report that things are moving along with the PPRWA and the El Paso County Water Authority as far as the

merger is concerned. The PPRWA formally dissolved effective December 31, 2010, and along with that dissolution they assigned all assets and liabilities, with the exception of their checking account, over to the El Paso County Water Authority. The Second Amended Establishing Contract for El Paso County Water Authority and PPRWA, a copy of which is attached hereto, was reviewed. After a lengthy discussion The Board asked for clarification on how the Expulsion from Project Participation would work. Shaffer will work with Erin Smith to go over the document. Director Town wants Director Taylor and Director Wyss to review this document before the Board takes any other action. The discussion was then tabled until the February 10, 2011 Board Meeting.

2. **Operations: Randy Gillette:** Gillette reported that the Leak Detection Program was complete and was pleased to report that they did not find anything significant. Gillette wanted to acknowledge to the Board the performance of our Operations Department, they continue to do a good job which is recognized by outside contractors. Gillette also reported that the water billing report is at 89%. He is working with Lori Akers to make sure our billing is correct and so far he has not come up with anything that would create any concerns. He did find a couple of problems with the way the telemetry was set-up, which has now been corrected. Gillette said he needed another month to monitor. Mike Rothberg stated the conversion program code rounds the numbers when we receive water pumped reports which make the numbers bounce high and low. He stated that we are not over charging our customers. Ronnie Sperling suggested that we use the term reuse water instead of surface water to the customers because the term surface water gives them the wrong impression. It was decided the term would be water exchange.
3. **Construction:** Well 23 site which is in Misty Acres subdivision Lot 13 is scheduled to close January 14, 2011.
4. **Other Topics:** Gillette reported that we have converted our web-site over to another platform. All changes on the web-site can now be done in-house. He asked if anybody has any suggestions on what they would like to see on the web-sit to please let him know. He explained how the contact part of the site worked, with the e-mail addresses hidden until you click on that person to see their e-mail address. It was decided that the Board's e-mail addresses would not be added to the web-site. All questions for the Board would be directed to Shaffer. Gillette stated that there will a lot of added tools for the customers.

VII. Special Reports and Subjects:

1. **Engineer's Report:** Nothing to report.
2. **Attorney's Report:** Smith reported that she has a resolution to bring before the Board. Resolution 11-01 is the Annual Administration Resolution. This resolution meets the legal requirements under Colorado State Law that Districts declare their newspaper for legal postings. We will be using the Tri-Lakes Tribune, with the Gazette for back-up. Also, this resolution delegates to management or to legal council various tasks that are compliance related, etc.

Motion:

It was moved by Director Whitelaw, duly seconded by Director Courrau and unanimously passed that the Board approve Resolution 11-01, with the name change of the Gazette.

VIII. Old Business:

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

VIII. New Business:

1. Agenda item 9 C, D, E, and F have been tabled until next month.
2. Stillwater Resources' brokerage service contract expired December 31, 2010. Shaffer has met with Walraven to discuss renewing his contract. Walraven has requested a couple of changes to his contract. Walraven has requested a pay as you go concept. This would mean when we pay any non-refundable monies to the seller commissions would also be paid at that time. Anything that we have done with Walraven to date, as far as payment of his commissions, would be governed under his old contract. This contract will be discussed in the Executive Session. Walraven stated that he was very happy with the working relationship with everyone and would like to continue the relationship.

3. 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"; 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 property including but not limited to water and storage rights and to water related services contracts. The Executive Session commenced at 2:19 p.m. The Board returned to Regular Session at 3:38 p.m.

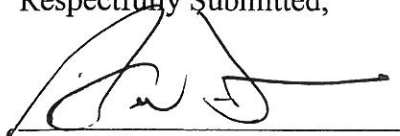
Motion:

It was moved by Director Whitelaw, duly seconded by Director Courrau and unanimously passed that the Board approve with the First Amended and Restated Stillwater Resources brokerage service contract.

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 3:40 p.m.

Respectfully Submitted,



Barrie Town, President