

DONALA WATER AND SANITATION DISTRICT
BOARD OF DIRECTORS
MEETING MINUTES
September 19, 2024

The Board of Directors of the Donala Water and Sanitation District met in regular session at the District's Holbein Water Treatment Facility, 15850 Holbein Drive, El Paso County, Colorado on September 19, 2024, at 1:30 P.M.

Directors Present: Wayne Vanderschuere (Absent)
Bill George
Kevin Deardorff
Ed Miller
Scott McCulloch

Staff Present: Jeff Hodge
Christina Hawker
Ashley Uhrin
Joe Lopez
Ronny Wright
Aaron Tolman

Consultants Present: Roger Sams (GMS)
Brett Gracely (LRE)

Guests: Jackie Burhans (OCN)
James Howald (OCN)
George Urteaga

Vice President George called the meeting to order at 1:31 P.M.

Approval of Agenda:

- No changes.

Public Comment Non-Agenda Items:

- George Urteaga, a Donala Water and Sanitation customer, came to speak with the board regarding a high water bill he received in July. Mr. Urteaga began explaining his situation but was asked to stop by Hodge when he began providing details that District staff did not believe to be accurate. Mr. Urteaga asked to show a document to the Board, but was advised that because he had retained legal counsel that any discrepancies needed to be discussed with legal counsel. Mr. Urteaga stated that he did not have anything further and left the meeting.

Review of Minutes:

- Minutes from July 18, 2024, Workshop and Regular Meeting and August 15, 2024, Regular Meeting Minutes
 - George approved minutes without objection.

Review of Financial Statements and Check Summaries July and August 2024:

- Hodge stated he believes we are on track to meet our water and wastewater revenue goals.
- Hodge pointed out property tax changes and that the decrease per household will affect our budget, however it isn't an amount so large that it can't be made up in another line item.

- Hodge stated we are still on track to come in right around budget or maybe a little above.
- Expenditures are still on track as well and there isn't anything specific that needed to be discussed
- Hodge stated that he believes we will come in under budget for expenditures as we have not had to use the CSU connection very often this year.
- Submitted budget to Upper Creek Monument Wastewater Treatment Plant partners for capital improvements and expenditures
- Hodge stated that the raw water main break in September did result in some higher expenses that will be seen in upcoming financial reports
- Hodge stated that we did have one claim for car damage as the result of roadwork still needing to be completed after the water main break.
- Financials from July 18 and August 15, 2024 accepted.
 - Deardorff motioned to approve, Miller seconds, all aye.

Memorandum – Term Limit Waiver

- Hodge stated that he would like to ask the Board to put a term limit waiver on a District ballot in the future. The purpose is to have continuity among the Board so that long term projects can continue to move forward efficiently.
- Hodge clarified that this approval would simply put the term limit waiver as an item on the upcoming ballot where the public still must vote to approve the waiver of term limits. He also clarified that if term limits are waived and there are more candidates than open positions, an election will still take place allowing the public to vote.
- Hodge stated that during the August meeting there were some questions that needed to be clarified, therefore Donala's legal counsel drafted a memorandum providing clarification on those questions.
- After a brief discussion, Hodge stated that we still have on more board meeting before the Board needs to vote, so that will take place in October's meeting.

General Manager Report by Jeff Hodge:

- Hodge stated that Ross Robinson gave a well-attended presentation at the Annual Water and Wastewater Congress Conference about radium.
- Friday before Labor Day the raw water main along Baptist Road broke. Hodge presented a slideshow with various pictures of the pipe, repairs, etc.
- Looking into doing necessary repairs on well 11D and then tie 11D and 4A into the plant directly instead of running it through the raw water line. Research will be done, and a decision will be made in the future of whether the entire pipe will be replaced or not.
- Contracted Raftelis to conduct rate study. Since the District is mostly built out and we will not be getting future revenue from tap fees, most of our revenue will come from monthly rates so it's crucial that we are being accurate.
- Hodge discussed redundancy in water storage options such as ASR for both District preservation and potential leasing of excess water for revenue.
- Hodge discussed the continuation of developing the Loop and having partners that are willing to pay for that water who need it as well as having a reliable water supply.
- Hodge reviewed the information presented at the SDA Conference regarding property taxes. He stated that due to changes in property tax law and delays from the State and County, the amount we budget for the property taxes may be estimated and then added last minute as we have to wait for the County to get final amounts.

