

**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 February 18, 2021 at 6:00 p.m. via teleconference.

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

Curt Piccoli
Pat Morrissey
Judy Campbell
Tom Price
Bud Gohn

Also present were Dave Marsa, Nic Ionita, Doug Davis, Stephan Kimball, and Bud Smith.

The Board reviewed and approved payment of the District invoices.

The Board reviewed the January 2021 financial statements of the District. Attorney Smith recommended transferring the balance of the CD at Community Bank to the capital reserve after the final payment on the lease purchase on March 15, 2021.

A draft of the audit has been prepared and provided to the Board for review. Final review and approval will be on the March agenda.

The meeting was opened for comment on the proposed rate increase. Attorney Smith advised the Board that notice of consideration of a rate increase at the February meeting of the Board had been posted on the District website. No comments were received prior to the meeting and no public comments were made at the meeting. Attorney Smith recommended increasing the user fee to \$50/month/ERT and the plant investment fee (tap fee) to \$8,000/ERT which are the recommended fees in the financial model. Increases in the inspection fee to \$150 and the transfer fee to \$50 were also recommended as neither fee has been changed for many years. On motion duly made and seconded, the Board approved Resolution 2021-2, increasing fees effective March 1, 2021.

The Board reviewed the minutes of January 21, 2021. On motion duly made and seconded, the minutes were approved.

The monthly operations report was presented. Dave reported the plant was operating well in spite of cold weather. A sludge processing report for calendar year 202 was presented. The report showed a cost of 2.5¢ per gallon compared to the current commercial rate of 30¢ per gallon. The Board requested the report be updated to include equipment costs and that land application alternatives be investigated.

It was reported that CenturyLink has agreed to repair the pipe north of Home Depot. The Board also discussed the need for repairs of the main line at Silver View. District staff will get bids for the Board to review.

All equipment for the plant upgrade project has been installed. Work is progressing on programming for the new processor.

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