

DONALA WATER AND SANITATION DISTRICT
BOARD OF DIRECTORS
MEETING MINUTES
OCTOBER 15, 2020

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 October 15, 2020 at 1:30pm.

Directors Present: Ed Houle
Dennis Snyder
Wayne Vanderschuere
Kevin Deardorff
Bill George

Staff Present: Jeff Hodge
Mark Parker
Christina Hawker (Absent)
Tanja Smith

Guests: Jenifer Kaylor
Stephen Hrin
Ken Judd
Nate Eckloff
Brett Gracely
Matt Poznanovik
Roger Sams
Gary Barber
Dave Powell (via phone)

President Houle called the meeting to order at 1:30pm.

Approval of Agenda:

- Addition of Resolution 2020-07

Public Comment Non-Agenda Items:

- Board sends condolences to Christina and Cory.

Review of Minutes:

- Minutes from September 2020 Board Meeting accepted
- Deardorff motioned to approve, George second, all aye.

Review of Financial Statements and Check Summaries:

- Should be at 25%; revenue is at 7.53% and expenses 14.37%.
- Waste revenue is currently at 29.74% and expenses 30.94%.
- General Fund return is .15% and Debt Fund is at .01%.
- Deardorff motion to accept, George second, all aye.

New Business:

- Presentation by Nate Eckloff explaining the Bond purchasing process. We did end up with AA- rating. Had a lot of interest at the market and averaged 4 to 7 basis points. Interest rates were lowered as the demand for our Bonds were very high. For taxable bonds mature through 2035 and net interest is 2.2%. Tax exempt bonds mature at 2040 and net interest is 2.54%. Overall combined interest is 2.41%. Net savings of \$1.378 million.
 - Resolution 2020-06, authorizing authorized officers for loans from CWRPDA.

- Resolution 2020-07, Supplemental resolution relating to authorization and issuance of revenue bonds to refund outstanding debt obligations of the District at lower interest rates.

Budget:

- Public hearing on 2021 Budget:
 - Some changes on fund balance, investment interest and debt reserve due to the new Bond Issue.
 - Repair and maintenance is up due to adding potential well repairs.
 - Insurance higher, we have the residuals management building to add to our policy.
 - “Other” under Capital Projects includes upgrading the remaining bronze meters in the entire district and infrastructure upgrades and \$200,000 towards the NMCI project.
 - Board requested additional line items to break out projects for clarity.
 - Waste Budget had been approved by Waste committee last week.
 - Lab has increased, more tests required, changed labs due to inaccuracies from current lab and will receive results quicker as well as purchasing equipment to do more labs in house.

Manager’s Report:

- PPRWA:
 - Hodge attended the regular meeting online Oct. 7th. Discussed selection of new attorney to replace Rick Fendel. Matter continued to November workshop. Vranesh & Raisch was recommended firm.
- Arkansas Roundtable:
 - Hodge attended Lower Basin Workshop regarding updating the Basin Implementation Plan. Donala will submit projects to have listed in the update.
- NMCI:
 - Northern Entities met on Oct. 13th to discuss the Design Contract and Reflows.
- Drought Report:
 - Dry pattern continues.

Status of Operations:

- Demands on the District’s water supplies continue with hot, dry temperatures. The District produced 32,713,000 gallons in September versus 41,582,620 in August, which is a 21.3% increase. Of this total 42.9% as from Willow Creek and the balance of 57.1% from District wells.
- We did see an increase in normal Radium 226 & 228 values at both plants. This triggered a limit bust for the Holbein plant and we will have to do quarterly testing to make an average of 5 samples that will get us below the violation limit. Parker is confident that we will be able to achieve this.
 - Our compliance specialist with CDPHE stated that they are seeing a rise in this constituent across the State, possibly due to drought conditions and higher demands on the wells.

Capital Projects:

- Ran through another process at the Residuals Management Facility, had to shut down early as the press was not switching between cycles. Working with GMS and MW Watermark to get this resolved.
- 2020 infrastructure project is well underway.
- Preliminary drawings for 2021 project are complete and we have rough budget numbers. Will be reaching out to the 2 HOA boards to schedule a meeting with them.

UMCRWWTF:

- Plant is operating within normal operating standards.

Willow Creek Ranch:

- 269.08 AF of water has been taken from the Ranch this year. Currently have approximately 55 AF left in storage.
- Will be heading up soon to put things to rest for the winter.

Development Update:

- No new inquiries.

- New owner of the 6.7 acre parcel on the southeast corner of Struthers and Spanish Bit is moving forward with submitting plans for development. Staff and GMS will meet with owner on Oct. 16th to begin the design submittal process.

Monument Sanitation:

- They are in need of an ORC and have reached out to us.
- Hodge will bring further information to the November workshop for further discussion.

Additional Comments:

- Hrin asked if the public can submit agenda items for the November workshop. Board agreed, send suggestions to Jeff.

At 2: 24p.m. George motioned to move to Executive Session, Deardorff second, all aye.

The topics discussed in the Executive Session were about water rights covered under §24-6-402(4)(a), C.R.S. No reportable action was taken on either water right offer.

The other topic was providing direction for negotiations per §24-6-402(4)(e), C.R.S. in regard to Interim Wastewater Conveyance and Treatment Agreement with CSU and Triview.

After reconvening in open session the Board made a motion to have President Houle and GM Hodge work with Matt Poznanovic District Water Counsel to negotiation for the purchase of a water right.

4:55 pm Adjourned

These minutes are respectfully submitted for record by Tanja Smith on October 28, 2020.