

RECORD OF PROCEEDINGS

A meeting of the Woodmoor Water and Sanitation District No. 1 (WWSD) Board of Directors was held on December 14, 2017 at the Woodmoor Water and Sanitation District No. 1 office.

PRESENT: Director Taylor
 Director Wyss
 Director Strom
 Director Bush
 Director Schwab

Manager: Jessie J. Shaffer
Assistant Manager: Randy Gillette

Attorney: Erin Smith
 Veronica Sperling

Engineer: Joey Seed

Secretary: Marsha Howland

Visitors: Fritz Holleman - Buchanan and Sperling, P.C.
 Rob Wadsworth - Raftelis Financial Consultants, Inc.

- I. **Call to Order:** President Taylor called the meeting to order at 1:30 p.m.

- II. **Reading of the Minutes:** Copies of the November 9, 2017 meeting minutes of the Woodmoor Water and Sanitation District were provided to each Director. It was moved, duly seconded, and unanimously passed that the meeting minutes be approved.

- III. **New Business:**
 - A. **Public Hearing on 2018 Proposed Rates:** President Taylor opened the Public Hearing on the 2018 proposed rates at 1:55 p.m.
 1. Presentation of final proposed rates: Rob Wadsworth presented the 2018 water and sewer financial planning rate study update, a copy of which is attached hereto. Wadsworth stated that they are recommending a zero percent increase for the water and sewer rates, and a

7% increase for non-potable water rate in 2018. Wadsworth stated that they are also recommending lowering the renewable water investment fee \$2.00 per month. The recommendation for the sewer tap fee will increase by 2.7% and the water tap fee will not increase.

2. Public Comment: None.

B. Close Public Comment on 2018 Proposed Rates: President Taylor closed the public comment on the 2018 proposed rates at 2:18 p.m.

C. Continuation of Public Hearing on Proposed 2018 Budget:

1. Presentation of proposed 2018 budget: Shaffer delivered the 2018 budget books to the Board. Shaffer reported that he used the recommended rates that were proposed in the final budget. Shaffer stated that the only other other changes he made from the 2nd draft budget were to eliminate the ozone retrofit project due to the projected expense, and increased the lake maintenance by \$10,000 for a new product to lessen the taste and odor issues.

2. Additional Public Comment: None

D. Close Public Comment on 2018 Proposed Budget: President Taylor closed the public comment on the 2018 proposed budget at 2:32 p.m.

E. Consider Resolution 17-02 Approving Action to Increase Fees, Rates, and Charges for Domestic Water and Sanitary Sewer for 2018: Smith presented Resolution 17-02 to the Board, a copy of which is attached hereto.

Motion: Upon motion by Director Bush, and seconded by Director Schwab the Board unanimously voted to adopt Resolution 17-02.

F. Consider Resolution 17-03 Adopting a Budget and Approving the Appropriation of Money for 2018: Smith presented Resolution 17-03 to the Board, a copy of which is attached hereto.

Motion: Upon motion by Director Bush, and seconded by Director Strom the Board unanimously voted to adopt Resolution 17-03, and approve the appropriation of money for 2018.

G. Consider Approval of First Amendment of Ranch and Grazing Lease between the District and JV Ranches, LLC: Shaffer presented the ranch and grazing lease with JV Ranches, LLC to the Board, a copy of which is attached hereto. Shaffer stated JV Ranches will be using approximately 300 acres for their ranch business, and the amendment is set up so that JV Ranches can lessen that acreage if so desired. Shaffer asked the Board for direction concerning the fact that JV Ranches has not paid their 2017 lease payment to date. Shaffer stated that they want to reduce

the 2017 lease payment to reflect the acreage that was actually used in 2017. Shaffer stated that the difference would be less than \$10,000. The Board agreed to reduce the 2017 lease payment.

Motion: Upon motion by Director Schwab, and seconded by Director Bush the Board unanimously voted to approve the First Amendment of Ranch and Grazing Lease between the District and JV Ranches, LLC.

H. Consider Approval of 2018 Management Contract Between Chilcott Ditch Company and the District: Shaffer presented the management contract between the District and the Chilcott Ditch Company, a copy of which attached hereto. Shaffer reported that he did not make any changes to this contract from last year. Shaffer stated the Chilcott Ditch Company approved and executed the contract at their 4th quarter Trustee's Meeting.

Motion: Upon motion by Director Bush, and seconded by Director Strom the Board unanimously voted to approve the Management Contract between the District and the Chilcott Ditch Company.

