

RECORD OF PROCEEDINGS

A meeting of the Woodmoor Water and Sanitation District No. 1 (WWSD) Board of Directors was held on March 14, 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: Steve Tamburini
Secretary: Marsha Howland
Visitors: Candice Hitt – Our Community News
 Dale Beggs - Supplemental Water Service Request
 Josh Beggs – Beggs Associate
 Dale Thompson – Beggs Associate
 Mike Sitz – Beggs Associate
 Steven Parr – Beggs Associate
 Mike Hower – Woodmoor Resident
 Larry Wilkes – Woodmoor Resident
 Jonathan Moore – Rivers Development, Inc.
 Steven Vasas – Rivers Development, Inc.

i. Call to Order:

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

President Town asked the visitors and the Board Members to introduce themselves.

II. **Reading of the Minutes:**

Copies of the February 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. It was moved, duly seconded, and unanimously passed that the financial reports be approved.

IV. **Public Discussion:**

A. **Dale Beggs – Supplemental Water Service Request:** Shaffer stated that Dale Beggs contacted him a few months ago regarding building 75 single family homes in Village Center Filing 3. Mr. Beggs is requesting a supplemental water service agreement for 16.665 acre feet of supplemental water to support the 75 homes. Mr. Beggs will be building these homes on approximately 16.7 acres of land. Shaffer stated that Mr. Beggs request is in accordance with WWSD's supplemental water service policy. Mr. Beggs stated that he has customers for all 75 lots and is ready to move forward on this project. The Board directed staff and legal counsel to move forward preparing the supplemental water service agreement for Mr. Beggs.

B. **Larry Wilkes and Dennis Gibson: RWIF Comments:** Mr. Wilkes and Mr. Gibson were not present at the Board Meeting at this time.

C. **Unscheduled People:** Mike Hower stated he was attending the Board Meeting for observation purposes only.

V. **Joint Use Committee Report (JUC):** Whitelaw stated that things are running smooth for the JUC. Whitelaw stated that Jim Kendrick reported to the JUC regarding stream temperatures. Gillette stated that the temperature issue should not impact the Tri-Lakes Wastewater Treatment Facility (TLWWTF). Whitelaw reported that Tetra Tech will be designing a new 7 step facility upgrade for TLWWTF.

VI. **Chilcott Ditch Co. Report:** Town reported that the Chilcott Ditch Board Meeting was held on Tuesday, March 12, 2013. Town stated that during the process of transferring some records, a certificate of deposit was found in the amount of \$20,000. These unexpected funds will help with maintenance cost. Town reported that there was a breach in the syphon at Jimmy Camp Creek which has now been repaired at a cost of \$4,500. Town asked Shaffer to plan a tour of the JV Ranch for the WWSD Directors in the next few weeks.

Note: Mr. Wilkes joined the Board Meeting. Mr. Wilkes stated that he is a home owner in Woodmoor. Wilkes stated that he understands the reasoning for obtaining renewable water, but feels the renewable water investment fee (RWIF) should be the same amount for single family homes and multifamily homes. He also stated that if and when the JV Ranch is sold the RWIF should disappear. President Town explained the rationale of the RWIF and stated the Board looks at the fee every year. Town also stated that at this time WWSD is not looking to sell the JV Ranch. Mr. Wilkes thanked the Board for their answers and left the meeting.

VII. Manager's Report:

Shaffer reviewed the Manager's Report dated March 14, 2013, a copy of which is attached hereto.

1. **Water Resources Issues:**

a. Water Infrastructure Planning Study 2 (WIPS2): Shaffer reviewed the revised Scope of Services for WIPS 2. The scope includes moving water from the Arkansas River to the JV Ranch, from JV Ranch to the east side and thru the city of Colorado Springs up to Sundance Ranch and then up to the Monument area. Shaffer stated that the purpose of the study is to look at overlapping proposed infrastructure to develop partnerships. The cost of the study would be approximately \$100,000. The Board advised Shaffer that they would like to see at least 5 water providers involved in the study before they consider participation. Shaffer stated that he would have more information for the Board next month.

2. **Operations: Randy Gillette**

Gillette stated that WWSD has continued to look for a possible water leak in the District. Gillette stated that he called in a leak detection company and they investigated from Lake Woodmoor Drive up to Southpark, over to Knollwood Blvd. and Highway 105. The leak detection company did not find the leak. Gillette stated that the next step will be to expand the search up to the Augusta area. Gillette stated that WWSD has pumped 75 acre feet of water into Lake Woodmoor. Gillette stated that WWSD is behind schedule filling the lake due to the dry weather conditions.

3. District Construction/Planning Projects:

- a. **Board Room Audio Visual Equipment Installation and Progress:** Shaffer reported that the upgrade to the Board Room is close to completion.
- b. **Lake Best Management Practice Study:** Shaffer stated that he has contacted GEI Consultants, Inc. to make sure the price quote for the Lake Woodmoor analysis for taste and odor still stands. Shaffer stated that when the analysis is complete, GEI will be able to make some recommendations to WWSD on how to keep Lake Woodmoor healthy. Shaffer stated that he will have more information when the analysis is complete.

