

RECORD OF PROCEEDINGS

A meeting of the Woodmoor Water and Sanitation District No. 1 (WWSD) Board of Directors was held on December 8, 2011 at the Woodmoor Water and Sanitation District No. 1 office.

PRESENT:

Director Taylor
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: Walraven Ketellapper – Stillwater Resources
Ronnie Sperling – Buchanan & Sperling P.C
Bill Ray – WR Communications
Candice Hitt – Our Community News

I. **Call to Order:**

President Town called the meeting to order at 1:39 p.m.

II. **Reading of the Minutes:**

A copy of the November 10, 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. There was no one who wished to appear before the Board.

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

1. The next JUC Meeting will be held on December 13, 2011.

Motion:

It was moved by Director Wyss, duly seconded by Director Taylor and unanimously passed to excuse Director Courrau from the December 8, 2011 Board Meeting due to work related issues.

VI. **Manager's Report:**

Shaffer reviewed the Manager's Report dated December 8, 2011, a copy of which is attached hereto.

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

- A. Transit Loss Model:** Shaffer reported that WWSD and Donala Water District have requested that the Transit Loss Technology Committee review the billing allocations for the Transit Loss Model. Shaffer stated that the model was constructed in 2005 and due to changing times, the billing allocations need to be reviewed. The committee will review the practice of expenditure allocations in 2012.

B. 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.

C. Super Ditch: Shaffer reported that the Super Ditch project is moving forward.

D. Note: Shaffer reported that Bruce Lytle and Stephen Norris announced at the PPRWA meeting that they would like to know if there is any interest in forming a metro district. Shaffer stated that he would like to discuss this project in Executive Session.
2. **Operations: Randy Gillette:** Gillette reported that Well 7 is back down hole and is available for service. Gillette reported that the Higby Road Sewer Phase I has been completed. Gillette stated that he has been tracking the wastewater flows. The accounting shows that our wastewater system is in good running order.
3. **Subdivision Update:** The Kum-N-Go gas station is moving forward. Kerry Hicks is the seller of this property for the Kum-N-Go gas station. Hicks has a water agreement with WWSD and Gillette is working with him to make sure the documents on his water agreement with WWSD are properly recorded. Gillette stated that WWSD is reviewing plans for Village Center Filing 3.

4. **Construction:** None.

5. **Other Topics:**

- A. Shaffer reported that he and Director Town are trustees for the Chilcott Ditch Company. Director Town is the President of the Chilcott Board. Shaffer reported that Gary Stein will be the Manager for the Chilcott Ditch Company.

VII. **Special Reports and Subjects:**

1. **Engineer's Report:** Mike Rothberg reported that new standards for metals and permits for the facility will be coming soon. Rothberg stated that these issues will be discussed at the next JUC meeting.
2. **Attorney's Report:** None.

VIII. **Old Business:**

1. **Update on Auditor Request for Proposals (RFP):** Shaffer reported that he has a list of auditors that he will be sending an RFP out to. Shaffer will also publish an RFP in the local newspaper. Shaffer stated that he intends to bring a recommendation for auditor selection to the Board in January, 2012.
2. **Update on Bond Proceeds Investment Management Services Request for Proposals (RFP):**
Shaffer stated that he has a list of individuals that he will be sending an RFP to for the purpose of WWSD's investment management of the bond proceeds.

IX. **New Business:**

1. **Consider Resolution 11-10, Approving a Summary of Revenues and Expenses, Adopting a Budget, Approving the Appropriation of Moneys to Each Fund Set Forth in the Budget, Approving the Imposition and Certification of a Mill Levy, If Any, and Establishing Rates for Charges to Help Defray Costs For 2012.** Shaffer distributed the final 2012 budget to the Board. Shaffer explained the changes he has made since the preliminary budget. Smith explained to the Board the contents of Resolution 11-10 and recommended the Board adopt Resolution 11-10.

Motion:

It was moved by Director Taylor, duly seconded by Director Wyss and unanimously passed that the Board adopt Resolution 11-10.