- IV. **Old Business:** None.
- V. **Financial Report:** Director Wyss stated that he has reviewed the financial statements and does not have any changes. It was moved, seconded and unanimously passed that the financial reports be accepted.
- VI. **Public Discussion:** None.
- VII. **Joint Use Committee Report:** None.
- VIII. **Chilcott Ditch Company / The Ranch Report:** Shaffer stated that the Chilcott Ditch Company's annual stockholder meeting was held on December 12, 2017 with the 4th quarter Trustee's meeting after. Shaffer stated that the Chilcott Board approved their 2018 budget. Shaffer reported that the ranch is closed down for the winter season. Shaffer will have an employee stop and check the ranch periodically.

IX. Manager's Report: Shaffer reviewed the manager's report dated December 14, 2017 a copy of which is attached hereto.

A. Collaborative Organizations / Opportunities:

- i. PPRWA: None.

B. Operations

- i. Water Report: Gillette reported that the year to date unaccounted water is at 6%.
- ii. Sewer Report: None.

C. District Construction/Planning Projects:

- i. Well 21: Shaffer stated that Bishop-Brogden Associates (BBA) is in the process of submitting the necessary paperwork to the Division of Water Resources and the State Engineer's office in order to get the permit to drill the well. Shaffer stated that BBA is currently working the drilling plans and specifications. Shaffer stated that they will start the bidding process mid-winter.
- ii. Monument Hill Road Utility Relocates: Shaffer stated that WWSD's District Engineer has been working with the County Engineering company, AECOM. Shaffer stated that WWSD will work hand in hand with AECOM through the bidding process. Shaffer reported that the hope is that the same contractor will be the low bidder for both WWSD and AECOM. Shaffer stated that staff should have their final plans and specifications completed by the end of the month, and plan to start breaking ground in late March, 2018. Joseph Seed reported that WWSD needs to relocate around 1,100 feet of sewer line. Seed stated that surveys for the water line relocations should be completed this week. Seed stated that the project should be completed by the end of summer 2018. Seed reported that Highway 105 is also being expanded and WWSD will have to relocate lines for that project. The expansion is slated for 2018, but will depend on the process of obtaining the easements needed.

D. WWSD Subdivision/Development Status Update: None.

E. Other Topics:

- i. Settlement with Monument Sanitation District Update: Shaffer stated that he spoke with Mike Wicklund regarding the settlement with Monument Sanitation District. Shaffer reported that Wicklund stated that they are working on the paperwork, and they are certifying a 7.345 mill levy in support of the settlement.

X. Special Reports & Subjects:

- i. Engineer's Report: None
- ii. Attorney's Report:
 - a. Veronica Sperling - Director Bush stated that WIA received a letter from the Colorado Division of Water Resources regarding six ponds that are located within Woodmoor that need an augmentation plan in place. Shaffer stated that he worked with Sperling several years ago to prepare an augmentation policy that was adopted by the Board of Directors. Shaffer stated that the policy allows that District to roll additional ponds into the augmentation plan. Sperling stated that the ponds can be added to the policy by giving Notice to various State Division Engineers and any objectors from water case. Sperling stated that after all the information has been gathered her office will file the paperwork before the deadline of April 1, 2018. Sperling briefly reported on the status of water cases she has been working on for WWSD in 2017. Sperling announced that she will be retiring in 2018. Sperling introduced Fritz Holleman to the Board. Sperling stated that Holleman will be taking over her interest in the law firm. Holleman gave the Board a quick summary of his background, and stated that he is looking forward to working with WWSD. The Board and staff thanked Sperling for all the work she handled for WWSD and wished her a happy retirement.
 - b. Erin Smith - Smith stated that she will start working with WWSD's staff on the State compliance paperwork that is due each year. Smith stated that 2018 is an election year for WWSD. Smith reported that she will be publishing a call for nominations in February, 2018. Smith will also have the self-nomination forms available in February, 2018.

- iii. WIA Meeting Report: Bush reported that WIA has submitted the application for the Safe Route to School Trail project.

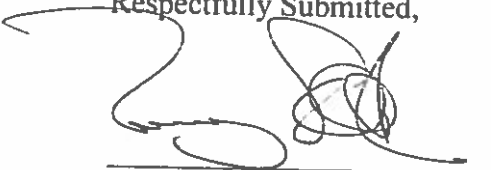
XI. Executive Session:

It was moved, duly seconded, and unanimously approved that the Board move into Executive Session pursuant to: C.R.S. Section 24-6-402: (1) Subsection (a) for discussions related to the purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest; and (2) Subsection (e) to determine positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators; and (3) Subsection (b) for a conference with legal counsel for the purpose of receiving legal advice on specific legal questions; all related to water and storage rights and a land lease with JUWI Inc. Session commenced at 3:26 p.m. The Board returned to Regular Session at 3:56 p.m.

- 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 3:57 p.m.

Record of December 14, 2017 Board Meeting

Respectfully Submitted,

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the left.

Tommy Schwab, Secretary