

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
FOUNTAIN SANITATION DISTRICT**

May 11, 2022

Opening:

Mr. Christian called the regular meeting of the Board of Directors of the Fountain Sanitation District to order at 5:30 p.m. on May 11, 2022.

Directors Present:

Mr. Christian
Dr. Durbin
Mr. Holtz
Mr. Blankenship
Mr. Thomas

Also In Attendance:

District Manager Jim Heckman
Office Administrator Cindy Murray
District Engineer Jonathan Moore
Consulting Engineer Roger Sams
Attorney Scott Johnson *via telephone*

Guests in attendance: None

A. Oaths

Board President Carl Christian administered the Oath of Office to the newly elected Board Members, Dr. Durbin, Mr. Holtz and Mr. Blankenship. Each of the Directors had been deemed elected as there were no other candidates for the open positions on the Board.

B. Reorganization of the Board

1. Mr. Christian opened nominations for President of the Board of Directors. Dr. Durbin nominated Mr. Christian for President of the Board of Directors. Mr. Thomas seconded the nomination. With no other nominations, Mr. Christian closed the nominations for President.
2. Mr. Christian opened the nominations for Vice-President of the Board of Directors. Mr. Thomas nominated Dr. Durbin for Vice-President of the Board of Directors. Mr. Blankenship seconded the nomination. With no other nominations, Mr. Christian closed the nominations for Vice-President.
3. Mr. Christian opened the nominations for Treasurer of the Board of Directors. Mr. Thomas nominated Larry Holtz for Treasurer of the Board of Directors. Mr. Christian seconded the nomination. With no other nominations, Mr. Christian closed the nominations for Treasurer.

At this time, Mr. Christian made a motion to approve and appoint the nominated Board positions. Second by Mr. Holtz. Motion carried.

4. Mr. Thomas made a motion to affirm Mr. Heckman's position as Secretary to the Board of Directors. Second by Mr. Blankenship. Motion carried. This is a non-voting position.
5. Discussion was held on appointing three Board members as representatives on the Lower Fountain Metropolitan Sewage Disposal District (LFMASDD) Board of Directors. Mr. Thomas made a motion to appoint Charles Durbin, Carl Christian and Dan Blankenship as the representatives of the Fountain Sanitation District to serve as Directors of the Lower

Fountain Metropolitan Sewage Disposal District (LFMSDD) and appoint Larry Holtz as the District’s alternate representative to the Board of Directors of the LFMSDD. Second by Dr. Durbin. Motion carried.

C. Approval of Minutes

Mr. Holtz made a motion to approve the regular meeting minutes of April 13, 2022. Second by Mr. Thomas. Motion carried.

B. Approval of Bills

Dr. Durbin made a motion to approve the bills for April 2022 for payment. Second by Mr. Blankenship. Motion carried.

*The Board reviewed the financial statements for April 2022 at this time with no questions or comments.

C. Special Business –

1. The Board was presented with a Petition for Inclusion for 411 Fountain Mesa Road. Mr. Moore presented the Board with a map of the lots. Ms. Murray stated that the public notice has been published. Mr. Blankenship made a motion to approve the Petition for Inclusion for 411 Fountain Mesa Road. Second by Dr. Durbin. Motion carried. Ms. Murray will submit the documents to the attorney for submittal to the Courts.
2. At this time, Mr. Christian opened the meeting for discussion on the proposed amendment to Resolution No. 2021-04. Mr. Heckman reported that this amendment is specific to those areas that are proposed to be included in the City of Colorado Springs Incorporated boundaries and will be served by their utilities. The easiest and most efficient way was to have GMS, Inc. (Roger Sams) complete a supplement to the existing 2019 Plant Investment Fee (PIF) Rate Study. The only change to the Resolution will be the added PIF/tap fee rates for Colorado Springs. Mr. Heckman stated that it will not take effect until June 3, 2022, to meet the 30-day notice requirements. Discussion followed. Mr. Thomas made a motion to approve the proposed amendments to Resolution No. 2021-04 with an effective date of June 3, 2022. Seconded by Dr. Durbin. Motion carried.

D. General Business –

1. District Engineer Jonathan Moore reported on the Wilson Road Sanitary Replacement Project. This project consists of replacing approximately 800-feet of 12-inch sanitary main in Wilson Road. He reported that they had an onsite preconstruction meeting. They will begin the project on May 23, 2022, and it should take about two weeks to complete. He will keep the Board updated.
- ✓ District Engineer Jonathan Moore reported the Illinois Avenue sanitary realignment project (railroad) is currently on hold. He stated that with the help of attorney Scott Johnson, some revisions to the license agreement were and sent it back to the railroad’s legal department. He was told that it would be approximately 2-3 months before the District would receive any feedback. Discussion followed.

