

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 May 10, 2012 at the Woodmoor Water and Sanitation District No. 1 office.

PRESENT:                    Director Town  
                                  Director Courrau  
                                  Director Whitelaw  
                                  Director Schwab

Manager:                    Jessie J. Shaffer  
Ass't. Manager:            Randy Gillette  
Attorney:                    Erin Smith  
Consulting Engineer:      Steve Tamburini  
Secretary:                  Marsha Howland  
Visitors:                    Candice Hitt – Our Community News

I. **Call to Order:**

President Town called the meeting to order at 1:09 p.m.

II. **Swearing In of New Board Members:**

Directors Town, Courrau, and Schwab were sworn into office.

**Motion:**

It was moved by Director Whitelaw, duly seconded by Director Courrau and unanimously passed that the following positions be held by the Directors:

Director Town        -        Board President  
Director Courrau    -        Board Secretary  
Director Taylor     -        Board Treasurer  
Director Whitelaw   -        Board Member  
Director Schwab     -        Board Member

**Motion:**

It was moved by Director Courrau, duly seconded by Director Whitelaw and unanimously passed that Director Whitelaw will be WWSD's representative for the Joint Use Committee and Director Schwab will be the alternate representative.

III. **Reading of the Minutes:**

A copy of the April 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.

IV. **Financial Report:**

Shaffer reviewed the financial statements. Shaffer stated that WWSD is following close to the budgeted numbers. Revenue is at 22% which is a little low, but should increase to the budgeted amounts going into the summer months. Town asked when WWSD would start receiving the interest from the bonds. Shaffer explained to the Board that the bond interest would be accrued on a semi-annual basis. It was moved, duly seconded, and unanimously passed that the financial reports be approved.

V. **Public Discussion:** None

VI. **Joint Use Committee Report:**

Whitelaw stated that John Cutler presented the final 2011 audit for the Tri-Lakes Wastewater Treatment Plant. The audit went well and they are in good shape. The main topic of the JUC meeting was the decisions made at the March, 2012 Nutrient Pre-Hearing regarding Regulations 85 and 31. Whitelaw reported that he has the copper report for review. The report stated that the copper at the wastewater plant is within the acceptable limit.

VII. **Manager Report:**

Shaffer reviewed the Managers Report dated May 10, 2012, a copy of which is attached hereto.

1. **Water Resources Issues:**

- a. **Pikes Peak Water Authority Update: (PPRWA):** At the PPRWA meeting a presentation was made by some local economists working with Fountain Creek Flood Control and Greenway District. The presentation identified the stormwater infrastructures needed for El Paso and Pueblo Counties. The report showed that there is a significant need in El Paso County for more stormwater measures, infrastructures, and controls.

- b. **Liston & Love, Lock, Chilcott & Callahan Water Rights Change Case Update:** Shaffer stated that BB&A is working on completing the expert report for the water rights change case. Upon completion, Ronnie Sperling will submit the report to Water Court and the 13 objectors. The referee will then set a deadline for the objectors to send their comments and concerns to WWSD. Shaffer stated that WWSD will address each comment as they come in from the objectors.
2. **Operations: Randy Gillette:** Gillette stated that the water billing for April, 2012 was at 85%. Gillette reported that Lake Woodmoor is full. Gillette estimates bringing Lake Woodmoor on-line at the end of May, 2012. Gillette stated that Well 6 is still out of the ground. Gillette stated after doing some testing, WWSD will look at different options for lowering Well 6 at a later date. Well 10, which had an equipment failure, will be down hole this week. The repairs on Well 10 were covered by the warranty. Gillette reported that due to the acid cleaning of Well 12, the iron levels are considerably high. WWSD is currently working on lowering the iron levels. Gillette reported that WWSD placed a notice on the website, reminding our customers that water restrictions start June 1, 2012.
3. **District Construction/Planning Projects:** Shaffer stated that he received and installed the new software for the Long Range Plan (LRP). Shaffer is currently working on the water distribution and sanitary sewer collection system models. Shaffer is meeting with Tetra Tech on May 23, 2012 to continue working on the LRP. Shaffer reported that Tetra Tech's preliminary recommendation is that WWSD should lower their peak day factor from 2.9 to 2.2. This change will significantly lessen the tank storage and treatment capacity needed in the District. Tamburini stated that the new peak day factor is based on actual data Tetra Tech has collected since 2008. Shaffer stated that the deadline for completion of the LRP is September, 2012.
4. **WWSD Subdivision/Development Status Update:** Shaffer reported that Colorado Lakeshore Holdings, a company that owns most of the properties in and around Lake Woodmoor, is trying to sell their property. Shaffer has received a few inquiries about these properties, and just wanted to let the Board know for reference.

