

## 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 April 11, 2013 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  
Asst. Manager             Randy Gillette  
Attorney:                    Erin Smith  
Consulting Engineer:     Marsha Howland  
Secretary:                   Marsha Howland  
Visitors:                    Dale Beggs – Vista Ridge Estates, LLC  
                                  Steven Barr – Vista Ridge Estates, LLC  
                                  Pete Thompson – Vista Ridge Estates, LLC  
                                  Ken Sedler – Woodmoor Resident  
                                  Dennis Gibson – Woodmoor Resident

### I. Call to Order:

President Town called the meeting to order at 1:02 p.m.

### II. Reading of the Minutes:

Copies of the March 7, 2013 and March 14, 2013 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.

### III. **Financial Report:**

Taylor stated that he had reviewed the financial statements and did not have any changes. Director Schwab asked why the meter backflow expense was high. Shaffer explained that the District purchased the meters and backflow devices in bulk. The expense will be offset as tap fees are purchased throughout the year. It was moved, duly seconded, and unanimously passed that the financial reports be approved.

### IV. **Public Discussion:**

- A. **Unscheduled People:** Ken Sedler spoke to the Board about his concerns with the Monument Hill Country Club in regards to the golf course. President Town stated that the Board will be having a discussion concerning WWSD's irrigation customers later in the Board Meeting. Dennis Gibson expressed his opinions to the Board concerning the Renewable Water Investment Fee (RWIF). Mr. Gibson stated that the RWIF should be based on water usage not customer class. President Town explained the rationale of the RWIF and stated that the Board will review the fee every year.

- V. **Joint Use Committee Report (JUC):** The JUC Meeting was cancelled due to weather.

### VI. **Manager's Report:**

Shaffer reviewed the Manager's Report dated April 11, 2013, a copy of which is attached hereto.

#### 1. **Collaborative Organizations/Opportunities:**

- a. **Pikes Peak Rural Water Authority (PPRWA):** Shaffer stated that the PPRWA is allowing the Arkansas, Fountain, Rural Urban, Creek Evaluation Group (AFCURE) to become associated members.

#### 2. **Operations: Randy Gillette**

Gillette stated that WWSD has continued to look for a possible water leak in the District. Gillette stated that when the snow starts melting, it will be easier to find the leak. Shaffer stated that if WWSD does not find the leak in the next couple of months, he might have to ask the Board for authorization to purchase distribution system meters. These meters would assist staff in tracking down the locations of any leaks. Gillette reported that Lake Woodmoor continues to fill. The lake is still about a foot lower than WWSD expected it

to be. This is due to the dry weather conditions. Gillette reported that the new lake mixers will be delivered mid-May, 2013. Staff will be gathering lake samples to create a base line for water quality to start comparisons with after the mixers have been installed. Gillette stated that Well 18 has failed and will be pulled. Well 11 will also be pulled due to high amp issues. Gillette will have more information on the wells next month.

### **3. District Construction/Planning Projects:**

- a. **Board Room Audio Visual Equipment Installation and Progress:** Shaffer described the new additions to the conference room. The audio and visual components have been installed, and Gillette is close to completing the room décor. The Board thanked Gillette for his hard work creating the wood cabinet and waynes coating designs.

### **4. Other Topics:**

- a. **IT Consultants Letter of Resignation:** Shaffer stated that he has interviewed three IT consulting firms for WWSD. Shaffer is waiting for the consultants to send him their cost proposals, at which time he will make a decision.

## **VII. Special Reports and Subjects:**

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

## **VIII .Old Business:**

1. **Consider Approval and Authorize Execution of Supplemental Water Service Agreement with Vista Ridge Estates, LLC and WED, LLC:** Shaffer explained the new supplemental water usage and service agreement between WWSD and Vista Ridge Estates, LLC and WED, LLC, a copy of which is attached hereto. Shaffer stated that WWSD had previously had a supplemental water agreement with WED, LLC. and in that agreement there was a rider for additional single family units (SFU) generated by the sale

of supplemental water service and the impact of the additional SFU's on WWSD's water and sewer systems. The rider was an impact fee for \$2,000.00 per acre foot of supplemental water sold. Shaffer recommended to the Board that this rider be omitted from the new agreement. Shaffer stated that the old agreement was in 2004 and he is no longer comfortable with the \$2,000.00 per acre foot calculation. Shaffer stated that the impact fee should be calculated and charged at the time of development. The Board agreed with Shaffer.

