

## Board Minutes 10/21/2023

1. Call to Order: 5:13pm

*Board present: Ward Holmes, Tom Brossia, Jeff Wagner, Mike Roussin*

*Excused Prior: John Gallup*

*Staff Present: Tim Graham, Chris Moore, Matt Nesbitt*

*Visitors: Beverly- Representing Durango West 2*

2. Approval of the Agenda. *Mike R, Jeff 2<sup>nd</sup> approved.*

3. Approval of 9/21/2023 Meeting Minutes. *Jeff, Tom 2<sup>nd</sup>, approved.*

4. General Managers Report: Administration, Rate Relief, Source, Treatment Water System, Trappers Tank Update.

5. 2024 Draft Budget-- Executive Session per CRS 24-6-2402(4)(e and f)

6. Approval of Bills.

7. Public Comment.

8. Adjourn. 6:32PM

#### 4. Financials, Billing, Insurance, etc.

Water production for September was 6.9 million gallons averaged out to 230,000 gallons per day. The reservoir is projected to be around 812 AF by the end of the October. We are seeing consumption slowing down with the cooler temperatures and have noticed more people turning off their irrigation systems for the cooler fall temperatures. The 2022 audit was finished in early October and took longer than expected because Haynie changed some staff around once we started. The new staff and manger took some time to understand the Authority so they will be more helpful next year during the same process.

Trappers Tank update is that Riley Industrial gave us a quote for \$67,000 to refurbish the tank next June if we give them a deposit of \$25000 in November. Otherwise they will not add us to their schedule next summer and we will be risking a major failure for another year. I looked into renting mobile storage tank trailers and without engineering or install the cost was \$404 per day/ \$147,000 per year. I think the safe bet is to refurbish the tank and gain years(5-8) of life while we juggle the hoops of the state and get a new tank installed preferably with grant money. ***The board discussed the benefits of refurbishing the Trappers tank and the consequences of trying to wait until a new tank was installed. Staff urged the board to approve a refurbishment and showed them pictures of the aging tank. The board weighed the options of a major catastrophe versus spending money to refurbish the tank to gain additional useful years. The board chose to refurbish the tank because the costs associated with an emergency are extremely high and the red tape for installing a new tank are multiple years out. The board agreed that by refurbishing the trappers tank we can hopefully get 5 to 8 years safely out of this older tank and by then we should have a new tank ready to be installed. Matt explained some of the process he learned from the state engineer and was told 2 years of paperwork was to be expected for the new install.***

### **Rate Relief Request.**

The Winters residence at 16 Hutch Lane are requesting rate relief for a leak in their irrigation line that was not noticeable all summer. As they investigated each month they noticed a larger water bill but could not find the leak. The Winters called their landscaper who installed the irrigation system and they found the line had split in half leaving a noticeable mud puddle. The winters are requesting relief since they looked for a leak multiple times and never found anything until it was a major line failure. **Mike R motioned for Tier 1 relief, Jeff 2<sup>nd</sup> ,approved.**

Frank Beebe at 404 N Lakeside Drive had a leak that bubbled up near his driveway so once he noticed the water pooling he had Chris turn off his water and called the plumber. Mr. Beebe is requesting rate relief since he took action as soon as he noticed the leak calling and emailing Chris and Matt to notify the Authority as soon as the water was discovered. **Mike R motioned for Tier 1 relief, Jeff 2<sup>nd</sup> ,approved.**

**Source and Supply:** Dave Marsa received new pressure switches that were needed for the Nighthorse pump so now we are just waiting on the backordered fans for the vfd. Once he gets all the parts installed we can pump from Nighthorse and replace the water that LPWWA has used (17AF). LPWWA has used their allocated amount in lake Durango and we would like to refill the lake this fall and take this off “the to do list”. We are still currently having Bud Smith look into the Three Party Agreement and make corrections that define the operating agreement for the LPWWA raw water conveyance system. The Southern Ute Indian Tribe wants LPWWA and their ORC to operate and maintain the intake structure, booster pump and the 210 pipeline. LDWA is fine with this as long as the maintenance plan is realistic (not overly complicated) and current protocols are in place for this specific booster station. There are ongoing drafts for this plan so once it is in the final stages the board will review and have their say on the matter.

