

## RECORD OF PROCEEDINGS

A meeting of the Woodmoor Water and Sanitation District No. 1 (WWSD) Board of Directors was held on January 11, 2018 at the Woodmoor Water and Sanitation District No. 1 office.

PRESENT:                      Director Taylor  
   Director Bush  
   Director Schwab

Manager:                      Jessie J. Shaffer  
Assistant Manager:         Randy Gillette

Attorney:                      Erin Smith

Secretary:                     Marsha Howland

Visitors:                      James Howald - Our Community News  
   Rick Giardina - Raftelis Financial Consultants, Inc.  
   Rob Wadsworth - Raftelis Financial Consultants, Inc.

- I. **Call to Order:** President Taylor called the meeting to order at 1:00 p.m.
  
- II. **Reading of the Minutes:** Copies of the December 14, 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 Special Augmentation Application Fee Adjustment Due to Multiple Persons/Entities Potential to Participate:** Shaffer asked for the Board's support to adjust the augmentation fee down for a special set of circumstances that have arisen. Shaffer stated the State Water Commissioner sent out letters to property owners who have ponds on their property stating that they need to have an augmentation process in place. Shaffer stated that the property owners could also breach the ponds if desired. Shaffer stated that he has heard from three property owners in Woodmoor who want to sign up for WWSD's augmentation service. Shaffer stated at this time, there is an application fee of \$1,500 for this service. Shaffer stated that the fee is high due to the many factors involved to set up an augmentation plan. Shaffer asked the Board to lower the

application fee to \$500 for these special circumstances, provided WWSD has at least three applicants. Shaffer stated that the standard augmentation charges will not change. The Directors directed Shaffer to lower the augmentation application fee to \$500 for these special circumstances.

**B. Consider District Providing Augmentation for Augusta Sump:** Shaffer stated that the Augusta Sump is a small pond that WWSD has a structure in that serves WWSD's non-potable customers. Shaffer stated that it is a very useful facility for WWSD. Shaffer stated that WWSD does not own the land that holds the pond, and if the property owner wanted to breach the pond so he would not have to pay for augmentation, it would significantly reduce the value that it holds for WWSD. Shaffer stated that he would recommend that Board approve to have the District to pay for the augmentation water for the Augusta Sump. The Board agreed to pay for augmentation for the Augusta Sump.

**C. Consider Agreement with Monument Sanitation District for the Payment of Judgement:** Smith reported that the agreement with Monument Sanitation District moralizes the arrangement that was made with WWSD for payment. The agreement states that Monument Sanitation District will make payments each month from the revenue they receive from their Mill Levy. Smith stated that the payments will be applied to interest first, then principal. The full amount due should be paid in full by December 31, 2018.

**Motion:** Upon motion by Director Schwab, and seconded by Director Bush the Board unanimously voted to approve the Agreement for Payment of Judgement between Woodmoor Water & Sanitation District No. 1 and Monument Sanitation District.

**D. Consider Annual Administrative Matters Resolution 18-01:** Smith stated that Resolution 18-01 is the Board's Annual Administrative Resolution. This Resolution directs WWSD's auditor, District Manager, and legal counsel to complete various tasks in accordance with State laws, also standard procedures completed by the District. The Resolution designates the Tri-Lakes Tribune for all published legal notices. Smith stated that this Resolution also addresses the 2018 Election issues and assigns Wynter Wells as the Designated Election Official. Smith stated that this Resolution designates the District office as the polling place for the election, but can be amended to change the polling location. The Resolution also states offices held by the Directors of the District.

**Motion:** Upon motion by Director Bush, and seconded by Director Schwab the Board unanimously voted to adopt Resolution 18-01.

**Motion:** Upon motion by Director Bush, and seconded by Director Schwab the Board unanimously voted to excuse Directors Strom and Wyss from the Board Meeting.

**IV. Old Business:**

**A. Update on Debt Management Analysis - Presented by Raftelis Financial Consultants:**

Shaffer stated that President Trump put his new Tax Reform Bill into law in December 2017. Shaffer stated that the new law changes all the strategy that WWSD and their consultants were working on for debt management. Shaffer stated there would not be any cost savings for the District to look at advanced refunding at this time. Shaffer stated that staff and the consultants have refocused the debt management analysis to the year 2021. Shaffer stated that they are looking to use cash to retire some of the debt in 2021. Shaffer stated that they are preparing a cash analysis to see how much cash would be available, and deciding on the best way to reduce the debt at that point. Giardina stated that the Board would not have to take any action today on the debt management, but the analysis they have prepared would give them an overview of what to expect in the next few years. Wadsworth presented a cash analysis to the Board. The analysis projected future plans for reducing debt in 2021, along with projected goals for the District. The Board thanked Giardina and Wadsworth for their work on the new debt management and cash analysis.

