

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

**May 10, 2023**

**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 10, 2023.

**Directors Present:**

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

**Also In Attendance:**

District Manager Jim Heckman  
Office Administrator Cindy Murray  
Asst. District Manager Jonathan Moore  
Consulting Engineer Roger Sams

**Guests in attendance:** None

**A. Oaths**

District Administrator Cindy Murray administered the Oath of Office to the newly elected Board Members, Carl Christian, Phil Thomas and Dan 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 Board Member positions; President, Vice-President, Treasurer and Secretary to the Board (non-voting).
2. Mr. Thomas made a motion keep all members in their currently held office positions:
  - President – Carl Christian
  - Vice President – Dr. Durbin
  - Treasurer - Larry Holtz
  - Director - Phil Thomas
  - Director - Dan Blankenship
  
  - Secretary to the Board (non-voting) – James Heckman

Mr. Christian closed the nominations. Dr. Durbin seconded the motion made by Mr. Thomas. Motion carried.

3. Discussion was held on appointing three Board members as representatives on the Lower Fountain Metropolitan Sewage Disposal District (LFMSDD) 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 LFMSDD and appoint Larry Holtz as the District's alternate representative to the Board of Directors of the LFMSDD. Second by Mr. Blankenship. Motion carried.

**C. Approval of Minutes**

Dr. Durbin made a motion to approve the regular meeting minutes of April 12, 2023. Second by Mr. Holtz. Motion carried.

**D. Approval of Bills**

Dr. Durbin made a motion to approve the bills for April 2023 for payment. Second by Mr. Blankenship. Motion carried.

\*The Board reviewed the financial statements for April 2023 at this time with no questions or comments.

**C. Special Business –**

1. The Board was presented with Payment Application No. 1-Final from KR Swerdfeger Construction, LLC. in the amount of \$402,247.00 for the BNSF Railroad/Indiana Crossing Sanitary Sewer Realignment project. Mr. Moore stated that the project is complete. The final payment notice was posted as required in the Gazette and staff is recommending approval. Mr. Blankenship made a motion to approve Payment Application No. 1-Final to KR Swerdfeger Construction, LLC. In the amount of \$402,247.00 for the BNSF Railroad /Indiana Crossing Sanitary Sewer Realignment Project. Second by Mr. Holtz. Motion carried.
2. The Board was presented with Resolution No. 2023-04, a Resolution Authorizing Purchase of Real Property (Lot 2, Subdivision Filing No. 2, City of Fountain, County of El Paso, State of Colorado, AKA 11521 Link Rd., Fountain CO 80817 from LaGree’s Investments, LLC. (Seller) to Fountain Sanitation District (Buyer) in the amount of \$306,194.00. Mr. Heckman reported that the Closing is scheduled for Friday, May 12, 2023, at 8 a.m. He stated this purchase was not anticipated or budgeted for and might necessitate a supplemental appropriation to the 2023 budget. Mr. Holtz made a motion to approve Resolution No. 2023-04 Authorizing Purchase of Real Property (Lot 2, Subdivision Filing No. 2, City of Fountain, County of El Paso, State of Colorado, AKA 11521 Link Rd., Fountain CO 80817 from LaGree’s Investments, LLC. (Seller) to Fountain Sanitation District (Buyer) in the amount of \$306,194.00. Second by Mr. Thomas. Motion carried. The purchase amount of \$306,194.00 will be wired to the title company before the closing date.
3. The Board was presented with the final draft of the 2023 Financial Reserve Guidance Policy for consideration of approval. Mr. Heckman stated all comments have been incorporated and it stands ready for approval. Mr. Blankenship stated that he believes that this is a healthy guidance policy, and it ensures that there are appropriate funds to address any planned and unknown issues moving forward. Mr. Blankenship made a motion to approve the 2023 Financial Reserve Guidance Policy. Seconded by Dr. Durbin. Motion carried.

**D. General Business –**

1. Assistant District Manager Jonathan Moore reported that bids for replacing approximately 700’ of sanitary sewer main on Calle Entrada have been posted. The bids are due on June 9, 2023. He will keep the Board updated.

