

## 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 January 12, 2012 at the Woodmoor Water and Sanitation District No. 1 office.

### PRESENT:

Director Courrau  
Director Whitelaw  
Director Town  
Director Wyss

Manager: Jessie J. Shaffer  
Ass't. Manager: Randy Gillette  
Attorney: Erin Smith  
Consulting Engineer: Mike Rothberg  
Secretary: Marsha Howland  
Visitors: Tommy Schwab – Woodmoor Resident  
Dave Schmidt - Brookmoor Estates HOA  
Sid Cannady - Brookmoor Estates HOA  
Jeff Zikus – Brookmoor Estates HOA  
Candice Hitt – Our Community News

### 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 December 8, 2011 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:**

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

IV. **Public Discussion:**

1. Jess Zeikus, Sid Cannady, and Dave Schmidt from the Brookmoor Estates HOA attended the Board Meeting. The Brookmoor HOA is responsible for the irrigation of the Brookmoor Estates, including their resident's lawns. Shaffer stated that Brookmoor uses approximately 800,000 gallons of water per month in the summer. Mr. Schmidt presented a power point presentation, requesting a water rate variance for Brookmoor. The presentation started with background information of the Brookmoor Estates outlining their current irrigation policy. Mr. Schmidt explained to the Board why the HOA feels the WWSD's current rate structure is not fair to the Brookmoor residents; comparing the schedule to a "typical" Woodmoor resident's water usage. Mr. Schmidt also stated that Brookmoor could not afford the cost of changing their irrigation system, so each resident would be responsible for their own irrigation usage. Different options and costs were discussed during the presentation. Director Town stated that at this time, WWSD's policy does not allow for special rates for individual accounts. Director Town thanked the Brookmoor visitors for their presentation. The Brookmoor visitors left the Board Meeting at 2:20 p.m. A hard copy of the presentation is attached hereto.
  
2. Mr. Schwab stated that he did not have anything to discuss with the Board, he was only observing. He left the meeting at 2:20 p.m.

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

1. Director Whitelaw attended the JUC meeting. Whitelaw stated that the Colorado Wastewater Utility Counsel will be holding a meeting on March 12, 2012 to discuss the nitrogen and phosphorus EPA standards. The Colorado Wastewater Utility Council is asking for contributions to hire scientific consultants for a new study to lower the EPA standards for the smaller wastewater entities. Palmer Lake and Monument agreed to the contribution. Shaffer stated that the contribution was not budgeted for 2012. After a lengthy discussion, the Board, with the exception of Director Courrau, decided to make the contribution to the Colorado Wastewater Utility Council.

**Motion:**

It was moved by Director Wyss, duly seconded by Director Whitelaw to make a contribution to the Colorado Wastewater Utility Council in the amount of \$3,000.00. Director Courrau objected to this Motion.

VI. **Manager's Report:**

Shaffer reviewed the Manager's Report dated January 12, 2012, a copy of which is attached hereto.

1. **Pikes Peak Regional Water Authority (PPRWA):**

**A. Flaming Gorge Task Assessment:** Shaffer reported that PPRWA is still waiting for the Bureau of Reclamation's hydraulic model to complete the feasibility study. This model should be completed by February, 2012.

2. **Operations: Randy Gillette:** Gillette reported that the water billing for December, 2011 was at 87%. The annual water billing for 2011 was at 92%. Gillette presented a 2011 water production chart, a copy of which is attached hereto. Gillette stated that he will begin charting WWSD's wastewater return flows which will be updated on the monthly water report next month.

3. **Subdivision Update:** The Kum-N-Go gas station is on hold until Kerry Hicks completes his Statement of Authority. This document should be finalized by mid January, 2012.

4. **Construction:** Gillette stated that Well 12 should be completed by May, 2012. WWSD will begin accepting public bids this summer for a new roof and furnace for the District office. Shaffer stated that he will start working on the new 2012 LRP this month. Shaffer would like to have the LRP complete before the budgeting process begins for 2013.