- V. **Financial Report:** The Board reviewed the year-end financial statements, discussing the accounts receivable and the JV Ranch lease income. 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:** Gillette reported that he plans to start cleaning up the Chilcott Ditch from the winter season around the first of March, and then start running water on March 15, 2018.

**IX. Manager's Report:** Shaffer reviewed the manager's report dated January 11, 2018, a copy of which is attached hereto.

**A. Collaborative Organizations / Opportunities:**

- i. PPRWA: None.

**B. Operations**

- i. Water Report:
  - a. Unaccounted for Water: Shaffer stated that the unaccounted water percent was higher in December 2017 than normal. Shaffer stated that staff has started the process of looking for any leaks in the system. Gillette stated that the year to date unaccounted water was at 7%, which is within the normal range. Gillette stated that he is happy with the new aeration system in the lake, and it requires very little maintenance. Gillette stated that staff would have to wait until summer to see if the aeration system will help with any taste and odor issues that might arise. Shaffer stated that they have some new products available for taste and odor issues if needed. Shaffer stated that staff will continue with their best management practices to control any taste and odor issues, and will continue to look for other solutions to solve the problem.

**C. District Construction/Planning Projects:**

- i. Well 21: Shaffer reported that there are four projects going on for Well 21: drilling, site amenities, pipeline, and the well house with the equipment. Shaffer stated that Bishop, Brogden and Associates are working on the drilling specifications for contractor bidding that will be published in the paper on January 26, 2018, and then again two weeks later. Shaffer stated that he is looking to start the bidding process in mid-February, and a contract award by the end of February. Actual drilling should start around March or April 2018. Shaffer stated the drilling process will be a 24-7 operation, which will continue about four weeks. Director Bush directed Shaffer to let the residents around the well area know what to expect regarding the noise and lights for the drilling process. Shaffer stated that he plans to contact the residents that will be inconvenienced with the drilling and the process of laying the pipeline. Shaffer stated that they are asking the contractor to put shields on their light plant to help curb the lights at night and also put up walls around the drilling site to help lower the noise. Shaffer stated that Well 21 should be on-line by the end of 2018.
- ii. Monument Hill Road Utility Relocates: Shaffer stated that staff is working on getting all the documents needed to move forward with the Monument Hill project, and will be ready when El Paso County starts the expansion.

**D. WWSD Subdivision/Development Status Update:**

- i. Dunes at Woodmoor Final Acceptance: Shaffer stated that the warranty period for the Dunes at Woodmoor will expire on January 23, 2018. Shaffer stated staff will be performing the final walkthrough and providing the Dunes a list of any issues needing to be corrected before final acceptance.

**E. Other Topics: None.**

**X. Special Reports & Subjects:**

- i. Engineer's Report: None
  
- ii. Attorney's Report: Smith stated that she is working on the 2018 Election. Smith reported that she will bring an Election Resolution to the Board in February. Smith stated that the Resolution will dictate the polling place. Smith reported that WWSD used WIA's "barn" for the polling place for the last election, and it worked out very well. Smith stated that the staff needs direction on how the Board wants to advertise the election, the State only requires one notice, that will be posted in the Tri-Lakes Tribune. Shaffer stated that they could advertise in Our Community News, send out a blast e-mail to residents, and also post the election on WWSD's website. Smith stated that on March 6, 2018 the Board can cancel the election if there are no more candidates than there are available seats. Smith reported that there are three open seats. Smith stated a call for nominations will be published in the paper in February. Smith stated that interested residents can request the self-nomination form from her office and return them to her office by March 2, 2018.
  
- iii. WIA Meeting Report: Bush reported that WIA's annual meeting and election will be held on January 29, 2018. Bush stated that he will have more information on the Safe Route to School Trail in March 2018. Bush stated that the County Club is looking to possibly develop a parcel of ground where they had tennis courts. Bush will have more information on this project in the next few months.

Note: Shaffer stated that staff is working with JUWI and Smith to complete the lease agreement at the ranch. Shaffer will have more information next month.

XI. **Executive Session:** The Executive Session was struck from the agenda.

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 2:38 p.m.

**Record of January 11, 2018 Board Meeting**

Respectfully Submitted,

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

Tommy Schwab, Secretary