

**MINUTES
BOARD OF DIRECTORS
SOUTH DURANGO SANITATION DISTRICT**

The regular meeting of the Board of Directors of the South Durango Sanitation District was held on June 27, 2019 at 6:00 p.m. at the 175 Mercado Street, Suite 240, Durango, Colorado.

Present at the meeting were the following members of the Board of Directors:

Curt Piccoli
Pat Morrissey
Tom Price
Bud Gohn

Also present were Nic Ionita, Doug Davis, Dave Marsa, Rick Johnson and Bud Smith.

The Board reviewed and approved payment of the District invoices.

The Board reviewed the June 2019 financial statements of the District. Attorney Smith reported that District cash is in excess of \$1,000,000. Operating expenditures are generally within budgeted amounts. The Board approved the financial statements.

The Board reviewed the minutes of June 27, 2019. On motion duly made and seconded the minutes were approved.

Attorney Smith reviewed the developer reimbursement. The Board discussed the fees for the Volunteers of America project. On motion duly made and seconded, the Board authorized a waiver of 25% of the fees.

Dave presented the monthly report. The wiring harness at the River Oaks lift station needs to be replaced. There was a discussion of effluent quantity. Ammonia remains within limits although it could be reduced. There was a discussion about acquiring testing equipment to allow regular testing of influent so adjustments can be made to increase plant performance.

Nic reported on sludge processing. There have been minor equipment issues but still processing 2-3 containers per week. There has been a total of 522,000 pounds of sludge removed in 2019. The level of cell 2 is noticeably lower.

Rick Johnson provided an update on various projects. Rick reported that work continues on the master plan which will include development of costs for plant maintenance and upgrades to be included in future budgets. Rick recommended that the District make needed improvements to the headworks using the capital funds allocated this year on projects that will not be completed. Rick will prepare the necessary documents for bidding the project this fall.

The President opened the public hearing on consideration of rate increases. Attorney Smith advised the Board that notice of the hearing had been posted on the District website more than 30 days prior to the meeting as required by statute. The Board reviewed the recommendations for

**MINUTES
BOARD OF DIRECTORS
SOUTH DURANGO SANITATION DISTRICT**

July 18, 2019

Page 2

increasing both user and tap fees. It was also noted that no increases had been approved for several years. On motion duly made and seconded, the Board approved Resolution No. 2019 – 4. Attorney Smith was directed to prepare a newsletter advising District customers of the increase.

Attorney Smith presented budget information on estimated expenses associated with hiring a District manager. After discussion of the potential expenses, the Board agreed to table the hiring of a district manager until additional budget information is developed. Staff will prepare an updated financial model which includes the newly approved fees and estimated budget impacts for hiring a manager to be reviewed by the Board prior to the development of the 2020 budget.

Attorney Smith reported that he had received an email from La Plata County planning about the adoption of 1041 regulations. The regulations are lengthy and detailed, but the District could be required to spend additional sums preparing submittals for line extension and plant expansions to comply with the regulations. Attorney Smith will submit comments about the impact of the proposed regulations.

There being no further business to come before the Board, the meeting was adjourned.