

DURANGO WEST METROPOLITAN DISTRICT #2
MINUTES FOR THE REGULAR MEETING
June 19, 2019

- I. Call to Order
President Beverly Lawrence called the meeting to order at 6:05 p.m. Other Board Members present were Directors Dave Crom, Wayne Schrader and Wendell Qualls. Also present: Jane Looney, District Manager; Tyler Whitt, Water Operator; Dave Marsa, Wastewater Operator and Fred Owen, District Accountant. Four residents attended.

- II. The minutes of the May 15, 2019 Regular Meeting were presented for approval. Dave made a motion to accept the minutes as amended. Wayne seconded the motion. Motion carried.

- III. Administration
 - A. Financials
 1. Jane presented the accounts receivable list for May. She received a \$500 check for one of the two large overdue accounts; and expects the rest as closing on that home is this Friday.
 2. Accounts payable were presented for approval. Board Action: Dave motioned to approve. Wendell seconded the motion. Motion carried.
 3. Financials – Financial statements ending May 31, 2019 were presented. The audit will be done by the deadline of July 30, 2019. Jane and Fred expressed frustration with the firm. As this was a transition year with Daveline retiring, Jane and Fred sent information to the new auditors early this year and asked for the audit to be completed early. The auditors provided excuses over the ensuing months. However, Fred trusts they will ultimately get us the completed audit by the next board meeting.
 - B. Water & Wastewater Operations
 1. Water Operations Report: the Board discussed Lake Durango water purchasing and price points as well as cost of well production. Tyler said that there would never be a time when it's cheaper to purchase water vs producing our own. Jane will provide the Board with the LDWA Rate Resolution and chart she did looking at cost per 1000 gallons factoring in the acquisition and royalty fee. Wayne volunteered to attend the next LDWA meeting. He would like to better understand the effect of volatile usage and see whether they would be willing to adjust our acquisition fee and other charges. The board looked at water loss over 12 months and the past few months. Tyler believes the service line break at Pine Ridge Loop condos was the culprit of previous unexplained water loss. Jane will send water production spreadsheet to Wayne to review and check formulas for accuracy. The board asked about the accuracy of gallons used when filling the pond or flushing hydrants. Tyler said the pond filling is accurate through a meter; but the hydrant flushing is not.
The Board asked Tyler about a long-term maintenance plan. He said valve exercising program every year (24-36 valves); and has identified six valves to be replaced with three prioritized for this year. The Board

asked him to send a complete estimate for this project. In addition to quarterly water storage tank inspections, we conduct a comprehensive inspection every five years. The last inspection resulted in rebuilding the smaller tank, replacing the roof and painting it. He said that the million-gallon tank had no maintenance issues at that time.

The Board discussed Tyler's contract and proposed new base rate, hourly and emergency hourly rates. Wayne asked how much time Tyler was saving with the new meter system. He estimated 6-7 hours. When asked how he keeps track of state requirements, Tyler said through the monitoring schedule. Beverly suggested attaching the schedule to his contract. The Board asked him to define what constitutes an emergency. Tyler responded, basically anything to get the water back up and running. Wayne will look at 2017 and 2018 "emergency repairs" to see how much this might cost the district in the future. Beverly asked about daytime vs nighttime emergency rate. Tyler would accept \$100 during daytime hours 8-6. Wayne wants to look at all numbers and quantify it before agreeing to new rates. If the Board does not approve his rate increase retroactive to January, Tyler would calculate what he did outside of his base contract and charge for them. Wendell made a motion to approve an additional \$2500 to Tyler as a good faith action in negotiating his contract. Dave seconded. The motion passed.

2. Meter Upgrade Report: Tyler will begin on the ten outside meter pits. Jane will place door hangers on those residents we have not contact info for.
3. Wastewater Report: An airline piece of the aerator came apart in Cell 1. Lemna fixed it quickly under warranty. Dave Marsa will put together cost projection for the plant operation. Jane will contact Leeder regarding when repairing dams at WWTP is scheduled. The violation issued by the state has been corrected. They received SGM's report.

C. Roads and Open Space

1. Discuss Tennis Court - Beverly suggested waiting until next budget year to discuss repairing further. This year's budget does not have enough funding to adequately address repair to cracks that would last more than a year and the Board doesn't want to do a single year fix. The Board would like to conduct a survey at some point to gauge the number of users.
2. Road 2019 Projects Update – There are several major projects still to complete including the Aspen/Spruce intersection repair and replace.

D. Business

1. Water Tap Inquiry – the Board considered the request for water service from a person who's looking to build a home in Durango Ridge. The Board decided not to grant the request.
2. Pine Ridge Loop Resident letter – the Board discussed the letter and response. Beverly will send a response to the resident.
3. Unmetered Water –The Oak Drive unmetered hose bib has been corrected by the homeowner. Tyler needs to verify it. The Pine Ridge Loop condos do not have as many unmetered hose bibs as Tyler first suspected. The Board directed Tyler to ask the PRL resident with the unmetered hose bib to get it

corrected by a plumber. It also approved him running the outside of each hose bib at the condo units to verify there are no other unmetered ones at the condos on both sides of the street. He estimated it would take four hours.

4. Increased Rate and Base Water Reduction Special Meeting – Jane mailed out the Board letter and meeting notification to all residents on June 14th. Wayne will work on a bulleted information sheet.
5. Discuss Open Burn Prohibition – Jane found out from Fire Marshall Karola Hanks that she needs written direction from DW2 that it prohibits open burning in order to be able to deny permits. Beverly discussed a district resolution with Bud who expressed his reluctance seeing this as a district issue. She would like to proceed with a resolution prohibiting open burning because of residents’ proximity to district open space, density of houses, and common dry, hot conditions. The Board agreed to start the resolution process and also said we need to define what open burning is and how it covers fire pits, etc.
6. Lake Durango Water update – since we do not have Ward at the meeting to update us, Beverly asked Jane to email LDWA board minutes. Jane emailed letter to LDWA requesting a re-averaging of monthly use due to LDWA water problem last fall.
7. Other District Correspondence: mulch program; chipping rebate; fire hazard home on corner of Willow; slash by streets; ATV on streets and on trailer; trash cans outside; smell at WWTP
8. Newsletter items: special meeting

IV. Adjournment

The meeting was adjourned at 9:20 p.m.

Jane Looney, District Manager / Secretary