

# RECORD OF PROCEEDINGS

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## MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

### OF THE

### WIDEFIELD WATER AND SANITATION DISTRICT

Held: Tuesday, March 29, 2022, at 12:00 p.m. at 8495 Fontaine Blvd., Colorado Springs, Colorado 80925.

#### **Attendance**

##### Directors in Attendance Were:

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

##### Directors Absent (excused):

Mark Watson, President  
Frank Watson, Secretary/Treasurer

##### Also in Attendance:

Lucas Hale, District Manager  
Kelly Smith, Director of Administrative Services  
Rob Bannister, District Engineer  
Joe Norris, Cockrel Ela Glesne Greher & Ruhland, P.C.  
Member of the public: Jean Smith, Richard Tebow

#### **Call to Order**

Vice President Dunsmoor 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 12:05 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 Mark 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 January 18, 2022 regular meeting. Upon motion duly made, seconded and unanimously carried, the Minutes of such meeting were approved as presented.

## Public Comment

The Board acknowledged Mr. Tebow and approved amending the meeting agenda to allow for Mr. Tebow's public comment to accommodate his schedule. Mr. Tebow addressed the board regarding his monthly wastewater usage being set for 1,500 gallons despite living alone and not using that much water. Mr. Hale explained that the 3-month average and the minimum of 1,500 gallons per customer represents the minimum baseline expenses to the District that are necessary to treat wastewater no matter the amount of wastewater actually treated. The additional charger above 1,500 gallons per month are intended to capture the additional expenses for customers who use more than that amount. Vice President Dunsmoor addressed Mr. Tebow and thanked him for his interest and comment. Mr. Dunsmoor assured him that the Board looks in detail at the rates every year and tries to keep them as low and as reasonable as possible.

## Financial Matters

- Monthly  
Financials:

Mr. Hale reported that cash increased due to the collection of tap fees. The line-item noting "land" reflects the purchase of the Well W-4 site and the Southwest Lot which are now owned by the District. Developer funded CIP decreased by approximately \$2.9 Million due to the District constructing work on behalf of Lorson where they provide the cash to the District up-front for construction of utility improvements. The District is able to control the project but the cash received from Lorson must be accounted for in this way.

Water revenue increased due to the 2022 rate increased and due to growth in the District. Employee gross payroll increased due to a raise for employees effective in 2022. Chemicals increased about \$10,000 due to increased in pricing likely due to COVID impacts. Other income decreased from 2021 in comparison. The large purchase of taps in December of 2021 by Lorson impacted this. Miscellaneous fees showed a significant increase from last year due to the District not charging late fees during 2021 due to the Governor's orders.

**Question from Director Ittner:** Was the entire difference in misc. fees due to late fees?

**Mr. Hale:** Mostly, yes. However, they have adjusted the way these fees are monitored by the District and should be able to more readily differentiate between late fees and other types of fees.

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**Question from Director Dunsmoor:** Are all the District meters remotely readable?

**Mr. Hale:** Yes. Some of the meters use different technology, but they are all remotely recordable.

Upon motion duly made and seconded, and unanimously carried, the Board approved the monthly financials.

## Manager's Report

Mr. Hale reported to the Board that an individual broke into the wastewater plant. The District has increased security measures. Two employees were injured in the prior month, each in separate incidents. Mr. Hale reported that the District is continuing to advertise and seek to fill open positions. Director Mesite suggested looking into the Peterson Air Force base job fair and Mr. Hale agreed. Mr. Hale described a new protocol the District has implemented for email/text notice prior to charging late fees 3-days prior to the charge. They have received increased payments and a positive response from customers so far.

**Question from Director Dunsmoor:** What percentage of customers use ACH for payments?

**Ms. Smith:** Maybe 20 to 30 percent.

- Venetucci  
Abeyance  
Agreement

Mr. Hale reported that Security's treatment plant treated water from the wells but they have had issues since taking over the plant from the Air Force. Security can reportedly treat and deliver roughly 25 acre feet monthly. The proposed abeyance agreement allows Widefield to take some water and adjust for the per-acre-foot rate for PFAS treatment costs when they are known. Upon motion duly made and seconded, and unanimously carried, the Board approved the First Amendment to Abeyance Agreement as presented and authorized the District Manager to execute the same.

