

**DONALA WATER AND SANITATION DISTRICT**  
**BOARD OF DIRECTORS**  
**MEETING MINUTES**  
**JANUARY 21, 2016**

THE BOARD OF DIRECTORS OF THE DONALA WATER AND SANITATION DISTRICT MET IN REGULAR SESSION AT THE DISTRICT OFFICE, 15850 HOLBEIN DRIVE, GLENEAGLE SUBDIVISION, EL PASO COUNTY, COLORADO ON JANUARY 21, 2016 AT 1:30 P.M.

**DIRECTORS PRESENT:**

BILL GEORGE  
DAVID POWELL  
KEN JUDD  
BOB DENNY  
BILL NANCE

**ABSENT:**

**STAFF PRESENT:**

KIP PETERSEN  
BETSY BRAY  
SHARON SAMEK

**GUESTS**

JIM KENDRICK  
KEVIN DEARDORFF

PRESIDENT BILL GEORGE OFFICIALLY CALLED THE MEETING TO ORDER AT 1:30 PM. HE NOTED FOR THE RECORD THAT DAVE POWELL, KEN JUDD, BILL NANCE AND BOB DENNY ARE ALL PRESENT. GEORGE ASKED THE ATTENDEES TO PLEASE RISE FOR THE PLEDGE OF ALLEGIANCE.

**PUBLIC COMMENT NON-AGENDA ITEMS:**

GEORGE ASKED IF THERE WAS ANY PUBLIC COMMENT. DEARDORFF NOTED THAT HE WANTED TO THANK PETERSEN FOR THE ARTICLE THAT WAS SUBMITTED TO THE GCA NEWSLETTER. KENDRICK WANTED TO TALK AT A LATER TIME ABOUT THE WATER QUALITY CONFERENCE HE ATTENDED. SPECIFICALLY AS IT RELATED TO ALGAL BLOOM.

## **REVIEW OF MINUTES:**

THE BOARD REVIEWED THE MINUTES OF THE DECEMBER 10, 2015 MEETING. AFTER CORRECTING THE SPELLING OF THE WORD ZERO AND SPELLING OF POWELL'S LAST NAME, THE MINUTES WERE APPROVED AS PRESENTED.

## **REVIEW OF FINANCIAL STATEMENTS AND CHECK SUMMARIES:**

PETERSEN PRESENTED THE DECEMBER EXECUTIVE SUMMARY AND CHECK REGISTERS FOR BOTH DONALA AND THE WASTE TREATMENT PLANT. PETERSEN STATED THAT DONALA FINISHED THE YEAR APPROXIMATELY \$600,000 IN THE BLACK. OVERALL THE BOTTOM LINE FOR BOTH REVENUE AND EXPENSES ARE REASONABLE. BOARD ASKED ABOUT CHECK #20017-THIS WAS A CREDIT DUE BACK TO A CUSTOMER THAT HAD MOVED AWAY WITH A CREDIT BALANCE. THE BOARD THEN ASKED ABOUT THE CHECK TO EVEN-PREISSER; WOULD THIS EXPENSE BE REIMBURSED THROUGH BOND FUNDS? PETERSEN STATED THAT IT WOULD. BOARD THEN ASKED ABOUT VERIS. VERIS IS THE COMPANY THAT HANDLES SLUDGE HAULS FOR THE WASTE TREATMENT PLANT. PETERSEN THEN REVIEWED THE CHANDLER REPORTS. THERE WERE NO SURPRISES THERE.

