

DONALA WATER AND SANITATION DISTRICT  
BOARD OF DIRECTORS  
MEETING MINUTES  
February 21, 2019

The Board of Directors of the Donala Water and Sanitation District met in regular session at the District's office, 15850 Holbein Dr., El Paso County, Colorado on February 21, 2019 at 1:30pm.

Directors Present: Ken Judd  
Ed Houle  
Dennis Snyder  
Wayne Vanderschuere  
Kevin Deardorff

Staff Present: Kip Petersen  
Tanja Smith  
Christina Hawker  
Mark Parker

Guests: Jennifer Kaylor  
Bill George  
David Powell  
Roger Sams  
Dave Frisch  
Tom McClernan  
Brett Gracely

President Judd called the meeting to order at 1:30pm. All rose for the Pledge of Allegiance.

Public Comment Non-Agenda Items:

- Parker thanked the board for inviting him to the Water Congress.

Review of Minutes:

- Minutes from January 2019 Board Meeting accepted as submitted.

Review of Financial Statements and Check Summaries:

- Donala finished out 2018 at 97% and Waste at 32.58%.
- Waste is not as close due to some capital projects not being expended in 2018.
- Houle and Judd questioned the operating revenue as 52% short. Hawker will look into it and get back with everyone.
- Currently we are at 9% for 2019.
- Insurance is paid up front.
- Fees, Permits and Dues account for PPRWA.
- Snyder questioned the check for text messages, Parker explained that is for Willow Creek Ranch and Weather Station data transmission.
- Waste is also at 9%.
- Houle motion to accept, Vanderschuere second, all aye.
- Petersen mentioned that District had 2 fraudulent checks cashed in the amount of \$120,000. The District has been reimbursed by the bank and a Sheriff's report has been made. We have started reporting to the bank daily the checks that have been written, and only those checks will be negotiated.

## Manager's Report:

- County Commissioner, Holly Williams was unable to attend today. Petersen will set up a meeting with Williams and Judd in the next couple weeks. She will plan on attending the March meeting.
- Board and several staff members attended annual Colorado Water Congress. Heard from new Attorney General and new Executive Director of Colorado Department of Natural Resources who discussed their perspectives related to ongoing pressures that CO will face in accommodating projected growth over next 30 years.
- PPRWA met on Feb 6. Does not appear to be any major changing proposals for water issues in CO.
- Arkansas Basin Roundtable met on Feb. 13. Petersen was unable to attend. Next meeting is March 13. Judd and Houle will attend with Petersen.
- Drought report shows the front range has seen a reduction on the drought classification. SW Colorado remains in exceptional drought currently. Arkansas basin is currently at 128% of normal snowpack this year.
- Arkansas River Basin Conference will be held in Pueblo on April 24 & 25. Houle, Judd and Vanderschuere will attend, Snyder and Deardorff currently unsure.
- GMS presented the progress of the residuals management methodology.
  - Selected approach is to remove it at the Water Treatment Plants using a plate filter press.
  - Arsenic contained in residuals appear to be suitable for disposal at a municipal waste landfill, however radionuclides, also removed in the processes is at elevated levels.
  - CO Dept. of Public Health and Environment (CDPHE), Hazardous Materials and Waste Management Division (HMWMD) will require a Radioactive Materials License for the Residuals Dewatering Facility and those residuals will need to be transported to and disposed of at a licensed waste disposal facility.
  - Have received a proposal of services from Radiation Pros, LLC to provide support services and necessary licensing for disposal of radioactive WTP waste residuals. Cost is \$34,520.
  - Additional annual services include operator training and initiation of a radiological dose monitoring program for \$6,720. Subsequent annual services include refresher training and license audit reports. Costs not included consist of residuals sampling and analyses for license compliance as well as residuals transportation, disposal and disposal compliance documentation costs.
  - GMS recommends the District consider acceptance of the proposal from Radiation Pros, LLC with an associated fee of \$41,240. They suggest the District do not immediately proceed with authorization for continuing annual services until operations have commenced and required annual services may be better defined.
  - Due to the deadline of Sept. 30, 2019, GMS recommends making arrangements for early procurement of equipment and construction services using the following approach:
    - Develop guide specifications for major equipment in the facility.
    - Prepare requests for proposals.
    - Obtain construction services via a solicitation for statement of qualifications and request for proposals.
    - Provide the authorization for Petersen and the Donala staff to issue purchase orders and/or other procurement agreements with subsequent ratification by the Board of Directors at subsequent regularly scheduled Board meetings.
    - Construction services are to be solicited as soon as possible.
    - Certain equipment must be "on-order" prior to mid-March to ensure timely delivery for installation and start-up, to include procurement of used equipment which may be available.
  - Vanderschuere asked about odor or noise from the facility. Sams stated there will be no odor, however there will be pumps and compressors which we will have to address.
  - Vanderschuere asked about truck traffic. Sams says we will have to have sludge picked up 4 times per month during the 5 months of heavy dewatering.
  - Houle asked about County Planning timeline, Sams says 90-100 days.
  - Snyder asked about employee exposure to radiation. Tom believes it will be not much higher than current levels, which are under current occupational guidelines.
  - Houle moved to accept the recommendation from GMS, Deardorff second, all aye.
  - Vanderschuere asked about timeline for all the moving parts to meet the end goal of October. Sams stated that he can work on that once the approval for the recommendations are in place.