### **Tim and Chris work Performed list-**

Willow removal from Johnson 1 and Amber Reservoir

Ordered chemicals - chlorine and PAC

Submitted Pump proposal to Colorado Record of Approved Water Works (spoke to state engineers, postponed pump install unit their specified approval date.) No date estimated as of now...

We have a meeting with state engineers on Thursday 10/19 about bringing filter # 1 back online and the new pump proposal

Ran filter back wash and multiple clarifier flushes on filter # 1. Filtered to waste to observe turbidity. Spoke to the state about the steps to put it back online. We have a meeting scheduled 10/19

Issues with blower noise at Shenandoah and Lake Durango tanks; researched ways to muffle noise and get fewer complaints

Normal day to day Operations

Removed left over dirt after the west Fork road repair to reduce issues with the Rafter J HOA and homeowners

**Treatment:** The treatment plant is running well and turbidity has mellowed out after the lake turned over. We waited too long to drain amber and its now covered in algae which will clog the filters in the plant so we will drain it next spring with the other runoff from the ditch.

**Distribution:** A homeowner on Panorama Drive called saying that they have 5 interested homeowners serious about a line extension. This group started communicating back in 2020 and were told costs and then backed off the idea. Now the group wants to revisit the idea and get serious about next year. This group was told about the engineering cost plan from 2020 which was \$30,000 and has definitely increased since that time. The group was told to look into costs and excavation companies just to make sure they are still interested in actually completing the line extension. If this group makes progress we will keep the board up to date.

***Board agreed that it would be costly to add a line extension for the 5 to 8 homes on panorama. With current excavation costs being very high but ultimately the value long term would benefit them greatly, Matt stated he would keep them up to date on any progress.***

**5. 2024 Draft Budget---** Possible Executive Session per CRS 24-6-2402(4)(e and f)

Both Durango West 1 and 2 have been notified that we are looking at our draft budget and a rate increase of 5% (Could change or increase). Both have been notified that since our 2022 Audit took longer than expected to complete therefore putting us behind schedule for the rate study. The plan is to send our RFP's in January, pick a firm in February, "have said firm" complete the work 4-6 weeks and have a completed study done in April. Then we will have the ability to use this new study to carry out the rate increase schedule so all parties can plan ahead and budget accordingly. ***Tom motioned to move into executive session Mike R 2<sup>nd</sup>. Motion passes. The discussion covered statutes CRS 24-6-2402 (4) E and F involving personnel and wages from 6:15pm –6:27pm. Ward motioned to end executive session and Jeff 2<sup>nd</sup> (6:27PM). Mike R discussed notifying the residents of the rate increase on the back side of the bill and placing the notification on the website for customers. Matt added that in addition to the website and bill that any customers with an email address associated to their account would get an email notification.***

***Tom Brossia discussed expenses in the draft budget and that we need to keep track and plan for issues in the future with supply chain, specifically chemical orders and parts. All the board members agreed that inflation and current uncertainties in the world are a challenge but we must move forward and treat each issue as it comes. Tom stated that he was really interested in a new rate study and all board members agreed that it was long overdue. Matt sated he would get the RFP ready so it can be sent out in early January.***

**6. Approval of the Bills –** Bill.com report to follow ***Jeff , Tom 2<sup>nd</sup> approved.***

**7. Public Comment.** *Beverly stated she had no official comment but rather thanked everyone for their hard work and thanked everyone at keeping the old system alive. Bev stated she enjoyed learning more about the system and overall how it worked.*

**8. Adjourn.**

*6:32PM-Ward*