5. **Other Topics:**

**A.** Shaffer stated that the tour of the JV Ranch will be on Tuesday, January 24, 2012. The Board members will meet at the Woodmoor District Office at 9:15 a.m. and return around 3 p.m.

VII. **Special Reports and Subjects:**

1. **Engineer's Report:** None.

**Attorney's Report:** Smith stated that the Board Election will be held on May 8, 2012. Smith will publish the election notice for nomination by February 15, 2012 in the Tri Lakes Tribune. The deadline for nominees is March 2, 2012. The Board discussed the election process. Directors Town, Taylor, and Courrau will run for re-election. Director Wyss has reached his term limitation.

VIII. **Old Business:**

1. **Consider selection of auditor for 2011 audit:** Shaffer reported that he and Howland conducted interviews for the audit selection for the year ending 2011. WWSD received RFP's from Hoelting and Company and John Cutler & Associates. Both interviews went well. Shaffer asked the Board to consider John Cutler & Associates for the 2011 WWSD audit.

**Motion:**

It was moved by Director Courrau, duly seconded by Director Wyss and unanimously passed that John Cutler & Associates will perform the WWSD 2011 audit after his engagement letter has been approved by Smith.

**Motion:**

It was moved by Director Courrau, duly seconded by Director Wyss and unanimously passed that District Manager, Jessie Shaffer has the authority to sign the auditor contract in President Town's absence.

2. **Consider selection on investment firm for 2011 revenue bond proceeds:** Shaffer stated that he and Howland conducted interviews with People's Bank, Wells Fargo, and C-Safe for the bond proceeds investments. Shaffer stated that all the interviews went well. Wells Fargo has the lowest fee schedule for investing the bond proceeds. Shaffer asked the Board to consider Wells Fargo as the investment firm for the 2011 bond proceeds.

**Motion:**

It was moved by Director Courrau, duly seconded by Director Wyss and unanimously passed that WWSD obtain the services of Wells Fargo to invest the 2011 bond proceeds.

IX. **New Business:**

1. **Consider Annual Administrative Resolution No. 12-01.** Smith asked the Board to consider Resolution 12-01. Smith explained that this is an annual Resolution that has been updated for the current year.
- 2.

**Motion:**

It was moved by Director Courrau, duly seconded by Director Wyss and unanimously passed that the Board adopt Resolution 12-01.

3. **Consider Resolution 12-02 Amending District Rules and Regulations:** Smith asked the Board to consider Resolution 12-02. Smith stated this Resolution updates the District's rules and regulations for the current year.

**Motion:**

It was moved by Director Courrau, duly seconded by Director Wyss and unanimously passed that the Board adopt Resolution 12-02.

**Irrigation customer courtesy and discussion:** Shaffer stated that WWSD freezes irrigation only customer accounts in the winter months. This has been a courtesy directed to these customers for the past several years. Shaffer stated that this process is not policy. Due to the new renewable water investment fee, Shaffer asked the Board for direction on charging these customers. After a lengthy discussion, the Board decided to diminish the procedure of freezing irrigation only accounts in the winter months. These accounts will receive invoices for the base charge and the renewable water investment fee each month.

**Motion:**

It was moved by Director Courrau, duly seconded by Director Wyss and unanimously passed that the Board diminish the practice of freezing irrigation only accounts in the winter months based on the current policy change for the renewable water investment fee.

X. **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" all related to property, including but not limited to acquisition and disposal of water and storage rights, and (3) C.R.S. Section 24-6-402 (4) (b)" for a conference with legal counsel for the District for the purpose of receiving legal advice on specific legal questions related to potential litigation". The Executive Session commenced at 3:45.m. The Board returned to Regular Session at 4:50.

**Note:** For the purpose of legal advice from attorney, the tape was turned off from 3:50 p.m. to 4:48 p.m. during the Executive Session.

**Note:** Director Courrau left the Executive Session at 4:30 p.m.

**Note:** Director Town will not be present at the February 9, 2012 Board Meeting.

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 4:58 p.m.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to be "Barrie Town", written over a horizontal line.

Barrie Town, President