Water Report by Ronny Wright:

- Hodge and Wright presented a slideshow of various pictures of the west Baptist tank showing some rust and wear and tear that was not found during the initial inspection and will have to be repaired. Waiting on the structural engineers to come out and provide an estimate on cost for the repairs.
- Wright stated that they are looking into adding a mixing device to move the water around and should help with these types of issues in the future.
- Wright stated that the rehabilitation on the East tank was completed, however a small leak was discovered in the tank after it had settled. Divers are currently working to diagnose the problem and fix it as soon as possible. Wright

will provide an update during the October meeting. Will proactively have divers inspect Latrobe tank to determine if there are similar issues that we should be aware of.

- Contracted Layne to pull wells 11D and 1A as they had both seized up and stopped working. They plan on scoping the wells with a camera next week to be able to determine if there is any additional damage / extent of the work to be done. Camera scope to be reviewed by LRE. Current estimate to repair 11D is about \$200,000.
- Well16A is online.
- Scheduling VFD installations for wells 9,11 and 12 to be completed during the slow season.

Wastewater Report by Jeff Hodge:

- Jake Hawker passed his "D" wastewater certification.
- Tolman stated that the basin #1 is almost ready to go, waiting on one final repair to be completed before they can put it back into rotation.
- Tolman and Wright attended a meeting regarding the installation of a new bridge near wastewater plant, so Tolman discussed our requirements of needing 24-hour access.
- Iconergy is working on the wastewater energy audit.
- E-Coli levels are 5.2 MPN, well under the required levels.
- Total effluent sitting around 29.922 million gallons.
- Solids are down from last month
- BOD removal was 98.7% and TSS was 99.0%, which is well above the required minimum of 85%.
- Hydraulic loading is at 56% and BOD loading is at 59%.
- Tolman said they are still working with Merrick to determine the best way to do the PLC swap. Estimated turnaround time for actual swap is down from a week to about three days. Also discussing more efficient upgrades they can make during the swap.
- Calibrated influent and effluent flumes as agreed upon in the last owner's meeting. Variance OF 3% is well within allowable limits.

Consultants Comments:

- Sams stated that two of the three contracts for well 16A are now closed out with one of the contracts coming in under budget. Almost done with the work for the third contract.
- Sams stated that East tank came back online first week of September but was behind schedule. As a result, the Latrobe tank rehab will be moved to May 2025.
- Gracely discussed the change of water rights for Laughlin. He connected with Stratmoor Hills and Security management and is working with them and water counsel to identify any issues that may come up when the water rights change filing is filed on Donala's behalf.
- ASR Pilot study is still underway.
- Gracely stated that AGRA requested that Donala legal counsel draft a new lease for the Pueblo water rights and consolidate the two existing leases. They are fine with the current terms and provisions of the existing leases and will review once drafted.
- Gracely reported that there is a pending email exchange with Pueblo staff regarding the renewal of Pueblo water lease. There is discussion about adding a provision to the lease regarding the water exchanges.

Directors Comments:

- Deardorff asked about development going in Southeast of the wastewater treatment plant. Hodge clarified that that's what Tolman was talking about with the meeting about the bridge. At this time, it is unclear if that will be developed for commercial or residential use. Hodge stated that regarding other developments, there have been no new updates regarding the Classic Homes development nor the land near Big R. Deardorff also followed up regarding the exclusion document that needed to be signed by the homeowner. Hawker confirmed that the homeowner did sign and submit the document as requested and now needs to be signed by the appropriate board members.

Public Comment:

- None.

Meeting adjourned at 3:03 P.M.

These minutes are respectfully submitted for record by Ashley Uhrin on October 4, 2024.