

RECORD OF PROCEEDINGS

A meeting of the Woodmoor Water and Sanitation District No. 1 (WWSD) Board of Directors was held on May 11, 2017 at the Woodmoor Water and Sanitation District No. 1 office.

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

Manager: Jessie J. Shaffer
Assistant Manager: Randy Gillette

Attorney: Erin Smith

Secretary: Marsha Howland

Visitors: James Howald - Our Community News
Steve Tamburini - Tetra Tech
Daniel Niemela - Bishop - Brogden Associates
Tara Meininger - Bishop - Brogden Associates
Tom Taylor - Lake Woodmoor Development

- I. **Call to Order:** President Taylor called the meeting to order at 1:00 p.m.

- II. **Reading of the Minutes:** Copies of the April 6, 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. Consider Execution of 2017 Water Lease Agreement with Colorado Water Protective and Development Association (CWPDA): Shaffer presented a copy of the annual lease agreement between WWSD and CWPDA to the Board. Shaffer stated that this is a standard lease that WWSD has had with CWPDA for several years. Shaffer stated that the lease rate is \$70.00 per acre foot up to 500 acre feet of reusable return flows. Shaffer asked the Board to consider renewing this lease.

Motion: Upon motion by Director Wyss, and seconded by Director Schwab the Board unanimously voted to execute the water lease between Woodmoor Water and Sanitation District No. 1 and Colorado Water Protective and Development Association.

- 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. Shaffer reported that Tri-Lakes Wastewater Treatment Facility will not be able to accept their final audit until June, 2017 which means WWSD's final audit will not be presented by the auditors until July, 2017.
- VI. **Public Discussion:**
- A. **Unscheduled People:** Shaffer introduced Tom Taylor to the Board. Mr. Taylor is with La Plata Communities. Shaffer stated that La Plata is developing the Dunes at Woodmoor. Shaffer stated Mr. Taylor requested the prepaid tap transfer that the Board discussed last month. Mr. Taylor stated that he came to the Board meeting to address any questions the Directors may have concerning the prepaid tap transfer request. President Taylor stated that the Board would discuss the transfer request in Executive Session, and that Mr. Taylor was welcome to wait.
- VII. **Joint Use Committee Report:** Strom reported that the sludge press arrived at the plant. Strom stated that he was concerned about a line item on the TLWWTF's audit under the non-current liabilities that reflects the amount of the Public Employee Retirement Fund (PERA) that is outstanding . Strom stated that the liability has increased over \$60,000 from last year, and would like John Cutler to explain the increase. Strom stated he would like more information concerning the PERA pay out obligations, and is in hopes that the auditors can provide that information.
- VIII. **Chilcott Ditch Company / The Ranch Report:** Gillette reported that the siphon project is progressing nicely. Gillette stated that the ground water at Jimmy Camp has been a challenge for the contractors, but completion of the project is on schedule. Shaffer stated that the project is under budget.
- IX. **Manager's Report:** Shaffer reviewed the manager's report dated May 11, 2017 a copy of which is attached hereto.

A. Collaborative Organizations / Opportunities:

- i. PPRWA: None.

B. Operations

- i. Water Report: Gillette reported that the unaccounted water percentage was at 11% for the month of April. Gillette stated that the customer meters were read on April 27th, but the production meters were not read until May 1st which could easily cause the higher percentage. Gillette stated that the meter at Well 17 is not accurate, and that also would contribute to the higher unaccounted water percentage. Gillette stated that the elevation of Lake Woodmoor is at 7097. Gillette reported that he is waiting for water demands to increase before switching to the lake.
- ii. Sewer Report: Gillette reported that two of the three new summer employees have started work. Gillette stated that the crews have started their annual sewer cleaning process.

C. District Construction/Planning Projects:

- i. 2017 Long Range Planning Assumptions Discussion / Board Direction: Shaffer stated that staff and consultants are working on the 2017 long range plan. Shaffer reported that direction from the Directors is now needed to move forward. Shaffer presented the long range plan, as a work in progress. Shaffer stated that in the 2002 long range plan, the District started looking at water demand management. Shaffer stated that moving forward from 2002, the District is seeing a decline in the amount of water, on average, used in a single family home per year. Tamburini stated that the average amount of water used fluctuates based on a wet year compared to a dry year, but the decline in demand is clearly defined. Tamburini stated that they use the average amount of water used to determine rates, facility sizes and projected project cost in the long range plan. Tamburini stated that they have analyzed all the data, and recommend using 297 gallons per day as an average demand for a single family home. The Board agreed with this number. Tamburini stated that they have been tracking the growth percentage of the District for the last fifteen years. Tamburini reported that the historical

growth rate has been at 2%, but for 2017 the growth rate is at 4%. Tamburini stated that for the long range plan, they are looking to lower the growth rate by one-half of a percent per year for the next few years. Tamburini stated that if the growth rate continues at 4%, they can adjust the plan as needed. Tamburini stated that the projected growth rate also allows the District to plan for new wells needed for the future. The Board discussed the option of indirect potable reuse, (IPR) for the future. Shaffer stated that using IPR would drastically lower the cost of the water storage that the District will need in the future, and will have a profound effect on future water system cost. Niemela stated that IPR would save the District three to four percent on reservoir storage cost. Shaffer asked the Board if they want to continue moving forward with the IRP projections in the 2017 long range plan. The Board stated they are supportive of the IPR concept.

D. WWSD Subdivision/Development Status Update: None.

E. Other Topics: None.

X. Special Reports & Subjects:

- i. Engineer's Report: None
- ii. Attorney's Report: None
- iii. WIA Meeting Report: None

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 the Joint Use Agreement, a potential land lease with JUWI Inc., potential extra-territorial service to Kings Deer, and a tap transfer request from Lake Woodmoor Development. Session commenced at 2:18 p.m. The Board returned to Regular Session at 3:20 p.m.

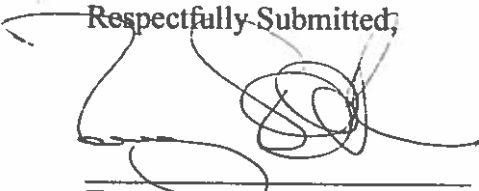
XII. Consider Adoption of Resolution 17-01: President Taylor stated that Resolution 17-01 concerns a request for a tap transfer from Lake Woodmoor Development.

Motion: Upon motion by Director Schwab, and seconded by Director Strom the Board unanimously voted to adopt Resolution 17-01 and authorized the President and Secretary of the Board to sign Resolution 17-01.

XIII. 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 3:36 p.m.

Record of Board Meeting 5-11-17

Respectfully Submitted,

A handwritten signature in black ink, appearing to be 'Tommy Schwab', written over a horizontal line. The signature is somewhat stylized and scribbled.

Tommy Schwab, Secretary