

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

WIDEFIELD WATER AND SANITATION DISTRICT

Held: Tuesday, July 18, 2023, at 12:00 p.m. at 8495 Fontaine Blvd., Colorado Springs, Colorado 80925.

Attendance

Directors in Attendance Were:

Mark Watson, President
Dan Ittner, Assistant Secretary
Frank Watson, Secretary/Treasurer
Jim Mesite, Jr., Director

Directors Absent (excused):

Mark Dunsmoor, Vice President

Also in Attendance:

Lucas Hale, District Manager
Kelly Smith, Director of Administrative Services
Joe Norris, Cockrel Ela Glesne Greher & Ruhland, General Counsel
Members of the Public: Ryan Watson and 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 12:00 p.m.

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 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 from the Colorado Secretary of State.

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Approval of Minutes

The Board reviewed the Minutes of the June 20, 2023. Upon motion duly made, seconded and unanimously carried, the Minutes of such meeting were approved as presented.

Financial Matters

Monthly Financials

Mr. Hale presented the monthly financials noting that an increase in cash due to positive operations Water. Water revenue has increased with the typical seasonal usage increase. Water payments decreased for the month due to a billing error by FVA that resulted in a credit to the District. Fewer professional fees were incurred in the month because of more work being done by the District's water rights engineer and auditor in April that did not occur in May. Employee payroll in May increased due to there being two new hires. A leak at the Rolling Hills Booster Pump Station resulted in expenses for locating and completing repairs at the vault. Sludge hauling expense decreased meaning that fewer loads were processed during the month. The District collected 15.5 water, 14.5 water resource acquisition, and 8 sewer tap fees in the month.

Question from Director Ittner: Where were the new taps issued?

Mr. Hale: In Trails at Aspen Ridge and Rolling Hills developments.

Question from Director M. Watson: With two new hires, where are we on staffing?

Mr. Hale: Still down one operator position and will be looking to replace the District's mechanical and electrical position soon as well.

Following discussion and upon motion duly made and seconded, the Board approved the monthly financials.

District Manager's Report

Mr. Hale discussed the managers' report with the Board. PCE levels have recently risen in the Widefield Aquifer. At the impacted wells, they have restarted air stripper treatment to address the issue. Meetings are continuing with Schlage Lock regarding reimbursement of costs of operating the air strippers and confirming the source of PCE contamination. The FVA terminal tank rehabilitation and lining installation has failed. FVA, through CSU as its operator, is working on having its contractor address the issue. The contractor is disputing the warranty and the District will continue to monitor and work on this with the FVA and CSU. Mr. Hale described how this issue will significantly impact District capital projects. The District will be working on a letter to inform the parties of the costly delays and added expense to the District projects if the tank is not timely repaired.

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Question from Director Ittner: Inquired about service to the Waterview development that was reported on the news.

Mr. Hale: The property owner rezoned from industrial to commercial which changed the anticipated water and sewer demands significantly. They are currently seeking annexation into CSU and would not be served by the District.

Service Agreement for Rolling Hills and Bull Hill Properties

Mr. Hale discussed the status of negotiations with the property owners of the Rolling Hills and Bull Hill properties. The property owners have proposed a significant increase in density served and have been working through how to serve the property. Mr. Hale noted that the form of agreement presented is at a point where it is nearly final and the District is awaiting property owner approval or further input. Mr. Hale and Mr. Norris discussed the proposed agreement further and answered questions from Director Mesite regarding the development and service to the future development areas. Following discussion and upon motion duly made by Director Mesite and seconded by Director Ittner, with President Watson and Director Watson abstaining, the Board approved the service agreement subject to approval by property owner.

Executive Session

None.

Water Tank Sale

Mr. Hale described the unused water storage tank and the proposal to sell the tank as an unused District asset. The tank has an approximate value of \$70,000 with an approximate cost of \$20,000-\$25,000 to excavate and remove the tank from the ground. Mr. Hale discussed negotiations with a potential buyer to require a deposit covering the District's costs of excavation. Director Mesite confirmed that the proposed deal would net the District roughly \$45,000. Following discussion and upon motion duly made and seconded, the Board approved the sale of the water tank unanimously pending buyer approval or via public notice and sale other another party and authorized the District Manager to carry out and complete the transaction.

Rules and Regulations

Mr. Hale described the proposed changes to the District's Rules and Regulations as presented in the board packet. Mr. Hale and Mr. Norris presented the proposed changes and Director Mesite commented on the new provisions relating to landscape and athletic fields. Following discussion and upon motion duly made and seconded, the Board approved the revised Rules and Regulations as presented.

Employee Handbook

Mr. Hale described the proposed changes to the District's Employee Handbook, particularly the leave and benefits changes and GFOA report on compensation and employee retention of public employees.

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Following discussion and upon motion duly made and seconded, the Board approved the proposed changes to the Employee Handbook as presented.

Engineer's Report

Mr. Hale presented a report on behalf of Mr. Bannister who was unable to attend today. He reported that the VFD's are not expected to arrive until June of 2024 and are evaluating alternatives for cost and schedule impacts on the Rolling Hills Booster pump station. Generators at the Trails Booster will be coming online very soon. The Upper West and East project is also making good progress and pipe is being installed.

Attorney's Report

None.

Public Comment

Ms. Jean Smith commented on development and home sales in the community.

Other Business

None.

Adjournment

There being no further business to come before the Board, the meeting was adjourned at 1:58 p.m.



Secretary