

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

WIDEFIELD WATER AND SANITATION DISTRICT

Held: Tuesday, May 16, 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
Frank Watson, Secretary/Treasurer*

**Arrived where noted*

Directors Absent (excused):

Jim Mesite, Jr., Director

Also in Attendance:

Lucas Hale, District Manager
Kelly Smith, Director of Administrative Services
Joe Norris, Cockrel Ela Glesne Greher & Ruhland, General Counsel
Jena Fogle of Stockman Kast Ryan and Co.
Isabella Houthuijzen of Stockman Kast Ryan and Co.
Members of the Public: Ryan Watson

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 April 18, 2023 regular meeting. Upon motion duly made, seconded and unanimously carried, the Minutes of such meeting were approved.

Financial Matters

Audit Report

Ms. Jena Fogle presented the 2022 audit to the Board. There were no misstatements or disagreements with management.

**Director Frank Watson arrived at approximately 1:40 p.m.*

Ms. Jena Fogle noted that the auditors' were providing a clean and unmodified ~~of~~ opinion. The financials included supplemental information that includes new expanded information of federal award under ARPA. The auditor's report on internal control over financial reporting found no deficiencies noting that all major programs were in compliance.

Question from Director Ittner: Who reviews the audit report when it is filed?

Mr. Norris: The audit is reported and filed with the federal government at the office of management and budget and with the Colorado State Auditor. It is more of a requirement for open governance that the audited financials are made public.

Monthly Financials

Mr. Hale reported that the District's water payments increased with a payment being made by Widefield for its portion of a FVA project. Employee payroll increased due to three additional working days in March. Health insurance expenses decreased due to the aggregated refund received in March on insurance plan. Waste water treatment chemicals were purchased during the month. Fourteen water, sewer, and water resource acquisition fees were collected in April bringing the total for the year to 31. Following discussion and upon motion duly made and seconded, the Board approved the financials.

District's Investment Policy

Mr. Hale presented the proposed update to the District's investment policy to the Board noting that item number four of the policy was added to allow investments authorized under Colorado law. Mr. Norris provided more clarification on the matter. No significant changes are proposed, but it is more to bring the policy into alignment with the current investments allowed under Colorado law. Generally, those authorized investments are very restrictive and aimed at protecting the invested capital. Mr. Hale also described his anticipated plan for investment into various money market and CD options to increase the

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amount of investment revenue to the District from prior years. Following discussion and upon motion duly made and seconded, the Board approved the District's Investment Policy as presented.

District Manager's Report

Mr. Hale reported on performance measurers. There have been issues with outside lab services leading the District to have to look to alternate vendors. A hydrant meter was stolen with the act caught on security footage. The meter has since been recovered. The District's monthly jetting goal was met for April. There has been an overwhelming amount of utility locate requests during the month. The District has looked into hiring a third-party contractor to do this work for the year allowing District staff to have time for other work and for training on locates before taking this on. Mr. Hale discussed the water agreements with AGRA including the return flow swap in Pueblo Reservoir. AGRA owes the District roughly 600AF but has the option to pay back in cash. Both parties are moving forward with the plan of paying back the water and are working on amendment to the agreement. Travis Jones, the Director of Operations, had an accident in the District explorer. He is okay and insurance is investigating. If the vehicle is totaled, the District will be down one vehicle until a new vehicle can be obtained which may take some time. Mr. Hale discussed the plan for the revised services agreement with Rolling Hill and Bull Hill property.

Cottage at Mesa Ridge

Mr. Hale described the proposed development of multi-family deconstructed apartments noting that this was the first of this type of project seen within the District. Mr. Norris described the services agreement with the Board. Director Dunsmoor noted that he has done work with Goodwin Knight and his experience has been positive. Mr. Norris and Mr. Hale described the proposed services agreement with Goodwin Knight for service to this property. Following discussion and upon motion duly made and seconded, the Board approved the engineer's report.

Engineer's Report

Mr. Hale reported on the many conveyances and final acceptance with developers. Rolling Hills booster pump station is done and starting to work on interior pipes. Trails booster is fully functioning starting in April. The generator is approaching the final stages of completion. Good progress being made on laying pipe for the upper west to east project.

Attorney's Report

None.

Public Comment

None.

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Other Business

The meeting schedule may go back to meeting at noon on the third Tuesday every month. Mr. Hale is to confirm with the Board noting that the change would take affect starting in June.

Adjournment

There being no further business to come before the Board, the meeting was adjourned at 2:48 p.m.



Secretary