## 5. Other Topics:

- a. **Transit Loss Cost Presentation:** Shaffer presented a Transit Loss Cost power point presentation to the Board. Shaffer stated that Gillette is the northern group representative for the Transit Loss project. The presentation showed the Board the cost allocation between the northern and southern groups. Shaffer stated that the average annual cost for WWSD is around \$18,000. The average water revenue to offset this cost is \$13,000. This is a deficit amount for WWSD of \$5,000 per year. Shaffer stated that the Transit Loss Model will be a benefit to WWSD when water is brought up from the JV Ranch in the future. Shaffer stated that WWSD demonstrated to CSU and the southern group what their cost would be for the Transit Loss Model if the northern group decided to drop out of the project due to the present cost allocation. CSU offered to pay half the cost of the North Gate gauge. USGS also offered to drop the Palmer Lake gauge out of the model. The Palmer Lake gauge is not needed to track transit loss. With this option, the northern group would save approximately \$16,000 per year. If this proposal is accepted by all participants, WWSD's annual cost would be approximately \$11,000. Shaffer explained the cost of maintaining the gauges and the administrative fees for the model. Different cost scenarios were discussed, and Shaffer stated that the worst case scenario would cost WWSD approximately \$16,000 per year. Shaffer stated that the next meeting with the Transit Loss Committee will be on May 18, 2012. Shaffer will update the Board next month.
- b. **CORA Request by Brookmoor HOA:** Shaffer stated that WWSD received a formal Colorado Open Records Act Request (CORA) concerning Brookmoor Estates HOA, a copy of which is attached hereto. Shaffer and Smith complied with the open records law, and sent the requested information.
- c. **SDA Cover Story Update:** Shaffer stated the Bill Ray submitted the cover story to SDA. Part one of the cover story will be published June, 2012 in the SDA magazine. Courrau stated that she does not receive the SDA magazine. Howland will contact SDA to add Courrau and Schwab to their mailing list.
- d. **2011 Audit Status & Continuing Disclosure Statements:** Shaffer reported that WWSD has completed the disclosure statements to be inserted as supplemental information for the 2011 audit. Shaffer stated that he will ask John Cutler to present the final audit for 2011 at next month's Board Meeting.

- e. **State Internet Portal Authority (SIPA)/WWSD Project Approval and Update:** Shaffer reported that SIPA accepted WWSD's application. SIPA will assign a project manager to WWSD in about three months. The complete process will take approximately five months to complete. This will allow WWSD to accept credit cards.
- f. **SDA Conference Presentation Topic:** Shaffer stated that SDA is still accepting recommendations for presentation topics for the next conference. Shaffer submitted the required forms to the SDA to consider WWSD's presentation of the JV Ranch acquisition.

VIII. **Special Reports and Subjects:**

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

**Attorney's Report:** none

IX. **Old Business:** none

IX. **New Business:** none

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 and changing of water rights, and (3) C.R.S. Section 24-6-402 (4) (f) " to discuss personnel matters." Executive Session commenced at 2:19 p.m. The Board returned to Regular Session at 3:56 p.m.

**Motion:**

It was moved by Director Schwab, duly seconded by Director Courrau and unanimously passed that the Board consider a Resolution approving additional funding for continued Flaming Gorge Project participation up to \$5000.

**Motion:**

It was moved by Director Schwab, duly seconded by Director Courrau and unanimously passed that WWSD award gift cards to J.D. Shivers and Robert Lewis not to exceed \$100 per person in recognition for the extraordinary contribution in savings and the outstanding efforts made in the completion of WWSD's new TV van.

**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 4:01 p.m.

Respectfully Submitted,

  
Beth Courrau, Secretary