- SECWCD  
Representative

Mr. Hale described that Curtis Mitchell has served for some time on the SECWCD Board as the representative for the District's area. The District would like to ratify and reaffirm support for Mr. Mitchell as the representative of the SECWCD Board. Upon motion duly made and seconded, and unanimously carried, the Board approved and ratified the letter recommending Mr. Mitchell as the District's representative on the SECWCD Board.

- AGRA Return  
Flow Agreement

Mr. Hale described the status of negotiations with AGRA for a more formal agreement addressing use of return flows.

- Service to  
Fountain

Mr. Hale explained the City of Fountain request for the District to serve a roughly 17-acre commercial site that would involve connection to a

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Commercial  
Property

Widefield main. Mr. Hale and Mr. Norris have discussed and are working on a master-meter framework for an agreement and further discussion on the matter was had by the Board.

- FVA Water  
Treatment Contract

Mr. Hale described the need for extension of the Fountain Valley Authority Agreement. The current proposal is to extend the agreement for another 50-years and Mr. Hale and Mr. Norris have worked on these agreements. Upon motion duly made and seconded, and unanimously carried, the Board approved extension of the Fountain Valley Authority Treatment Contract, including approval of the Notice of Desire for Continuation of Service as directed by the Board.

## Engineer's Report

Mr. Hale reported on behalf of Mr. Bannister that the Booster Pump Station project bids have been received. The District is in the process of reviewing the bids. There is concern regarding the experience and qualifications to perform this type of project that has significant public health implications. They will be evaluating each response in detail before awarding the bid. Mr. Mesite moved, and Mr. Ittner seconded, a motion to approve awarding the contact up to the maximum bid of \$5.2 Million, subject to staff determination that the lowest bid is from a qualified, responsive, and responsible bidder capable of completing the work. Upon motion duly made and seconded, and unanimously carried, the Board approved the foregoing motion.

## Attorney's Report

Upon motion duly made, seconded and unanimously carried, the Board entered into Executive Session at 1:35 p.m. pursuant to §§ 24-6-402(4)(b) C.R.S., for the Board to receive advice of legal counsel regarding the renewal of the Environmental Services Agreement with the USAF for operation of PFAS treatment facilities. At 1:54 p.m., the Board came out of executive session. No action was taken by the Board during executive session.

Mr. Norris described the proposed renewal of the ESA provided by the Air Force. Upon motion duly made and seconded, and unanimously carried, the Board approved the foregoing motion and renewal of the ESA as presented.

## Other Business

None.

## Adjournment

There being no further business to come before the Board, the meeting was adjourned at 1:56 p.m.

*/s/ Dan Ittner*  
Secretary

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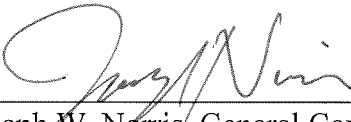
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## Attorney Statement

### REGARDING PRIVILEGED ATTORNEY-CLIENT COMMUNICATION

Pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., I attest that, in my capacity as the attorney representing the Widefield Water and Sanitation District, I attended the executive session meeting of the Widefield Water and Sanitation District convened at approximately 1:54 p.m. on March 29, 2022 for the sole purpose of providing legal advice regarding the renewal of the Environmental Services Agreement with the USAF for operation of PFAS treatment facilities. I further attest it is my opinion that all of the executive session discussion constituted a privileged attorney-client communication as provided by Section 24-6-402(4)(b), C.R.S. and, based on that opinion, no further record, written or electronic, was kept or required to be kept pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S. The Board did not adopt any proposed policy, position, rule, regulation, or take any formal action during the executive session.

By:   
Joseph W. Norris, General Counsel

Dated: 4/19/22

