

MWSD Board Meeting Minutes

February 7, 2017

- 1) Call meeting to order and verify quorum.
 - a. Meeting called to order at 7:02 pm.
 - b. Directors Beley, Carter, Kisner, Wade were inattendance. Director Paris was excused absent. Manager Pfohl was also inattendance.

- 2) Approval of meeting minutes.
 - a. Director Kisner moved to approve the January 17, 2017 meeting minutes. Director Carter seconded and the minutes were approved.

- 3) Treasurer's report.
 - a. Manager Pfohl presented payables of \$41,126.22; Director Beley moved Director Wade seconded and the payables were approved.

- 4) Operations report.
 - a. The December DMR report has been submitted to CDPHE along with a letter explaining the influent exceptions caused by sampling error. The sampling methods have been clarified. The DMR graphs have been updated.
 - b. The ammonia levels have been between 0 and 3 with the new plant, but the December level was 17.3. The operators believe this was caused by running only one-half of the plant while the SBR#1 infeed pump was being repaired. The operators are concerned that the plant may not be capable of meeting the ammonia standard if it operates near its organic capacity. The infeed pumps may need to be upgraded to put more oxygen into the process.
 - c. SBR#1 infeed pump has been repaired and installed. Both trains are now in operation. All infeed pumps are working at this time.
 - d. The operators switched the effluent pumps to troubleshoot low flow through the #1 pump. The #1 pump flow remained low. The #2 pump flow was higher before and after the switch, but it has dropped from 80 when it was new to 50. The operators believe that both pumps need to be replaced and are ordering an upgraded pump.
 - e. The WWTP chemical feed lines that were installed in the concrete have plugged. The operators are installing new lines above grade so that they can be serviced and repaired in the future.
 - f. John has compiled the 2017 water quality testing plan and schedule. The new lead & copper testing at 10 locations are included in the plan. Launa Rae is contacting the property owners to confirm the list of 10 locations for the lead & copper testing. The goal is to submit this list to CDPHE by the end of February.
 - g. There was a main break near Pike View and Leavenworth on January 16th. Saylor & Sons completed the repair that day. A Project Authorization Form has been prepared to capture the cost of this repair project.

- 5) Manager's report.
 - a. Ken reported that the documentation system is fully functional and provided access information to the Board and Attorney.
 - b. Ken presented the 2017 Capital & Expense Project plan for Board Approval. New or revised Project Authorization Forms for the main break, augmentation pond, l&I study, and outside watering were also presented for Board approval.
 - c. Ken presented the final 2016 Capital & Expense Project Plan. This lists the 3 projects actually authorized for completion in 2016.
 - d. Ken presented the January P&L report.
 - e. Ken reported that he attended a SDA webcast on a potential change to the residential assessment rate. The key points are:
 - i. The Gallagher amendment defines how the state legislature sets the annual residential property tax assessment rate.
 - ii. The 2016 rate is 7.96% of the real property value.
 - iii. Due to increases in property values the estimated 2017 rate is 6.56%.
 - iv. The real 2017 rate will not be known until mid-April.
 - v. A lower rate means a lower assessed valuation of the property in MWSD.
 - vi. A lower assessed valuation means lower operating property tax revenue.
 - vii. If the rate is reduced from 7.96% to 6.56% the operating property tax revenue will be reduced by approximately \$17,000.
 - viii. There are two options to offset this loss.
 1. Obtain voter approval to increase the mill levy. This would need to be done during the November 2017 election process.

2. Increase usage fees to offset the \$17,000 loss. This equates to a 3.4% increase in the usage rates.
 - ix. The Board of Directors needs to decide which option to pursue.
 - f. Ken presented options for revising the billing structure for Board consideration as part of the rate and fee increase discussion.
 - g. Ken presented the introduction and job description sections of the Personnel Manual for Board discussion and approval.
 - h. Ken presented a proposed method for evaluating potential outside water use activities and deciding which ones to allow.
 - i. Ken presented a Certification of Delinquent Charges form for lot 27, filing 5 for the Board's signature.
 - j. Ken Presented a Proxy form for the Colorado Rural Water Association for the Board's signature.
- 6) Board actions.
- a. Director Kisner moved to use the existing Rate & Fee billing program. Director Carter seconded motion passed.
 - b. Director Beley moved to approve the 2017 Rate & Fee Schedule proposal A at 5%. Director Kisner seconded and the motion passed.
 - c. Director Beley moved to approve the 2017 Capital & Expense Project Plan. Director Carter seconded and the motion passed.
 - d. Director Kisner moved to approve the Pike View & Leavenworth Main Break Project Authorization Form. Director Beley seconded and the motion passed.
 - e. Director Beley moved to approve the Augmentation Pond Project Authorization Form. Director Wade seconded and the motion passed.
 - f. Director Kisner moved to approve the I&I Study Project Authorization Form. Director Beley seconded and the motion passed.
 - g. Director Wade moved to approve the Outside Water Use Project Authorization Form. Director Beley seconded and the motion passed.
 - h. Director Beley moved to approve the final 2016 Capital & Expense Project Plan. Director Carter seconded and the motion passed.
 - i. Director Beley moved to authorize the President and Secretary to sign the Certification of Delinquent Charges Release. Director Kisner seconded and the motion passed.
 - j. Director Kisner moved to authorize the President to sign the CRWA proxy. Director Carter seconded and the motion passed.
- 7) Documents signed.
- a. January 3, 2017 Board Meeting Minutes.
 - b. January 17, 2017 Board Meeting Minutes.
 - c. KAP Management, LLC professional services agreement.
 - d. 2017 Capital & Expense Project Plan.
 - f. Pike View and Leavenworth Main Break Project Authorization Form.
 - g. Augmentation Pond Project Authorization Form.
 - h. I&I Study Project Authorization Form.
 1. Outside Water Use Project Authorization Form.
 - j. 2016 Capital & Expense Project Authorization Form.
 - k. Certification of Delinquent Charges Release.
 - l. CRWA Proxy.
- 8) Director Beley moved to adjourn at 9:00 pm. Director Wade seconded and the meeting was adjourned.

Andy Carter
Secretary