## **MANAGER'S REPORT:**

PETERSEN BROUGHT BEFORE THE BOARD THE ISSUE THAT SCOTT GRATRIX HAD PRESENTED. MR. GRATRIX HAD ASKED THE BOARD TO CONSIDER THE POSSIBILITY OF ALLOWING AN ADDITIONAL 15 HOMES TO BE BUILT. PETERSEN SAID THAT DONALA NEEDS TO GIVE GRATRIX AN ANSWER ON THIS ISSUE. PETERSEN HAD CONTACTED FENDEL ABOUT THE AGREEMENT THAT HAD BEEN IN PLACE BETWEEN THE PRIOR GENERAL MANAGER OF DONALA WATER AND SANITATION DISTRICT AND THE FORMER GOLF COURSE OWNER. IT IS FENDEL'S PROFESSIONAL OPINION THAT THIS PRIOR AGREEMENT IS NULL AND VOID. POLICY ASKED THE BOARD TO CONSIDER WHETHER AGREEING TO AN ADDITIONAL 15 HOMES WOULD BECOME A POLICY ISSUE. DEARDORFF ASKED TO SPEAK AND STATED THAT THE GCA BOARD FELT THAT THE GCA MEMBERS WOULD APPROVE THE ADDITION OF THE EXTRA 15 HOMES BECUASE IT WOULD PROVIDE USABILITY OF THE LAND AND THEREFORE THEY WOULD NOT CONTEST THE EXTRA HOMES. PETERSEN STATED THAT HE WOULD LIKE EXTRA SAFEGUARDS THAT SPELL OUT THE APPROVAL OF ADDITIONAL HOMES CONTINGENT UPON AGREEMENT BEWTEEN GRATRIX (WESTBROOK) AND THE GCA. JUDD AGREED THAT THERE NEEDS TO BE AN IRON CLAD LEGAL AGREEMENT WITH A DIRECT DEED TO THE GCA SINCE THOSE ADDITIONAL 15 HOMES WOULD BE GOVERNED BY THE GCA. DENNY WAS CONCERNED ABOUT THE FACT THAT DONALA HAD STATED AGREEMENT TO 41 HMES AND NOW BOARD IS CONSIDERING ALLOWING AN ADDITIONAL 15 HOMES. JUDD NOTED TWO BIG PROBLEMS WITH THE LAND IN QUESTION- HE WAS CONCERNED ABOUT THE VIABILITY OF A CONSERVATION EASEMENT AND THE POSSIBILITY OF THE NEED TO REZONE THAT LAND AND SELL IT TO ANOTHER DEVELOPER. IT WAS DECIDED THAT THE DEVELOPER WOULD NEED TO PAY FOR THE ADDITIONAL INFRASTRUCTURE FOR THE ADDITONAL HOMES. GEORGE FELT THAT THE AGREEMENT SHOULD BE TENTATIVE UNTIL THERE IS APPROVAL FROM THE GCA. PETERSEN WAS ASKED IF THERE WAS WATER AVAILABLE FOR 56 HOUSES? HE STATED THAT THERE IS WATER AVAILABLE FOR 56 HOUSES. AFTER FURTHER DISCUSSION, GEORGE ASKED FOR A MOTION. POWELL MOVED THAT THE BOARD OF DIRECTORS APPROVE GRATRIX'S REQUESTFOR AN ADDITIONAL 15 HOMES, FOR A TOTAL OF 56 HOMES, WITH THE CONDITION THAT THE BALANCE OF THE REMAINING LAND IS DEEDED OVER TO THE APPROPRIATE HOME

OWNERS ASSOCIATION. JUDD "SECOND", 4 BOARD MEMBERS VOTED "AYE". DENNY VOTED "NAY".

PETERSEN THEN NOTED THAT THE BOARD WILL NEED TO RE-SCHEDULE THE WORKSHOP. JUDD WOULD LIKE THE WORKSHOP TO BE FOCUSED ON STRATEGY. BOARD AGREED TO DISCUSS STRATEGY ON WHERE TO POSSIBLY GET MORE RENEWABLE WATER. PETERSEN NOTED THAT FEB 18, 2016 IS THE NEXT BOARD MEETING, THE ARKANSAS ROUNDTABLE MEETING IS FEB 10, 2016 AND THE COLORADO WATER CONGRESS IS JANUARY 27-29TH, 2016. BOARD AGREED TO HOLD THE WORKSHOP ON FEB 12, 2016 FROM 9-2 PM.

AS AN ADMINISTRATIVE ACTION, PETERSEN ASKED THE BOARD TO ADOPT THE DATES FOR THE BOARD MEETINGS FOR 2016. JUDD MOVED, POWELL "SECOND", ALL "AYE".

PETERSEN SAID THAT REMINGTON OF TRIVIEW METRO DISTRICT HAD ASKED ABOUT RENTING THE DONALA BOARD ROOM AS SHE IS TURNING HER BOARD ROOM INTO OFFICE SPACE FOR EXTRA STAFF. PETERSEN STATED THAT SHE COULD JUST BORROW THE ROOM IF THERE WAS NO CONFLICT WITH DONALA'S USE OF THE ROOM. BOARD WAS PLEASED THAT PETERSEN HAD EXTENDED THIS OFFER AND FELT IT WAS A GOOD IDEA.

PETERSEN NOTED THAT THE PPRWA HAD STARTED THE 2016 YEAR AGAIN. COUNTY COMMISSIONERS ARE PART OF THE AUTHORITY BUT THEY HAVE NOT ATTENDED. PETERSEN WOULD LIKE TO CHANGE THAT AS HE FEELS IT WOULD BE FRUITFUL IF THEY DID ATTEND.

PETERSEN READ TO THE BOARD A LETTER FROM A DONALA CUSTOMER, GEN. WAKIN. THE GENERAL WAS COMMENDING THE STAFF OF DONALA FOR THEIR HANDLING OF THE TAP SADDLE BREAK ON DESERT INN WAY. THE BOARD WAS VERY PLEASED THAT THE STAFF HAD ACTED SO QUICKLY AND DECISIVELY. THE BOARD THANKED PETERSEN FOR APPRISING THEM OF THE SITUATION WHEN IT HAPPENED. JUDD HAD GONE BY THE SCENE OF THE BREAK AND BROUGHT HOT CHOCOLATE TO THE STAFF AS IT WAS A VERY COLD DAY.