## Meeting Minutes –May 10, 2023

- He reported that they are currently getting bids for the maintenance and upkeep on seal coating and asphalt repairs at the District Administration offices, RJCII facility and the HDT facility. He is anticipating getting those bids within the next two weeks.
- 2. Consulting Engineer Roger Sams reported that the WQCD completed the rulemaking hearing for Regulation #85 and #31 and #32-38, Nutrients Management Control Regulation, Basic Standards and Methodologies for Surface Water, and Classifications Numeric Standards. The final version was sent to the WQCC for consideration of approval at their May meeting. He reported that a number of the issues were brought to the WQCD staff before the hearing and about half of them were resolved. The WQCC Board agreed with the Division on the remaining issues and the net result will have the potential for more strict effluent limits for both facilities. He believes the District was well represented through AFCURE. He also reported that the rulemaking hearing for Regulation #31 and #33, The Basic Standards and Methodologies for Surface Water and Classifications and Numeric Standards has been rescheduled for June 10, 2024, which will possibly push the District's current discharge permit renewal out to 2027. He also discussed the WQCD's presentation to the Board on their 10-year road map. He will keep the Board updated.
- 3. District Manager James Heckman reported on the LFMSDD Updated Service Agreement. All voting members have submitted an executed copy. They finally connected with Sheila Venezia's son, Dean, who indicated that his mom is having medical issues and will make sure to get the agreement signed.
- Mr. Heckman reported on some HDT items:
  - They are having some DO probe issues in the aeration basin. The probe keeps dropping communication to the PLC which is causing a blower/air consistency problem.
  - They are having some operational problems with the domestic wet well and waiting on a repair part.
  - The HOA controller for the potable water Cistern tank failed and also are waiting on the delivery of a repair part.
- They continue to work through the cyber audit of the District's systems. The auditor has requested some additional information and documentation before completing the final report.
- He reported that a contract with RH Borden for two real time flow monitors has been signed. This will allow the District to have a better understanding of the diurnal flows from different sections of the system and mitigate potential sewage backup. LFMSDD will also have one monitor to track their diurnal flows as well.
- He reported that they have been experiencing more than expected pump failures at the Race Street Lift Station due to heavy duty wipes and rags. He sent out a letter to all the properties connected to the lift station explaining that the costs for maintenance, repair and/or replacement of pumps will ultimately go back to the homeowners. Discussion followed on possible ways to mitigate the rags and enforce penalties.

Meeting Minutes –May 10, 2023

- They will be hauling sludge from RJCII in the next couple of weeks so the recently purchased front end loader will be put into use.
- Mr. Heckman reported that they are looking into the cost of replacing the natural sod grass in the front of the District Administration offices with artificial turf grass. Some of the sections died over the winter and they noticed grub infestation in some of the areas. They are soliciting bids and will report back to the Board.

**E. New Business –**

1. Ms. Murray requested the Board ratify the following transfers:

- ✓ \$525,815 from the United Business Bank Checking account to the CSAFE -FSD account on March 16, 2023,
- ✓ \$150,000 from the United Business Bank Checking account to the Colotrust Renewal and Replacement account on March 16, 2023,
- ✓ \$150,000 from the United Business Bank Checking account to the Community Banks of Colorado Payroll account on April 25, 2023,
- ✓ \$430,000 from the United Business Bank Tap Fee account to the CSAFE-FSD account on April 26, 2023,
- ✓ \$160,000 from the United Business Bank Tap Fee account to the CSAFE-JCC/Operations and Maintenance account on April 26, 2023,
- ✓ \$273,500 from the United Business Bank Tap Fee account to the CSAFE-JCC/LFMSDD account on April 26, 2023,
- ✓ \$5,000 from the United Business Bank Tap Fee account to the CSAFE-JCC/Emergency account on April 26, 2023,
- ✓ \$12,500 from the United Business Bank Tap Fee account to the Colotrust Emergency account on April 26, 2023.
- ✓ \$2,000 from the United Business Bank Tap Fee account to the Colotrust Contingency account on April 26, 2023, and
- ✓ \$213,000 from the United Business Bank Tap Fee account to the Colotrust Replacement and Renewal account on April 26, 2023.

These transfers were to update the reserve accounts. Dr. Durbin made a motion to ratify the transfers. Second by Mr. Holtz. Motion carried.

2. Mr. Heckman requested the Board ratify the purchase of a replacement computer for the Operator’s station at the RJCII facility in the amount of \$1,293.35 payable to Frontier IT on May 8<sup>th</sup> on the credit card. Mr. Thomas made a motion to ratify the purchase. Second by Mr. Holtz. Motion carried.

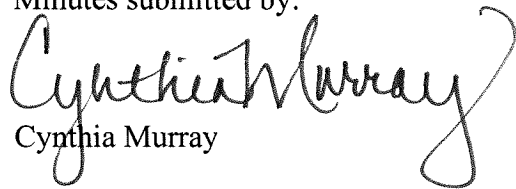
**F. Other Business –**

1. Mr. Christian reported that he signed up for the Mount View Electric’s annual meeting on June 8<sup>th</sup> and stated that Mr. Heckman or Mr. Moore should attend also to inquire about the buy back situation if solar panels were to be installed. Brief discussion followed.

**Adjournment:**

Dr. Durbin made a motion to adjourn the meeting at 6:04 pm. Second by Mr. Holtz. Motion carried. The next regular meeting will be at 5:30 pm. on June 14, 2023.

Minutes submitted by:

  
Cynthia Murray