2. **Public Hearing on proposed Amendment of 2011 Budget:** Smith stated that State Law requires The Board to hold a Public Hearing in order to amend the 2011 budget. The Public Hearing was opened at the November 10, 2011 Board Meeting. Director Town opened the public comment portion of the Public Hearing. There was no public comment. Director Town closed the Public Meeting at 2:21 p.m.
3. **Consider Resolution 11-11 Amending 2011 Budget:** Smith recommended to the Board the adoption of Resolution 11-11.

Motion:

It was moved by Director Taylor, duly seconded by Director Wyss and unanimously passed that the Board adopt Resolution 11-11.

4. **Discuss Kerry Hicks Supplemental Water Transfer:** Shaffer explained the contents of Kerry Hick's water agreement with WWSD, a copy of which is attached hereto. Mr. Hicks is selling a portion of his property which is included in his water agreement to the Kum-N-Go gas station. Shaffer has reviewed the agreement and stated that Mr. Hicks is in compliance with the amount of water he has allocated to the gas station and his car wash. Gillette and Smith are working on a new supplemental water agreement for both entities.

Motion:

It was moved by Director Taylor, duly seconded by Director Wyss and unanimously passed that the Board authorize District Manager Jessie Shaffer to sign the new Supplemental Water Agreements.

5. **Consider Approval of Monument Academy Memorandum of Understanding:** Shaffer stated that WWSD has received a request from Monument Academy to temporarily place two portable classroom modular units on their property, a copy of which is attached hereto. Gillette reported that the classrooms will not have restrooms. Gillette stated that the units will not impact WWSD in operations of the existing line.

Motion:

It was moved by Director Whitelaw, duly seconded by Director Wyss and unanimously passed that the Board grant the use of easement for Monument Academy.

6. **Discuss Charitable Program for Paying Service Charges:** Shaffer stated that Mountain View Electric has a program in place for customers to make a contribution to families in need to help pay for electric bills, a copy of which is attached hereto. Shaffer asked the Board if they would be interested in starting up a similar program. The Board discussed different aspects of this program. The Board will give Shaffer direction on this issue at a later date.
7. **Discuss Post JV Closing Public Relations Recommendations – Bill Ray:** Bill Ray presented an outline of PR suggestions concerning the JV Ranch purchase follow-up, a copy of which is attached hereto. Ray stated that he thinks WWSD needs to update the messaging about what is going to happen next with the JV Ranch. After a lengthy discussion, the Board decided to move forward on the PR relations described in the outline, excluding robo calls.
8. **Discuss JV Ranch Tour:** Shaffer asked the Board if they have any interest in taking a tour of the JV Ranch. The Directors decided to plan a tour in January, 2012. Shaffer will set up the tour and let the Board know date and time.

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 24-6-401 (4) (b)” for a conference with legal counsel for the District for the purpose of receiving legal advice on specific legal questions related to property, including but not limited to acquisition and disposal of water and storage rights, availability of service charges and a charitable program for paying service charges”. The Executive Session commenced at 3:20 p.m. The Board returned to Regular Session at 5:04 p.m.

9. **Discuss ASC Charges:** Shaffer presented a power point presentation to the Board concerning ASC charges for 2012. Smith stated that Colorado law requires WWSD to mail a notice to all Woodmoor residents notifying them of the time and date that the Board will discuss ASC charges for 2012. The Board directed Shaffer to mail the notice to all Woodmoor residents.

Note: Director Town advised the Board that Carl Jensen would like to run for the May, 2012 Board vacancy. Shaffer said he would contact Mr. Jensen with the information he would need to run for the position.

XI. **Action on Contracts:** Smith stated that based on the recommendation from WWSD District Manger and attorney, the Board should consider termination of the Holbrook contracts.

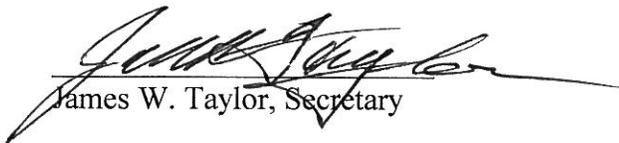
Motion:

It was moved Director Taylor, duly seconded by Director Wyss and unanimously passed to terminate contracts with Holbrook Mutual Irrigation Co.

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 5:16 p.m.

Respectfully Submitted,


James W. Taylor, Secretary