

RECORD OF PROCEEDINGS

A meeting of the Woodmoor Water and Sanitation District No. 1 (WWSD) Board of Directors was held on June 21st, 2021, at the Woodmoor Improvement Association Barn.

PRESENT:	Director Bush Director Wyss Director Hanson
Manager:	Jessie J. Shaffer
Operations:	Dan LaFontaine
Attorney:	Erin Smith
Office Manager:	Amy Rines
Visitors:	David Baron – Homeowner Jim Manire – Hilltop Securities

I. Call to Order: President Bush called the meeting to order at 9:05 a.m.

Upon motion by Director Hanson, the board unanimously excused Director William Clewe and Director Tom Rodham from the board meeting.

II. Reading of the Minutes: Copies of the May 10th, 2021, 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. Shaffer introduced Amy Rines who has taken over as the new Office Manager.

B. Shaffer gave a brief explanation of Possible Modifications to the District Rules and Regulations Regarding Service Line Extensions to Detached Structures. Woodmoor Water is notified when commercial entities pull permits with RBD for downstream water usage. Each Commercial Building has its own Tap and water system. When Residential Properties pull permits with RBD for downstream water usage there is no notification to Woodmoor Water. If the additional building the resident is putting on the property, is attached, they would use the same tap and water system. If the building is not attached, that is where the rule comes into consideration. Currently, there is no verbiage to guide the District or the Customer.

Shaffer agreed with a Board suggestion that the current policy could be changed to allow a variance on a case-by-case basis.

Motion: Upon motion by Director Bush, and seconded by Director Hanson, the Board unanimously voted to consider resolution at the next Board Meeting for an amendment to current District policy by adding the wording "Unless Variance granted by the District Manager or Board, daisy chains are not permitted"

Homeowner, David Baron, attended the meeting to present that he built an unattached garage on his property. All documents were submitted and approved by the HOA and RBD. A contractor completed the work. Mr. Baron asked for a variance to current District policy that requires separate metering and tap fees for any separate structure.

Motion: Upon motion by Director Bush, and seconded by Director Hanson, the Board unanimously voted to allow the variance requested to Mr. Baron.

- C. Shaffer suggested that it might be time to consider modifications to the current COVID 19 policy. Given that vaccines are now available to everyone and, CDC and State laws have removed the mandate for masks and most restrictions that were put in place, Shaffer asked the Board to consider re-opening the office to the public, repealing the face-covering policies, and convening the Board Meetings back at the office starting July 2021.

Motion: Upon motion by Director Wyss and seconded by Director Hanson, the Board unanimously voted to approve modifications to the COVID 19 policy, leaving further changes to the discretion of the District Manager, with the understanding that ongoing situations could change the policy.

IV. Old Business:

- A. Shaffer and Mr. Manire presented refinancing options for the 2011 Water and Wastewater Revenue Bond. Options provided were to refund and/or restructure debt over the next 10 to 15 years with a significant net present value savings due to lower interest rates. The current structure is pay off over the next 15 years, staying with this structure would spread the savings over the same time period. WWSD is in a strong position to consider using some cash to pay down some of the refinanced debt. However, the benefit of using District cash this way does not provide a significant benefit to the District and incurs risk. Shortening the repayment term to 10 years would leave debt repayment at substantially the same level and allow District customers to be debt free 5 years earlier. The Renewable Water Investment would remain at current levels to service this debt but could be reduced in future years depending on District growth. The District will, however, use nearly \$2M in a bond reserve for the 2011 bonds to lower the amount of refinancing because the funds can not be used for any other purpose and the current refinancing does not require a reserve.

Motion: Upon motion by Director Bush and seconded by Director Wyss, the Board unanimously voted approve the 10 year refinancing plan and directed Mr. Manire to proceed with the refinancing process.

Director Bush presented that there were four underwriting firms interviewed that were all very similar. The choice is going to come down to a comfort factor and services provided. RBC, Northland, Stiffel, and Phipper Sandler & Co. were the firms interviewed. Director Bush and Manager Shaffer, both of whom participated in the interviews, recommended RBC be selected as the bond underwriter.

Motion: Upon motion by Director Hanson and seconded by Director Wyss, the Board unanimously voted to select the Royal Bank of Canada (RBC) as the Underwriting Firm.

