

RECORD OF PROCEEDINGS

A meeting of the Woodmoor Water and Sanitation District No. 1 (WWSD) Board of Directors was held on August 9, 2012 at the Woodmoor Water and Sanitation District No. 1 office.

PRESENT: Director Town
 Director Courrau
 Director Taylor
 Director Whitelaw
 Director Schwab

Manager: Jessie J. Shaffer
Attorney: Erin Smith
Consulting Engineer: Steve Tamburini
Secretary: Marsha Howland
Visitors: Candice Hitt – Our Community News
 Vic Harshberger – Monument Hill Country Club
 Amanda Rabenberg – Monument Hill Country Club
 Joe Zalewski – Monument Hill Country Club

I. **Call to Order:**

President Town called the meeting to order at 1:03 p.m.

II. **Reading of the Minutes:**

A copy of the July 12, 2012 meeting minutes of the Woodmoor Water and Sanitation District was provided to each director. It was moved, duly seconded, and unanimously passed that the minutes be approved.

III. **Financial Report:**

Taylor stated that he had reviewed the financial statements and did not have any changes. It was moved, duly seconded, and unanimously passed that the financial reports be approved.

IV. **Public Discussion:**

1. **Unscheduled People:** None

- V. **Consider Monument Hill Country Club Payment Request:** Vic Harshberger from the Monument Hill Country Club spoke to the Board concerning their water bill. Harshberger presented a chart showing their water use for May, June and July 2012, a copy of which is attached hereto. Harshberger stated that they have done their best to stay within their water budget, unfortunately, they have over 8 million gallons of water unaccounted for going through their irrigation Pond # 4. This loss of water has put them into WWSD's tier 3 water rate, which they cannot afford. They have checked their meters and hired engineers to try to locate the problem. As of today, they do not know where the water is going. The next step they are looking at is to use a coffer damn on irrigation pond #4 for the rest of the summer season, and then drain and repair the pond when the season is over. Harshberger is requesting monetary relief from the Board due to the unexpected leak in Pond 4. The Board thanked Mr. Harshberger for his presentation and will contact him with their decision.

VI. **Joint Use Committee Report:** None

VII. **Manger's Report:**

Shaffer reviewed the Managers Report dated August 9, 2012, a copy of which is attached hereto.

1. **Water Resources Issues:**

- a. **JV Change Case Status Update:** Shaffer reported that WWSD has filed the engineering expert report with the Court. Objectors will have until September 30, 2012 to respond with specific objections. Shaffer stated that WWSD will address each objector and negotiate stipulations to satisfy any concerns. Schwab asked how long the process will take to address the objectors. Shaffer stated that it will take approximately 15 months.
- b. **Monument Lake Case:** Shaffer reported that WWSD sent the City of Monument a revised draft stipulation concerning the Monument Lake case. The City of Monument is now reviewing the draft and will send any comments back to WWSD. Shaffer will have more information for the Board next month.

- d. **Well 6 Status Update:** Shaffer stated that the pumping equipment in Well 6 is almost 20 years old and has failed. Shaffer stated that he has funds allocated for this repair.

3. District Construction/Planning Projects:

- a. **Office Re-Roof & HVAC Project:** Shaffer reported that the office re-roof and Hvac project has been completed.
- b. **2012 Long Range Plan (LRP) Update:** Tamburini stated that they are about 90% done with the analysis for the LRP. They are about 50% done with the write up. Tamburini reported that they should have a 90% draft ready by the end of this month.

4. WWSD Subdivision/Development Status Update:

- a. **Kum-N-Go:** Shaffer stated that WWSD approved the final plans for the Kum-N-Go as far as it relates to water and sewer. Shaffer stated that he does not have a firm construction date at this time.

5. Other Topics:

- a. **Records Retention Policy:** Shaffer stated that WWSD is working on the new retention policy. Howland has completed her review and Shaffer is working on his review now. Shaffer stated that he will meet with Smith in the next few weeks to start the policy procedure appropriate for WWSD.
- b. **Denise Hanson Access License Issuance:** Shaffer reported that Denise Hanson is adding an addition to her mother's home. The home is located next to the Well 12 site. Due to the location, there is not enough room for the construction vehicles and equipment to enter the property without tearing out Hanson's landscaping. Hanson has asked permission to use the Well 12 site to bring in this equipment. Shaffer made a representation to Ms. Hanson to have access on the Well 12 site. This agreement releases WWSD of all liability issuances. Hanson has signed the agreement, and is waiting for her contractor's signature before the work will begin. The contractor will also have to carry insurance requirements according to the agreement. A copy of the agreement is attached hereto.

VIII. **Special Reports and Subjects:**

1. **Engineer's Report:** none
2. **Attorney's Report:** Smith requested a change to the agenda, changing the Executive Session purpose.

IX. **Old Business:**

1. **Emergency Preparedness Planning – Wildfire:** Shaffer stated that he contacted the fire department regarding wildfires. The fire department is a reactionary agency, so a specific plan surrounding Woodmoor is not appropriate. The fire department stated that it would be a huge help to them if WWSD would identify their specific critical sites to protect the water supply in case of a wildfire. Shaffer stated he also contacted the Woodmoor Improvement Association (WIA) and the University of Colorado Forestry Department. The Forestry Department will come out and do site specific assessments, as far as tree thinning, and creating buffer zones. WIA also has volunteers that will perform these assessments. WIA will use the same guidelines as the Forestry Department. Shaffer presented an outline of these guidelines, a copy of which is attached hereto. The Board directed Shaffer to contact WIA to perform the site assessments. The Board also directed Shaffer to post some links on WWSD's website for fire prevention guidelines.

X. **New Business:**

1. **Consider approval of BLX Group engagement letter for arbitrage compliance and rebate services:** Shaffer presented an engagement letter from BLX Group, LLC, a copy of which is attached. Shaffer stated that for WWSD's 2011 Revenue Bonds there is a requirement that WWSD is not allowed to collect any arbitrage on bond monies in reserve. Shaffer stated the benefit of doing an arbitrage compliance report is the fact that the report is acceptable proof to the IRS that WWSD is not collecting arbitrage. Shaffer stated that the cost of the compliance report is \$1,000.00 and \$250.00 for each year that needs to be reviewed to complete the report.

Motion:

It was moved by Director Whitelaw, duly seconded by Director Schwab and unanimously passed to approve the BLX Group, LLC engagement letter for arbitrage compliance and rebate services.

2. **2012 Mid-Year Budget Update:** Shaffer reviewed the Mid-Year Budget Update, a copy of which is attached hereto. The budget shows the projected income and expenses for 2012 year-end given the actual information as of 7-31-12. The consensus was that Shaffer could use the mid-year budget for working purposes.

Note: Director Courrau left the Board Meeting at 3:00 p.m.


XI. **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)(e), "to determine positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators; all related to Country Club request for an agreement regarding payment of outstanding amounts. Executive Session commenced at 2:59 p.m. The Board returned to Regular Session at 3:40 p.m.

XII. **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: 45 p.m.

Respectfully Submitted,


Beth Courrau, Secretary