

RECORD OF PROCEEDINGS

A meeting of the Woodmoor Water and Sanitation District No. 1 (WWSD) Board of Directors was held on November 10, 2011 at the Woodmoor Water and Sanitation District No. 1 office.

PRESENT:

Director Courrau
Director Taylor
Director Whitelaw
Director Town
Director Wyss

Manager: Jessie J. Shaffer
Ass't. Manager: Randy Gillette
Attorney: Erin Smith
Consulting Engineer: Steve Tamburini
Secretary: Marsha Howland
Visitors: Walraven Ketellapper – Stillwater Resources
Candice Hitt – Our Community News
Ken Ford – Woodmoor Resident
Richard and Diane Betts – Woodmoor Residents

I. Call to Order:

President Town called the meeting to order at 1:04 p.m.

II. Reading of the Minutes:

A copy of the October 17th and October 23rd, 2011 meeting minutes of the Woodmoor Water and Sanitation District was provided to each director. Director Taylor noted an error on the October 17, 2011 minutes. Howland will correct this error. It was moved, duly seconded, and unanimously passed that the minutes be approved with corrections.

III. Financial Report:

Wyss stated that he had reviewed the Financial Reports and had no comments.

IV. Public Discussion:

1. Mr. Ford addressed the Board concerning the JV Ranch acquisition. Mr. Ford's main concern was payment for undeveloped land and the renewable water investment fee. Director Town addressed these issues, explaining the conditions of the sale. Town also explained other options WWSD had investigated to lower the cost impact on Woodmoor's residents. Ford asked if WWSD could use their current cash reserve to help pay for the JV Ranch, Shaffer explained that WWSD would be using their current cash reserves to drill new wells to keep up with current demand. After a lengthy discussion, Mr. Ford thanked the Board for their answers and stated that he appreciated the Board's bold move to acquire the JV Ranch. Mr. and Mrs. Betts stated that their questions had been answered during the discussion with Mr. Ford.

V. Joint Use Committee (JUC) Report:

Taylor reported that:

1. Mike Wicklund received the distinguished manager award at the SDA conference.
2. Taylor stated that Walgreens has been dumping old dairy products down the drain, which impacts the BOD levels. Wicklund spoke with Walgreens to straighten up this matter.
3. Jim Hendricks is consulting for the JUC. Wicklund stated that the fee for services should be split three ways. This decision was approved.
4. There will be a Christmas gathering at the JUC annual meeting. The date will be decided soon.

VI. Manager's Report:

Shaffer reviewed the Manager's Report dated November 10, 2011, a copy of which is attached hereto.

1. **Pikes Peak Regional Water Authority (PPRWA):** Shaffer stated the meeting was postponed due to weather. The next meeting will be held on December 8, 2011.
2. **Operations: Randy Gillette:** Gillette reported that Well 7 is back down hole and should be running next week. Lake Woodmoor is currently at 7091 feet. Gillette stated that beavers are building dams on Monument Creek which has slowed the water flow down. WWSD is working to solve this problem. Gillette reported that the Higby Road Sewer Phase I has been completed.
3. **Subdivision Update:** No new updates at this time on the Come and Go Gas Station.
4. **Construction:** None.

5. **Other Topics:**

- A. Shaffer reported that WWSD has received a non-potable waster service request by Brookmoor HOA. Shaffer stated that the HOA irrigates each of the homes lawns and all common areas. They use up to 1 millions gallons of water each month in the summer. Shaffer stated that WWSD is investigating the options of connecting Brookmoor to our non-potables system if the Board should decide to consider that option. Also, WWSD is looking into the operational limitations due to the location of Brookmoor. Shaffer will report his findings on this investigation at a later date.
- B. Shaffer distributed the Outlay of Debt Service, a copy of which is attached hereto. Shaffer stated that November 9, 2011 was bond pricing day for the Districts 2011 revenue bonds for the JV Ranch Acquisition. Shaffer reported that it was a very good day for WWSD. This report outlines to the Board the debt service schedule.

VII. **Special Reports and Subjects:**

- 1. **Engineer's Report:** None.
- 2. **Attorney's Report:** Smith requested that the Board consider amending the 2011 budget.

Motion:

It was moved by Director Taylor , duly seconded by Director Wyss and unanimously passed that the Board set the hearing on the amendment of the proposed 2011 amended budget for December 8, 2011 at 1 p.m.

VIII. **Old Business:**

- 1. **Public Hearing – 2012 Proposed Budget:** Town opened the Public Hearing on the 2012 Proposed Budget at 2:12 p.m. Smith stated that notice of the hearing was duly published according to State Law. Shaffer summarized the changes that were made to the proposed 2012 budget due to the JV Ranch acquisition, and other changes from the Budget Workshop. The Public Hearing was opened for public comments. Mr. Ford asked if the renewable water service fee would be used for general expenses at WWSD. Shaffer explained that the renewable waster fee is budgeted for the bond debt payment. The Public Hearing was closed at 2:51 p.m.

VIII. **New Business:**

1. **Resolution 11-09 Delegating Authority Regarding Closing of JV Ranch:** Smith stated that Resolution 11-09 authorizes the District President and the District Manager to sign all closing documents for the JV Ranch acquisition. This Resolution also makes a formal appropriation for funds to be expended in connection to the purchase of the JV Ranch.

Motion:

It was moved by Director Taylor, duly seconded by Director Courrau and unanimously passed that the Board adopt Resolution 11-09.

Executive Session:

It was moved, duly seconded, and unanimously approved that the Board move into Executive Session pursuant to: (1) C.R.S. Section 24-6-402(4)(a), for “discussions related to the purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest; and (2) C.R.S. Section 24-6-402(4)(e), “to determine positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators” related to property including but not limited to acquisition and disposal of water and storage rights, and (3) C.R.S. Section 24-6-401 (4) (b)” for a conference with the District’s attorney for the purpose of receiving legal advice on specific legal questions regarding availability of service charges”; and (4) C.R.S. Section 24-6-402 (4) (f) (I) “to discuss personnel matters”. The Executive Session commenced at 3:13 p.m. The Board returned to Regular Session at 4:21 p.m.

Note: Director Wyss left the Board Meeting at 4:25 p.m.

Continuance of New Business:

2. **Appointees for the Chilcote Ditch Co. Board of Directors:** Shaffer asked the Board for direction to appoint two Board Members to the Chilcote Board of Directors after the closing of the JV Ranch.

Motion:

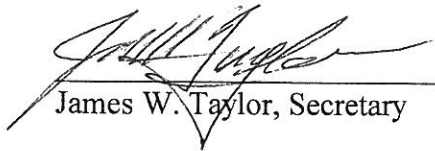
It was moved Director Courrau, duly seconded by Director Taylor and unanimously passed to appoint Barrie Town and Jessie Shaffer to the Chilcote Board of Directors.

3. **Discuss Investment of Bond Proceeds:** Shaffer asked the Board for direction on where the Board wants WWDS to invest the bond proceeds. The Board asked Shaffer to research rates and programs local banks are offering in the Woodmoor community. Shaffer will have this information at the next Board Meeting.

IX. **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 4:31 p.m.

Respectfully Submitted,


James W. Taylor, Secretary