

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

WIDEFIELD WATER AND SANITATION DISTRICT

Held: Wednesday, May 15, 2019, at 12:00 p.m. at 8495 Fontaine Blvd., in Colorado Springs, Colorado, 80925.

Attendance

Directors in Attendance Were:

Mark Watson, President
Mark Dunsmoor, Vice President
Frank Watson, Secretary/ Treasurer
Dan Ittner, Asst. Secretary

Directors Absent (excused):

Jim Mesite, Jr., Director

Also in Attendance:

Lucas Hale, Assistant District Manager
Rob Bannister, District Engineer
Joe Norris, Collins Cockrel & Cole, P.C., General Counsel
Jean Smith

Call to Order

President Watson noted that a quorum of the Board was present and that the Directors had confirmed their continuing qualification to serve, and therefore called the regular meeting of the Board of Directors of the Widefield Water and Sanitation District to order at 12:04 p.m.

Mr. Hale reported that the District Manager, Steve Wilson, was away on family matters and that he would be handling the District Manager's report to the Board for this meeting.

Notice

Notice of the meeting was properly posted as required by law. The notice also included the agenda items. Certification of such posting is attached hereto.

Disclosure Matters

President Watson reported that general conflict of interest statements had been received from all directors and previously filed with the Secretary of State at least 72 hours in advance of the meeting. Copies of the statements are on file with and available online from the Colorado Secretary of State.

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Approval of Minutes

The Board reviewed the Minutes of the April 17, 2019 regular meeting. Upon motion duly made, seconded and unanimously carried, the Minutes of such meeting were approved as presented.

Financial Matters

- Monthly Financials:

Mr. Hale reviewed with the Board the District's financial reports ending March 31, 2019. Mr. Hale noted that cash has increased from February to March, 2019 due to the payment of tap fees and positive operation. Other income increased significantly in the month due to receipt of the Cody Water lease payment. Water payments increased due to the FVA expenses being up this month, which the District pays a proportional amount of. Professional fees decreased due to less work being done by water counsel and water rights engineer in the month. Employee training fees increased due to the management team training that will take place in June. Software maintenance increased due to a payment for the e-file system pursuant to the software contract. Sludge hauling costs increased due to more sludge being processed in March. Sludge hauling costs should substantially decrease moving forward because the District's new dewatering system is now completed and working. Mr. Hale then reported that the District has collected forty total tap fees and twenty-one water resource acquisition fees in March.

Manager's Report

- Monthly Report:

- WARA:

Mr. Hale discussed the WARA extension agreement. The agreement expired December 31, 2016 and with the Board's approval is proposed to be extended to 2025.

Question from Director Dunsmoor: What activity is going on WARA now?

President Watson: Still nothing as of now. The water demands for the participating entities will drive this project at some point in the future.

Upon motion duly made, seconded and unanimously carried, the Extension to Establishing Agreement for the Widefield Aquifer Recharge Association was approved as presented.

- H2O Ranch:

Mr. Hale described the proposed H2O Ranch Agricultural Lease for 2019 to the Board. Mr. Norris explained that this is a continuation of the same agricultural lease from 2018 for another year term. The

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District and Fountain still own the real property jointly with a plan to sell it in the future. The approved sale of the H2O Ranch water rights to Fountain is still proceeding and the District is currently waiting on final approval of the documents by Fountain on that transaction. Upon motion duly made, seconded and unanimously carried, the 2019 H2O Ranch Agricultural Lease was approved as presented.

Engineer's Report

Rob Bannister noted that the BNR system has been operating since the first part of March and dewatering has been happening for about a month. The District obtained a 1-year extension to its CDPHE permit, so they have an opportunity to collect data and provide a 12-month rolling average to show compliance on the permit.

Mr. Bannister reported that the treatment plant on Fontaine Blvd. has been operating well so far. Mr. Bannister noted that there is a new valve being installed on the ongoing header project constructed by the Air Force. This new valve will allow isolation and flushing of the system. The Widefield Blvd. treatment plant is going through its initial submittals.

The Trails at Aspen Ridge development is progressing with construction of main line extensions.

Mr. Bannister added that they do currently have some backlogged work-orders as the District staff is adjusting to the new Next Gen system for recording and responding to work-orders.

Attorney's Report

Mr. Norris discussed a proposed donation of land from Widefield Investment Group to the District and the temporary lease-back to Widefield Investment Group. The property is adjacent to the District's treatment plant property and would allow for the District's future expansion at that site. The appropriate due-diligence is needed and documents acceptable to the District will have to be drafted for final approval. Upon further discussion by the Board and upon motion duly made, seconded, and unanimously carried by those Directors voting (President J. Mark Watson and Director Frank Watson abstaining from said discussion and vote due to their interest in the Widefield Investment Group), the Board approved the proposed donation of land in principle, subject to drafting and approval of final documents in a form acceptable to the District.

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Public Comment

Jean Smith: Reported to the Board that the Clean Water Coalition successfully lobbied for a bill to ban the use of firefighting foam with PFHxs for training in Colorado.

Adjournment

There being no further business to come before the Board, the meeting was adjourned at approximately 12:51 p.m.



Secretary