

DURANGO WEST METROPOLITAN DISTRICT #2
MINUTES FOR THE REGULAR MEETING
July 17, 2019

- I. Call to Order
President Beverly Lawrence called the meeting to order at 6:05 p.m. Other Board Members present were Directors Dave Crom, Wayne Schrader and Wendell Qualls. Also present: Jane Looney, District Manager; Tyler Whitt, Water Operator; and Fred Owen, District Accountant. Two residents and three prospective board members attended.

- II. The minutes of the June 19, 2019 Regular Meeting were presented for approval. Wendell made a motion to accept the minutes as amended. Wayne seconded the motion. Motion carried.

- III. Administration
 - A. Financials
 1. Jane presented the accounts receivable list for June.
 2. Accounts payable were presented for approval. Board Action: Wayne motioned to approve. Wendell seconded the motion. Motion carried.
 3. Financials – Financial statements ending June 30, 2019 were presented.
 4. 2018 Audit Presentation – Fred presented 2018 Audit. He said there were no issues identified. The Audit will be submitted to the State on time.
 - B. Water & Wastewater Operations
 1. Water Operations Report: Tyler said there will be about 30 new meters remaining after all are installed. They are at the zircon. Wells are producing. No additional purchase from Lake Durango was needed to compensate for the vandal valve incident at the tank. Tyler will be meeting with the SCADA representative tomorrow to look at our system for monitoring tank levels and automate a soft ramp up for the water pumps which is easier on the water pipes, saves electricity and will make the pumps last longer. The rep will give us a whole system cost and a prioritization. We have two identical pumps at the Lake Durango pumping station. Treatment is done before we get it. Tyler manually sets pumping from Lake Durango and is trying to keep it consistent but says there are lots of variables. The Board has several questions about Lake Durango Water Authority (LDWA). Jane suggested meeting with the manager, Charlie, which she will set up.
 2. Meter Upgrade Report: Jane placed doorhangers and got few responses. Tyler will begin on the ten outside meter pits.
 3. Wastewater Report: Dave submitted a written report included in the Board packet. Jane is setting up an IGA meeting.
 - C. Roads and Open Space
 1. Open Space and Trails Update - Jane got two estimates for removing two tall ponderosa pines – one on our greenbelt and one behind Cedar Drive on the trail. The greenbelt tree was removed Tuesday, July 16. Firesmart reported: “The removal went smoothly. There were no beetles in the base of the tree but there were some left in the top of the tree and evidence that some had already exited. I think the upper portions were attacked first and

the beetle brought in the blue fungus which is what killed the tree. We removed all the wood just as there was some beetle remaining.” The other ponderosa will be ‘stumped” once the birds have left the nests. A resident suggested training people to look for beetle kill. He is also interested in trail maintenance. Jane will inventory trail tools with him. Another resident asked about the district open space between Oak Drive and Michael Way that is inaccessible as there are homes all around. She says it needs mitigation work. The Board told her that the district’s fire mitigation priorities are the perimeter of the subdivision and discussed other options for the resident to pursue. Jane will contact the resident with resources from FireWise and the names of the DW2 ambassadors.

2. Road 2019 Projects Update – All completed. The Board discussed the Pine Ridge Loop condos that put in a new street gutter without requesting permission. The Board instructed Jane to send their HOA a letter stating they needed to redo the street gutter returning it to its original slope.
3. Fire Mitigation Budgeting – Jane asked our contractor, Fire Smart, for a budget amount to include in future budgeting. She put that information in the board packet.

D. Business

1. Meet Board Candidates – Carly Thomson, Alex Dappen and James Bowkett (representing his wife Malia) presented their background and interest in the being on the Board. The Board will select a candidate for an immediate opening and then one in November for an opening starting January 2020.
2. Review USTI Connect Service – Jane explained the benefits of the service which would enhance data protection, backup and access. Wayne made a motion to approve USTI Connect Service. Dave seconded. The Board passed the motion.
3. Review and Approve Increased Fee Resolution 2019-03. Board members discussed residents’ comments from the Special Meeting. They want to continue looking into many ideas brought forward by residents. One idea from a resident was instituting a special assessment for new residents. Wendell said it’s an investment in where they are living. Jane will contact the resident to find out more information and whether the district can implement this idea. Another idea was to pursue grants. Jane is attending an SDA training next Tuesday on grants. The Board agreed grants are not a good way to fund operating costs which is what the fee increase was for. However, grants could possibly help with improvements to infrastructure like a SCADA system and wells. The agreement with LDWA was brought up. The Board will look further into our contract and rate structure with LDWA. The Board and residents present discussed some misconceptions of water costs and suggested highlighting them more including infrastructure. After reviewing residents’ comments and the current budget, the Board considered Resolution 2019-03 to Establish User Rates for DW2. The resolution would increase monthly user fee to \$160 to be allocated: water \$76 (includes Lake Durango Water Acquisition fee of \$23.66), sewer \$8; wastewater treatment \$32 and general/roads \$44. Wayne motioned to pass the resolution with an effective date of August 1, 2019. Wendell seconded. The Board approved the resolution unanimously.

4. Review Water Base Rate Allotment and Water Overage Adjustment – Board members discussed residents’ comments from the Special Meeting. A resident present mentioned that the proposal had already made them think about their water usage more. Beverly’s spreadsheet showed that 70% of residents were under 6000 gallons over a 79-month period. Heavier users are getting their water much cheaper. One suggestion at the special meeting was phasing in and/or delaying implementation. The Board considered options and decided that January 2020 would be the date for implementing the new base allocation. Wendell motioned to reduce the base water allocation to 6,000 gallons on January 1, 2020 with the adjusted water overage charges to be: \$7 per thousand on 6000 to 8000 gallons; \$10 per thousand on 8000-10,000 gallons; \$15 per thousand on 10,000 to 15,000 gallons; \$25 per thousand and on 15,000 to 30,000 gallons and \$50 per thousand on over 30,000 gallons. Dave seconded. The motion was approved.
5. Lake Durango Water update – as requested, Jane emailed LDWA board meeting notes to the DW2 Board members.
6. Other District Correspondence: size of camper van allowed outside of garage; parking on streets especially by condos near tennis courts; boulders on streets; water meters and accessing meter reading; blue water in pond safe for kids; curb stop demolition and concrete pad; bear sighting; gas smell from manhole cover; mailbox keys.
7. Newsletter items: special meeting; trail work committee volunteers.

IV. Adjournment

The meeting was adjourned at 9:20 p.m.

Jane Looney, District Manager / Secretary