PETERSEN NOTED THAT HE HAD PROVIDED AN EXECUTIVE SUMMARY TO THE COLORADO WATER PLAN. JUDD NOTED NO OPERATIONAL DETAIL; MORE OF A CONCEPTUAL POLITICAL IDEA. BOARD FEELS THAT THE PUBLIC NEEDS TO BE TOLD THAT THERE IS A SENSE OF URGENCY IN GETTING FUTURE WATER PLANS PUT INTO PLACE. PETERSEN REPORTED THAT THERE IS STILL A COMMUNICATION AND TRUST ISSUE BETWEEN COLORADO SPRINGS AND PUEBLO. PETERSEN FEELS THAT MAYOR SUTHERS IS MAKING STRIDES IN THIS AREA.

### **WILLOW CREEK RANCH:**

PETERSEN THEN REPORTED ON THE 1041 PERMIT SITUATION- DONALA IS 17 MONTHS INTO THE PROCESS WITH STILL NO MOVEMENT ON THIS ISSUE. HE FEELS THAT DONALA NEEDS TO HAVE A SERIOUS DISCUSSION ABOUT THIS SITUATION. HE DID NOTE THAT THERE IS A CONTRACT WITH THE BUREC AND ALTHOUGH THEY WOULD BE FINE WITH CONTINUING A YEAR TO YEAR CONTRACT, DONALA NEEDS TO RESOLVE THE LONG TERM CONTRACT ISSUE.

PETERSEN STATED THAT BUREC WOULD LIKE DONALA TO HAVE AN ANNUAL CONTRACT EACH YEAR; PETERSEN STILL TRYING TO GET BUREC TO GO FOR LONG TERM CONTRACT. HE NOTED THAT THEY HAVE MADE PROGRESS, JUST NEED TO KEEP WORKING ON IT.

**STATUS OF OPERATIONS/PROJECTS:**

PETERSEN STATED THE R HULL WATER TREATMENT PLANT IS UP AND RUNNING AGAIN. THE HOLBEIN PLANT WILL BE TAKEN DOWN TO BE CLEANED SHORTLY.

WASTE WATER TREATMENT PLANT IS DOING WELL. PETERSEN DID NOTE TWO EXCEEDANCES AT THE WASTE TREATMENT PLANT; ARSENIC WHICH IS A MONITOR AND REPORT ONLY EXCEEDANCE AND MERCURY WHICH IS AN ACTUAL VIOLATION. THE STAFF HAS REPORTED THE EXCEEDANCES AND PETERSEN IS FOLLOWING UP WITH A REPORT ON PLANNED REMDIATION. THE STAFF HAS BEEN EXPLORING POSSIBLE SOURCES OF MERCURY AND ARSENIC AND HAS BEEN TALKING TO TRIVIEW METRO AS THEY COULD ALSO BE CONTRIBUTING TO THE ARSENIC AND MERCURY PROBLEMS WITH THEIR EFFLUENT FROM THEIR DEVELOPMENT. PETERSEN WILL CONTINUE TO KEEP THE BOARD ADVISED OF THE SITUATION.

**DEVELOPER UPDATES:**

PETERSEN HAS NO OTHER DEVELOPER UPDATES TO PROVIDE. THE KUM & GO IS STILL MOVING FORWARD. GEORGE THEN CALLED FOR PUBLIC COMMENT; NO COMMENT.

PETERSEN REQUESTED AN EXECUTIVE SESSION. JUDD MOTIONED, POWELL SECONDED, ALL "AYE" TO ADJOURN TO EXECUTIVE SESSION AT 3:47 PM, UNDER THE PROVISIONS OF CRS 24-6-402(4F),PERSONNEL MATTERS. MOTION CARRIED. THE ANNUAL EVALUATION OF KIP PETERSEN, GENERAL MANAGER, WAS CONDUCTED. THERE BEING NO FURTHER BUSINESS, IT WAS MOVED BY DAVE POWELL, SECOND BY KEN JUDD TO ADJOURN EXECUTIVE SESSION AT 4:20 PM, AND RETURN TO OPEN SESSION. MOTION CARRIED.

THE MEETING THEN RESUMED IN OPEN SESSION. IT WAS MOVED BY POWELL, SECOND BY JUDD, TO ACCEPT THE SALARY RECOMMENDATION DISCUSSED DURING PETERSEN'S ANNUAL EVALUATION. MOTION CARRIED. THERE BEING NO FURTHER BUSINESS OF THE BOARD, IT WAS MOVED BY JUDD, SECOND BY NANCE, TO ADJOURN THE MEETING AT 4:24 PM. MOTION CARRIED.

**THESE MINUTES ARE RESPECTFULLY SUBMITTED FOR RECORD BY BETSY BRAY ON JANUARY 22, 2016.**