- Vanderschuere also asked what our plan is if we don't meet the October deadline. Should we manage our Willow Creek Ranch water to keep those levels low, so we do not exceed the new State requirement? Sams agrees we need to start managing the water in May.
- Houle is also concerned with Triview having their process in place in time as well.
- Houle motioned to accept the streamline acquisition process recommended by GMS, Deardorff second, all aye.
- GMS presented findings for a 2" commercial billing rate associated with My Place Hotel and other properties with a 2" or greater meter. After extensive calculations and comparisons, GMS has determined that the recommendation for My Place Hotel should change from the multi-family 45, tiered rate to multi-family 24, tiered rate. All other 2" meters will also be placed under the multi-family 24, tiered rate as well.
  - Houle moved to accept the rate change, Vanderschuere second, all aye.

#### Willow Creek Ranch:

- We have received the finalized 40-year contract from the Bureau of Reclamation, copies are provided for Board of Directors to keep in their binders
- Pueblo County has yet to provide us with a proposed settlement agreement related to our request for a 1041 permit.

#### Status of Operations:

- Demands on water have reduced to winter demands. Water is currently being produced by R. Hull water plant and our Willow Creek Ranch water. We produced 12,211,917 gallons in January; 65% was from Willow Creek Ranch and 35% from our well system.
- Pump for Well 9 is on order and should be delivered soon. We will also need to replace 800' of piping that deteriorated.
- UMCRRWTF is operating within established standards.
  - Ladouceur continues to address M. Parvacella bacteria, resulting from fats, oils and grease.
  - Discussions continue with CSU on consolidation of waste water flows.
    - They are still considering a multiplier of 1.1, however there is nothing in writing as of yet.
    - We have been advised that our construction costs will **not** be incorporated into rates, therefore Donala's share of \$2,000,000-\$2,400,000 will need to be reimbursed within 2 or 3 years of completion.
    - We are still awaiting confirmation of receiving our return flows as potable water and what that cost will be.

#### Capital Projects:

- The first phase of the Gleneagle water main replacement is wrapping up with punch list projects ongoing.
- Damaged landscaping will be corrected this Spring.
- GMS presented the 2019 Capital Project to replace the water main from Mission Hill to Rangely. Project is designed and is out to bid. Currently 5 contractors have plans in hand.

#### Development Update:

- No new development proposals at this time.
- The final 12 lots of the golf course redevelopment are under review and are requiring the developer to redesign the storm water drainage system.
- We understand that the roundabout at Struthers and Gleneagle are expecting a Spring construction date.
- Snyder asked where we are with Laughlin Water Right. Petersen stated he is meeting with Curtis Mitchell next month and should be able to report on a timeline after that.

#### Additional Comments:

- Gracely stated last Friday was due date for proposals for technical studies for regionalization.
- Powell asked about the new plant on Bermuda Dunes, is the storage tank going away? Petersen stated that yes, at this time.

With no further comments, meeting adjourned at 3:38pm.

These minutes are respectfully submitted for record by Tanja Smith on February 21, 2019.