

Draft 11/18/21 Minutes

- 1. Call to Order** at 5:16 pm - The meeting was held via Zoom. Directors present: Ward Holmes, Jeff Wagner, Tom Brossia, Chuck Stevens, and Michael Roussin. General Manager Charlie Smith and Renate Widder were also present
- 2. Approval of Agenda** – The agenda was approved.
- 3. Approval of the 10/ 21, 10/ 26, 11/4, and 11/14/21 Minutes** – Tom moved to approve the 10/21, 10/26, 11/4, and 11/14 minutes. Mike 2nd, Approved
- 4. General Managers Report**

Financials, Billing, Insurance, etc.

Balance Sheet and Budget Performance reports for October were reviewed, Rafter J water sales are estimated. YTD Water Sales are \$76,000 above budget, YTD operating expenses are \$15,000 above budget. Electrical expense for operating the TTHM removal equipment at the Lake Durango and Shenandoah tanks was the largest contributor to the operating expense being over budget.

Charlie was contacted by LPC Treasurer Aichele after she had received the Authority's Past Tax Due Notice Letter. She agreed that there wasn't a way that Authority property could be taken and that receiving payment from Robert Johnson was unlikely.

Mike moved to approve the 2021 Audit Engagemnet Letter with Haynie and Co., Tom 2nd, Approved

The draft 2022 Budget was updated. The budget hearing will be held during the December Board meeting. Budget highlights include:

- Water Sales assumes a wetter year with less water sales and premiums.
- Payroll has been adjusted for a new general manager, new water operator, and new administrative assistant at reduced salaries from current wages. Charlie is proposing a wage increase for Tim Graham and a bonus for this year's work. Charlie is currently acting as the on call operator and Tim G. will take over that responsibility in the near future. When there are details for the new GM compensation it can be incorporated into the budget and may also affect the contract services budget.
- Employee benefits have been adjusted to include a \$200/month HSA contribution to all employees, previously only Tim C. and I received the monthly contribution.
- ALP Pipeline Operating Expense assumes pumping 350 af, the amount will be considerably less if the reservoir fills from the La Plata River.
- Apart from the purchase of an additional Solar Bee, the Capital Improvements budget essentially includes the minimum for DOVE compliance and needed repairs.
- 8 new tap sales.
- The budget results in the overall Fund Balance dropping \$130,000.
- The 2011 Rate Study recommended 5% per year rate increases but the rates have remained unchanged since 2017. If there had been a 5% per year rate increase the 2022 rates would be 27.6% higher than current.

Source and Supply –

The Lake volume is approximately 785 acre-feet. The Reservoir projection assumes no La Plata River water in 2021 and 2022. The Solar Bee was serviced on 11/11.

Water was pumped from Nighthorse to Lake Durango from October 26 to November 16. 297 acre-feet of the 300 af purchased from ALPWCD has been pumped this ALP water year (April 1, 2021 – March 31, 2022.) If it appears that no La Plata River water will be available in 2022 the 2022 ALPWCD water purchase should be made in early March 2022 so that the additional 50 af can be pumped in the 2021 water year and then be available again after April 1.

ALPOMR hosted a zoom presentation on previous ALP project water modeling on November 8. BOR modeling and later revisions predict that there could be years with water shortages. The models suggest methods to maximize supply through scheduling of direct flow diversions and diversions to storage. The shortages occur in years similar to 2002-2003 if all project partners are taking their full supply. Also discussed were the revisions to the IGA and language related to the joint storage pool. Russ Howard suggested that an agreement surrounding the joint pool will take many years and that operations should continue as is which would allow LDWA to continue to meet its current demand during drought years with storage and direct flow water rights. Unfortunately another representative resumed arguing IGA language which may have a negative effect on the use of the joint pool for 2022.

Treatment

October water production was 6,313,756 gallons. Clear well draw down tests and continuous pumping tests indicate that the water meter that totalizes flow to the distribution system reads 10% higher than actual. Lake Durango Homeowners have agreed to have repairs made to Lake Durango road pavement. The cost per parcel is \$200.

Distribution

October water sales are approximately 4,346,000 gallons. The leak in the Trappers Crossing tank was repaired. There is a small leak on Deer Trail road. There is pooling water below Ridge Rd., the source of the leak has not been identified.

Water was flushed prior to taking TTHM and HAA5 compliance samples on November 4. Lab analysis has not yet been received.

The person who broke into the Shenandoah pump station returned and left an “offering” at the door to the building. LPC Sheriff was notified. The same person had broken into a nearby home two days earlier and has been charged with criminal trespass.

Charlie has been working with Dave Henry from Harris Water Engineering on the auto flush hydrant project.

Installation of a line extension from South Lakeside Dr. to Hesperado Hills Dr. will begin after Thanksgiving.

Rafter J has sent a draft MOU for the Authority’s input. Renate Widder RJ HOA president said the HOA needs a way to be made aware of new tap sales within the HOA service area.

Other

Tim Cavanaugh’s last day was November 15. Chris Moore was offered and accepted the Water Operator position, he is scheduled to begin work on December 6. There were several applicants for the Administrative Assistant position to replace Alexis, Heather Robertson was the most qualified candidate and seems to be someone who would stay in the position for a long time. She can begin work on November 29.

5. General Manager Hiring Process –

The Board went into Executive Session per CRS 24-6-2402(4)(e and f) – The Board came out of Executive Session and named Doug Carouthers as the sole finalist for the position. Mike will contact Doug to begin negotiations on compensation.

- 6. Approval of Bills** – Mike moved to approve the bills as listed in the Check Detail report and.
Tom 2nd, Approved.
- 7. Public comments or Questions.** There were no customer comments or questions.
- 8. Adjourn.**