4. Other Topics:

- a. **IT Consultants Letter of Resignation:** Shaffer reported that WWSD's outsource for IT consulting services resigned. Shaffer stated that he will be looking into a new source for IT consulting in the next couple of weeks.
- b. **Caselle Upgrade to Clarity Progress Report:** Shaffer stated that staff has been evaluating the Clarity product and would like to continue with the upgrade if the Board agrees.

VII. Special Reports and Subjects:

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

VIII. Old Business:

1. **Consider Authorizing Additional Funds for Clarity Upgrade:** Shaffer stated that additional funds would be needed to complete the Clarity upgrade. Shaffer stated that this expenditure would not affect the bottom line of the budget.

Motion:

It was moved by Director Whitelaw, duly seconded by Director Courrau and unanimously passed to redirect funds in the budget to pay for the Clarity upgrade.

NOTE: Director Taylor voiced concerns that the budgeted amount for utilities would not be enough. Shaffer stated that he has been monitoring this account and would have recommendations for the Board during the mid-year budget process.

2. **Consider Approval of Supplemental Water Service Agreement with Rivers Development, Inc.:** Shaffer stated that after following the Board's direction last month concerning the Rivers Development supplemental water request, he has been working with Smith to form this agreement. The agreement is for 100% reserved water. Smith explained the legal aspects of the agreement to the Board. Shaffer stated that Rivers Development Co, Inc. would make monthly payments for the remainder for 2013 and then annual payments going forward. Shaffer asked the Board to consider approval of the supplemental water service agreement between WWSD and Rivers Development, Inc.

Motion:

It was moved by Director Schwab, duly seconded by Director Taylor and unanimously passed to approve a supplemental water service agreement between WWSD and Rivers Development, Inc.

IX. New Business:

1. **Consider Approval of Lease with Colorado Water Protective and Development Association (CWPDA):** Shaffer stated that CWPDA would like to renew their water lease with WWSD. Shaffer stated that the price of this excess water is \$60.00 per acre foot.

Motion:

It was moved by Director Schwab, duly seconded by Director Taylor and unanimously passed to approve the water lease agreement between CWPDA and WWSD.

2. **Consider Approval of Lease w/Option to Purchase Mechanical Reservoir Mixer Units:** Shaffer stated that WWSD budgeted \$110,000 for mechanical reservoir mixers for 2013. This budgeted amount was calculated from proposals WWSD had received from the Solar Bee Co. Shaffer stated that he has received a new proposal from Aeromix Systems, Inc. Co. Gillette stated that owner of Aeromix is the original founder of mechanical lake mixing technology. The units are solar based and run 24/7. The units circulate approximately 10,000 gallons of water per minute. The unit pulls water from the lower levels of the lake then circulates it up to the surface which allows the water to become more oxygenated. Gillette reported that this process will improve the quality of the lake and should help with the taste and odor issues WWSD has experienced. Gillette stated that Aeromix recommended only one unit is needed for Lake Woodmoor, whereas Solar Bee recommended two units. Gillette stated that he has reviewed both proposals completely, and recommends WWSD use Aeromix System, Inc. for Lake Woodmoor. Gillette stated that the unit is quiet and is low profile. Gillette stated that the cost savings would be considerable using the Aeromix System, and would recommend that WWSD lease the unit for 12 months with the option to buy. This option would give WWSD the

time needed to determine if the unit helps with the taste and odor issues. Shaffer stated that WWSD will send a letter out to the customers who live around Lake Woodmoor to inform them of the installation of the mixers. Also, Gillette will send out a blast email and post the information on WWSD's website. Director Courrau asked Shaffer to also inform Woodmoor Improvement Association.

Motion:

It was moved by Director Schwab, duly seconded by Director Taylor and unanimously passed to approve the lease with the option to buy agreement with Aeromix Systems, Inc. The Board also authorized District Manager, Jessie Shaffer to sign the lease agreement with Aeromix Systems, Inc.

Note: Shaffer asked the Board to delete Item 1 in the Executive Session Item 11 on the main Board Agenda.

X. **Executive Session:**

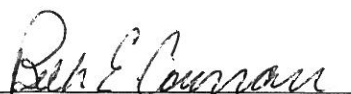
It was moved, duly seconded, and unanimously approved that the Board move into Executive Session pursuant to: (2) C.R.S. Section 24-6-402 (4) (f) (I) to discuss matters related to personnel. Executive Session commenced at 2:46 p.m. The Board returned to Regular Session at 2:53 p.m.

Note: President Town made a short report to the Board regarding his meeting with Woodmoor Improvement Association.

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 3:35 p.m.

Respectfully Submitted,


Beth Courrau, Secretary