

DURANGO WEST METROPOLITAN DISTRICT #2
MINUTES FOR THE REGULAR MEETING
July 20, 2016

- I. Call to Order
President Ward Holmes called the meeting to order at 7:00 p.m. Other Board Members present were Directors Beverly Lawrence and Ray Schmudde and later, Micah Looney. Also present: Jane Looney, District Manager; District Accountant Fred Owen; and Tyler Whitt, District Water/Wastewater Operator; and Kevin Utt and Jeff Fink with Cedar Networks.

- II. The minutes of the June 15, 2016 Regular Meeting were presented for approval. Beverly made a motion to accept the minutes as amended. Ray seconded the motion. Motion carried.

- III. Administration
 - A. Financials
 1. Jane presented the accounts receivable list. We sent a certified letter to a PRL resident. After receiving no response, we began the shut-off process. However Tyler said he couldn't do a shut off in the condos as it would cause all condo residents to lose water. Tyler would need a Sheriff and 2-3 hours off plumbing to rig up a system to shut off water only to one unit. Bud filed a lien and sent resident a letter.
 2. Accounts payable were presented for approval. Board Action: Beverly motioned to approve with the exception of a check for Workhorse Unlimited. Ray seconded the motion. Motion carried.
 3. Financial statements ending May 31, 2016 were presented. We received a 60 day extension on the audit. Fred and Jane have submitted everything they need to.

 - B. Water & Wastewater Operations
 1. Water Operations Report: Well 6 is off a bit. Well 5 is dropping off but still better than last year. We are using Lake Durango water at a rate of 15 gallons a minute now. Tyler will start process of draining the small tank to make sure it's ready for the roof install and paint job. It will take a couple weeks to drain. Irrigation system is back on near the well. Three of ten trees DW2 planted didn't make it over the winter. Does Board want to replace 3? No response. Tyler will cut the trees down. We had a water service line break on top of PRL from the Charter Cable work. They did repair. Water was out just two hours. Tyler will call Charter to see how they want to cover labor expenses from Tyler and his workers.
 2. Wastewater Report: Cell 3 liner is installed. There is a question about whether we should upgrade to a new technology for blower/diffuser - Tyler wanted direction from Board before reinstalling. Board inquired about time frame and cost. Tyler will ask Cap for his assessment and find out actual costs, then notify the Board to get approval before

proceeding. We can do a less expensive form of sludge removal for Cell 2 by pumping it into Cell 1. Then we only have to do sludge removal in Cell 1 which could save some of the \$25,000 budgeted for sludge removal for Cell 2. Tyler is hoping to get Cell 2 drained and liner replaced this fall. Tyler submitted information on a custom Zircon storage unit. Ward questioned the need for a custom Zircon as a variety of brackets are available for installation to accomplish the same thing. Tyler responded that our needs include: pipe racks, shelves and big enough door. He will look into whether the standard setup would be adequate with the additional brackets he could add.

3. Moving forward on other Wastewater Plant improvement projects, the installation of new fences and gates, construction of a building around the bar screen equipment, and the addition of flow monitoring equipment need to be contracted out. Tyler will check into contractors for fence and flow equipment; bar screen building may need to be part of RFQ.
4. Update on EIAF Grant/ WWTP project: Bud and Jane are working on RFQ. Would new engineer be responsible for non-grant WW plant improvement projects as well? Ward said yes. Jane submitted the Extension Request Letter and received an email with questions. Need progress report from Tyler to answer those.
5. Public education for lead and copper in drinking water.

C. Roads

1. 2016 Summer Road Work is complete
2. Street signage – A&B 30/sign painting. Micah brought up installing speed humps along Aspen Drive. Ward said that in the past, the District polled residents about putting them on Aspen, Oak and Fir Drives. Resident reaction was not favorable. Also, Ward said that Matt didn't like them as they would interfere with snow removal. Beverly reported that other subdivisions such as Edgemont Ranch go through this issue periodically as well. Jane will ask Matt about humps vs bumps to see if humps are any better in winter. She will also check with sheriff regarding distances between signage. Beverly suggested calling Russell engineering. However, they would charge to consult on that.
3. Spring Street Sweeping – several streets did not appear like they had been completely done. Workhorse is aware of the situation. The Board said they can't pay until work is done.

D. Business

1. Cedar Networks proposal and licensure: They are proposing to upgrade the subdivision to high speed, high band-width fiber optic in three phases. They have a customer at 1242 Oak Drive requesting upgrade. First phase would entail extending fiber from trunk on Oak near playground and go behind nine homes to get to the resident. Phase 2 is to extend fiber around central greenbelt and provide to all homes around it. Phase 3 would be to extend it to the rest of subdivision. Are there utility maps? Tyler reported that

Charter/Aperion found very saturated easements. They did not use easements in streets. Cedar has been doing fiber downtown and this is their first attempt to look at a subdivision. Beverly asked what project did they do here before. Cedar ran copper lines in 2002-03 and in 2014 brought a fiber line into DW2 from DW1 which they plan to tap into now. Board asked about timeline. Phase 1 will take a month. It is an experiment so the results will define the schedule for additional phases. Board asked Cedar Networks to individually notify residents involved. They would go 2-3 feet deep in most areas. Our water lines are 6-8 feet deep. Ray requested that they stay in utility easements as much as possible which is within 7.5 feet of people's back property lines. If issues with Phase 1 or 2, can re-visit. Beverly motion to accept this licensure agreement. Ray seconded. Motion passed. Ward signed the licensure agreement along with Jeff Fink from Cedar.

2. Resolution 2016-06 updating Delinquent Fee and Collection policy and procedures. Ray is going to edit the resolution for discussion and possible signing at our next meeting.
3. Pond Signage: Board reviewed legal counsel's statements. The Board chose to take no action at this time.
4. Mosquito Abatement Options: A resident asked the Board to reconsider last board meeting's decision to not spray the entire subdivision. Board expressed concerns about people getting sick from spray. Beverly said that spraying is inappropriate and recommended further education about eliminating standing water on residents' property. Also, spraying doesn't prevent mosquitos from coming back. Per discussion last meeting, Jane researched options for pond(s) abatement. She presented Animas Mosquito Control's contract/fee. Beverly motioned to accept the contract. Micah seconded. Motion passed.
5. Algae issue in pond and options for reducing: We already own about 20 gallons of a product to destroy algae. And it's safe after 24 hours, according to label. There was discussion of the size of the pond. Tyler believes it's at least a couple of acres. We will try a third of the pond first. Tyler will check with Jane on scheduling so she can post signage during the treatment.
6. Lake Durango Update: Ward reported the lake is at 960 feet. They received five bids – all are still about half million dollars over. La Plata West might come up with grant. 95 people have signed up for water taps already which cost \$15,000 each and those could ultimately fund that overage.
7. Hutchinson letter – They have taps across Highway 160. Bud is writing a letter that acknowledges they do have taps but need to deal with Lake Durango in terms of receiving actual water service.

8. Other District correspondence: Water overages – 10 over 15,000; many at 10,000 and over; trash cans being left out are a bear issue again.
9. Newsletter items: bears and trash cans; water restrictions and overages; trails; speeding; mosquito prevention including making sure your crawl space and sump pump discharge into a positive drainage area so that it's not creating a bog; Cedar Network project heads up.

IV. Adjournment

The meeting was adjourned at 8:50 p.m.

Jane Looney, District Manager / Secretary