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- ✓ He reported that they are in the design process for the sanitary sewer main realignment for the flows coming from Chancellor’s trailer park. The proposed alignment would start at the Magellan Pipeline Fueling Station going south on the RJCII Facility property along lagoon No. 6. This would eliminate the need for the current Plant lift station. Attorney Scott Johnson’s office reviewed a prescriptive vacation easement agreement that he has sent on to Magellan for their approval and execution. He stated that because of continuing volatility with cost increases on PVC pipe, staff pre-purchased the pipe material and will store it at the RJCII facility until it is needed. They ordered roughly 1300’ of 12” PVC SDR35 pipe for \$31,000. He will keep the Board informed.
- 2. Consulting Engineer Roger Sams reported that most of his time has been spent on preparing/refining the supplement PIF/tap fee rate for those areas within the District’s planned service area that may be served Colorado Springs Utilities.
- 3. Attorney Scott Johnson reported that Pat Hrbacek with his firm has been working with Ms. Murray on the Petition for Inclusion for 411 Fountain Mesa Road and will be helping the District with any future petitions. He reported on helping with the prescriptive vacation easement for Mr. Moore.
- 4. District Manager Jim Heckman reported on the following items:
 - ✓ He reported that he received a call from Brian Whitehead with CSU earlier in the day concerning the draft Wholesale Wastewater Management Provider agreement. Mr. Whitehead informed him that he should receive a draft by the end of the week. Mr. Heckman also reported the Mr. Whitehead also asked about the possibility of the District selling capacity for anticipated taps for the Amara development. He advised Mr. Whitehead that decision would be at the Board’s discretion, and he would have to discuss the pros/cons with District Engineer Jonathan Moore to determine if the idea of selling any capacity would be worth a Board presentation.
 - ✓ He reported that he attended the April 26th City of Fountain Council meeting to inform Council that the District did have an opportunity to meet with both the LaPlata and CSU representatives. He informed Council about the intent letter the District received to be the Wholesale Wastewater Management provider for Amara and potentially the Kane Ranch. He was asked if the District was satisfied that LaPlata met the required notification process, which he stated the District was. He thanked the Council for allowing the District the opportunity to discuss the potential impacts to the District from the proposed developments. He also reported that the City Council voted against the LaPlata disconnection from the City of Fountain request although in a meeting after the vote with LaPlata and CSU they continued to discuss the Kane Ranch as if it was going to be in Colorado Springs. He will keep the Board informed.
 - ✓ He reported that they continue to prepare for the 2021 Financial Audit. A Board presentation of the audit findings is tentatively set for the June 8th regular meeting of the Board. A pre-audit communication letter was received earlier in the day and has been provided to the Board. No comments from the Board were noted.

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- ✓ The District will be hosting the Front Range 2022 SDA Regional Workshop which is scheduled for June 20th at the District office. Four FSD Board members will be attending and total expected attendance for the workshop is 65 to 70.
- ✓ They continue to work on updating the LFMSDD Service Agreement, i.e., clarification on capacity ownership, terms, and terminology, etc. He has been working with Mr. Testa on several items. They have found some additional historical documents that may help with the history of how and why there is current listed discrepancy of CCMD's capacity ownership. He will keep the Board informed.
- District Manager Jim Heckman reported on the following RJCII Facility items:
 - ✓ Mr. Heckman reported that Denali Water has finished hauling the stored biosolids.
 - ✓ The damage at the entrance gate has been completed. The District's insurance has started the subrogation against the driver's insurance to recover the District's \$2,500 deductible.
 - ✓ Clarifier #2 was taken offline to perform the annual maintenance and deep cleaning.
 - ✓ The 4'x32' Richard J. Christian II facility sign on the west side of the operations building is being replaced; it is looking rough and is over 10-years old.
- District Manager Jim Heckman reported on the following Collection System items:
 - ✓ He reported that one of the pumps failed at the Little Ranches Lift Station. Tim Long is getting current pricing and lead time for a replacement. He anticipates the price to be much higher than the last unit purchased in 2019 and a longer lead time.
 - ✓ Both vaccon units will be going in for their annual emissions test this week.
 - ✓ Two tires were also replaced on each of the vaccon units.
- District Manager Jim Heckman reported on the following HDT facility items:
 - ✓ Staff will start to video inspect the LFMSDD main interceptor across JV Ranches which is out of sequence, but they have a limited time between when the fields are irrigated to complete the needed inspection.
 - ✓ They continue to have ongoing issues with the grit washer and press. The representatives were on-site to troubleshoot. They made several adjustments and confirmed that the screw assembly replaced by staff was completed and done correctly. Although it was pricey to fly the representatives out to Colorado, staff believes it was well worth the cost for the onsite visit. The unit is currently working as it should.
 - ✓ Internet service at the HDT facility has been a struggle since it was built. They have switched to Broadsky with an antenna on the operator building and the speeds along with the reliability have increased. There is a noticeable response difference with the SCADA programming and security cameras. They are looking into switching the phones to Voice Over IP (VOIP) and dropping Century Link altogether.
 - ✓ He reported that the BNR project is still a work in progress. First couple weeks were fine, and this week has been a struggle. They are waiting on some probe parts from the manufacturer to complete the instrumentation installation for recording and control.
- District Manager Jim Heckman reported on the following maintenance items:

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- ✓ Staff completed 10 residential sanitary inspections and 2 point repairs since last month.
- ✓ Staff completed 196 locates in March.
- ✓ Staff completed 154 service orders this month.

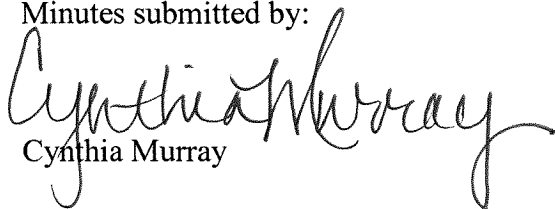
E. New Business – None

F. Other Business – None

Adjournment:

Dr. Durbin made a motion to adjourn the meeting at 6:19 pm. Second by Mr. Thomas. Motion carried. The next regular meeting will be at 5:30 pm. on May 11, 2022.

Minutes submitted by:


Cynthia Murray