

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

WIDEFIELD WATER AND SANITATION DISTRICT

Held: Tuesday, March 21, 2023, at 1:30 p.m. at 8495 Fontaine Blvd., Colorado Springs, Colorado 80925.

Attendance

Directors in Attendance Were:

Mark Watson, President
Mark Dunsmoor, Vice President
Dan Ittner, Assistant Secretary
Jim Mesite, Jr., Director

Directors Absent (excused):

Frank Watson, Secretary/Treasurer

Also in Attendance:

Lucas Hale, District Manager
Kelly Smith, Director of Administrative Services
Joe Norris, Cockrel Ela Glesne Greher & Ruhland, General Counsel
Kristin Herndon, Cockrel Ela Glesne Greher & Ruhland
Member of the Public: 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 1:30 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 February 21, 2023 regular meeting. Upon motion duly made, seconded and unanimously carried, the Minutes of such meeting were approved.

Financial Matters

- Monthly Financials:

Mr. Hale presented the January financials to the Board. The District saw an increase in expenses for equipment and systems. There was an increase in cash for the month due to receipt of ARPA grant funds. Water and wastewater revenue increased from rates and growth. FVA capital expenditures were made in the month. Venetucci water lease is being exercised again and water is being produced from the Venetucci wells. There has been an increase in expenses in the District's pending water rights cases. Water resource acquisition fee and tap fee revenue have seen a significant decrease.

Mr. Hale then presented the unaudited budget to actual numbers for 2022. Other income such as hydrant rentals, late fees, and other miscellaneous have increased. Maintenance and repairs were slightly over budget, which was unanticipated due to repairs to manholes and lining. Professional services were also over budget primarily due to increased water court activity. The overall operating expenses were under budget by about \$500,000. Tap fee revenue decrease is the most significant difference in the 2022 budget. Overall the capital outlay is under budget by about \$120,000 with all high priority projects completed. The planned generator project is still in progress with a 52-week lead time on delivery of generators. Booster Pump Station 2 and Upper East to West loop projects are also still under construction with more work to come in 2023. Southern Interceptor project put on hold although some design work was completed in 2022. The audit of financials with start in April.

Question from Director Mesite: Have taps been purchased for parcel at Peaceful Valley Road and Marksheffel?

Mr. Hale: They have not been.

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

District Manager's Report

Mr. Hale reported that the District was over budget in January due to front loaded costs for several projects that should smooth out over time this year. Mr. Hale also presented photos of a broken section pipe that is happening when they try to cut the pipe. The District is working with the manufacturer to use different color pipe to see if that will help resolve

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the issue. The broken pipe could cause significant delays in the Upper West to East projects if pipe continues to break when cut. A disinfection byproducts sample was missed recently because it was not taken in the correct month but changes have been made to staffing in the water department to address this additional violation. The EPA has issued proposed MCL for PFOA/PFAS. The District will be continuing to monitor the issue. PFHxS is a new compound regulated that does appear in the Widefield Aquifer and could become a more significant factor in selecting ion exchange or other treatment media.

Question from Director Ittner: Where does the PFHxS compound come from primarily?

Mr. Hale: It is a non-stick substance, found in lots of consumer products.

Mr. Hale discussed the development of an area near I-25. There have been some preliminary discussions with the owner. The District has described difficulties in service due to the topography of the site and the need to upgrade an existing privately-owned lift station.

- FVA Water
Treatment Contract:

Mr. Hale then described the updated agreement with FVA regarding water treatment to extend the prior original agreement that has expired. Mr. Norris and Mr. Hale described the history of the agreement and negotiation to extend the term as presented. Several section have been updated and changed since the original agreement to reflect current options. Directors Dunsmoor, Mesite, Mr. Hale and Mr. Norris discussed the updated agreement further. Following discussion and upon motion duly made and seconded, the Board approved the Fountain Valley Authority Water Treatment Contract as presented.

Engineer's Report

None.

Attorney's Report

None.

Public Comment

None.

Other Business

None.

Adjournment

There being no further business to come before the Board, the meeting was adjourned at 2:40 p.m.



Secretary