**Motion:**

It was moved by Director Schwab, duly seconded by Director Courrau and unanimously passed to approve and authorize execution of supplemental water service agreement between WWSD and Vista Ridge Estates, LLC and Wed, LLC.

**IX. New Business:**

- 1. Discuss New Cost of Service Rates Analysis Incorporating Expansion of Non-Potable Water Blocks & Irrigation Blocks:** Shaffer stated that with the meeting he and President Town had with Monument Hill Country Club and Woodmoor Improvement Association along with some other feedback he has been receiving, they felt it was time to look at the irrigation and non-potable block structures now in place at WWSD. Town stated that in the meeting, Vic Harshberger reported that they are using, on average, 79 acre feet of water per year for the golf course, which is only 65% of the water they need to adequately water the course. Harshberger stated that they need approximately 118 acre feet of water, but cannot afford WWSD's tier 3 water cost. After the meeting, Shaffer talked to Bishop, Brogden Associates and they agreed that the golf course needed between 112 and 118 acre feet of water per year. Town told Harshberger that he would present his findings to the Board and look at the entire block structure for all irrigation customers. Shaffer presented an overview of the block structures to the Board. Shaffer stated that the irrigation only customers are telling him the WWSD's block structure is too compressed, and they cannot fully water their grass without hitting the tier 3 rates. Shaffer stated that the tier 3 rate was designed to encourage water conservation. Customers are stating that they need more water in tiers 1 and 2 to achieve 80% of their grass irrigation demand (GID). Shaffer stated that you can have decent grass at 80% of GID. Shaffer showed the Board how much water the golf course used between 2003 and 2012, and how much water WWSD consultants stated they should use to reach 80% of GID. The charts showed that the golf course is not meeting 80% of GID. Shaffer stated that WWSD has a revenue target that needs to be met from each customer class in order to meet operation demands. The operation cost is recouped from tier 1 and 2. Shaffer explained the difference in the rate structure between potable and non-potable irrigation only users. Shaffer stated that he thinks WWSD should look at the block structure for irrigation only customers to see if WWSD is providing enough water in each tier. Shaffer explained how the blocks were originally structured and stated that the irrigation blocks were probably under what they should be. Shaffer recommended to the Board that WWSD should hire a consultant to make an accurate analysis of the block structures. The analysis will cost approximately \$8,200.

**Motion:**

It was moved by Director Taylor, duly seconded by Director Whitelaw to authorize the expenditure of \$8,200 for the analysis of the irrigation only block structure. The analysis needs to be completed by May 2, 2013. All the Directors with the exception of Director Schwab approved the Motion.

President Town stated that WWSD is an enterprise and being so, WWSD needs to obtain all information that is available to them to make rational decisions.

- 2. Consider Approval and Authorize Execution of Contract for Professional Services – Lake Woodmoor Best Management Practices Study (GEI):** Shaffer stated that GEI will honor the rates that were quoted last year to perform the Lake Woodmoor Water Quality Management Alternative Analysis; a copy of the proposal is attached hereto. Shaffer asked the Board to approve the proposal from GEI. Town questioned the third party rate on the proposal. Shaffer stated that there is a total cost of the proposal that GEI will not go over without authorization.

**Motion:**

It was moved by Director Schwab, duly seconded by Director Taylor and unanimously passed to approve the GEI proposal for water quality management alternatives.

- 3. Consider Disposal of District Property of diminished value:** Shaffer stated that due to the upgrade of the conference room, WWSD has several items to be disposed of. Most items will be taken to Goodwill or put on Craig's list for sale. The Board approved.

- X. **Executive Session:** Executive Session was deleted from the agenda.

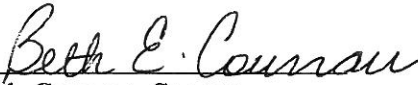
Note: President Town suggested that WWSD needs to let their customers know what is happening within the District on a regular basis. Shaffer stated the WWSD used to provide a monthly newsletter to the customers called Pipeline. Town stated it would be a good idea to provide the newsletter again on a quarterly basis. Shaffer will bring a draft copy back to the Board next month.

Note: Director Schwab is going to trim the junipers at Well 12.

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 3:10 p.m.

Respectfully Submitted,

  
Beth Courrau, Secretary