- V. **Financial Report:** Director Wyss stated that he has reviewed the financial statements for May 2021 and did not have any changes. The Board accepted the May 2021 financial reports.
- VI. **Public Discussion:** None.
- VII. **Joint Use Committee Report:**
- A. Director Hanson reported the JUC has been having meetings opened to the public and he has been in attendance.
- VIII. **Chilcott Ditch Company / The Ranch Report:** Director Wyss asked about the erosion concerns. Shaffer reported that the Rip Rap is holding up nicely and has stopped erosion at this ditch augmentation station. Director Hanson asked how many acres have been completed thus far. Shaffer reported that out of the 2,200 acres, about 60% has been signed off on everything but maintenance. The Ranch crew continues to work on the land which takes about 3 years from start to finish. All land has been finalized and being maintained or is currently being worked on except for 160 acres, which Shaffer is in communication with Dean Venezia to create a plan to start working on the land. Shaffer is striving to get an operations agreement for this land written up and signed off on so WWSD can start moving forward with the revegetation.
- IX. **Manager's Report:** Shaffer provided the manager's report.
- A. **Collaborative Organizations / Opportunities:**
- i. PPRWA: Shaffer stated there is not much to report at this time, other than a new prospective bill sent to the Governor for additional credit card fees.
 - ii. Loop Project: Shaffer stated RFP's have been sent out and three proposals have been received back for review. Director Bush stated that two County Commissioners appear to be enthusiastic about the loop.

B. Operations

- i. **Water & Sewer Reports:** LaFontaine reported Central Watering Plant has been offline all month. This has helped identify meter inaccuracies with the lake refill meter. Some discrepancies have been found with plant meters. The District is doing a meter to meter audit and will get the needed meters calibrated over the next few months. This task will take a few months to identify water loss and if there is true I&I throughout the system. There is an increase in I&I in the system due to this being the wettest spring since the 80's. Sewer system is going well but renewal and replacement projects have not started due to the need for the ground to dry out.

C. District Construction/Planning Projects:

- i. **SFP Improvements** - Final punch list walk has been completed. The system is running smoothly and making water. Westech is down putting in filters.
- ii. **CWTP Schedule** – Shaffer stated we cannot maintain the construction schedule due to an unsure delivery time of materials. This created a shift in time the project can be completed removing all float time that was built in. This will occur in the fall with a lake drawdown occurring in late September to early October when demand goes down.
- iii. **LPS Schedule** – Shaffer stated this project is pushed back with the CWTP project as the lake needs to be drawn down which will occur from late September to early October.
- iv. **North Tank Painting** – Ariel Hacker (District Engineer) continues to wrap up final plans for the project. The next step is to begin advertising for bids. Once bids are in, they will be brought to the Board for selection.

D. WWSD Subdivision/Development Status Update:

- i. **Cloverleaf:** Shaffer reports the Cloverleaf subdivision is moving forward, however slower than thought.
- ii. **Pine Tree:** Shaffer reports that the developer has proposed having two special districts to get funding on the bond market. Shaffer is reviewing the district paperwork that has been submitted through the Monument Land Use Authority. Construction documents are expected late this year to early next year.

E. Other Topics:

- i. **Beach:** Director Hanson asked what percentage of tap fees have been completed. Shaffer reports that approximately 80% has been built out in this project.

- ii. Shaffer reported nothing on going with North Bay, they had major snags in the flood plain and drainage issues. Last heard they were going back to the drawing board and come up with a different game plan.
- iii. Shaffer reported that The District provided Supplemental Water Service for The Beach, North Bay, Waterside, and Dunes when they purchased Lake Woodmoor back in 2000. There was a guarantee of 20 years, which has now expired. All proper notification have been provided to subdivisions.

Need to ask Jessie whether this actually applies to the Beach.

X. Special Reports & Subjects:

- i. Director Bush reported WIA filing with El Paso County on additional investor lots and the remaining open space is progressing, but slowly.

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 potential agreements with duke Energy, Lewis Palmer School District 38, El Paso County. Session commenced at 10:50 a.m. The Board returned to Regular Session at 11:22 a.m.

XII. Consider approving easement at Tri-Lakes Wastewater Plant 1 permanent and 1 temporary

Motion: Upon motion by Director Wyss and seconded by Director Hanson, the Board unanimously voted to move forward with approving easements at the Tri-Lakes Wastewater Plant, 1 permanent and 1 temporary, authorizing Board President to sign these two easement in favor of El Paso County for the District.

XIII. Adjournment: There being no other business before the Board, it was moved and duly seconded that the meeting be adjourned. The motion passed unanimously, and the meeting adjourned at 11:24 a.m.

Record of June 21st, 2021 Board Meeting

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'B. Bush', with a long horizontal line extending to the right from the end of the signature.

Brian Bush, President