

Board of Directors Regular Meeting - Minutes
Stratmoor Hills Water District
January 9, 2024

RECORD OF PROCEEDINGS

The Regular Meeting of the Board of Directors, held Wednesday, January 9, 2024, was called to order by President Robert Colgrove at 3:49 PM.

Present: President Robert Colgrove, Vice-President James Pesicka, Secretary/Treasurer John Willcox, Director Cindy Dent and Director Richard Dull

Absent: None

Staff: District Manager, Kirk Medina

Public: None

Approval of Minutes

Motion was made by Director Pesicka to approve the minutes from the Regular Meeting of December 6, 2023, as presented. Second provided by Director Willcox. All Ayes - motion passed unanimously 5-0.

Approval of Agenda

Motion was made by Director Pesicka to approve the agenda as presented. Second provided by Director Dull. All Ayes - motion passed unanimously 5-0.

Public Comment

None.

Unfinished Business

None.

New and Miscellaneous Business

W-1. Adopting Official Meeting Place/Time and Posting Places

The official meeting place and time of the Board of Directors, and places of posting for notices of the district meetings in 2024 was determined. Director Pesicka moved to approve the designation of the location, dates and time of the 2024 Regular Meetings of the Board of Directors for the Stratmoor Hills Water District as follows: To be held at the Stratmoor Hills Fire Department, 2160 B Street in El Paso County on the third Wednesday of each month, beginning at 3:00 PM, except for the January Meeting which will be held on January 9th, the June meeting which will be held on June 12, and the December meeting, which will be held on December 11, at 3:00 PM. The annual

Budget Workshop will be held on October 2, 2024. All required District notices will be prominently posted at the Stratmoor Hills Fire Department, the Stratmoor Hills Water District office, located at 1811 B Street, and the Stratmoor Hills Elementary School located at 200 Loomis Avenue. Second provided by Director Willcox. All Ayes – motion passed unanimously 5-0.

W-2. 2024 Water Rate Increase

After carefully evaluating the existing water rate structure, the Board determined that a 4% rate increase, as presented in the proposed rate table, is needed to provide adequate funding for the Water District in 2024. Director Pesicka moved to approve Resolution No. 2024-001 increasing the water rates and fees as described in the resolution, effective February 1, 2024. Second provided by Director Dull. All Ayes – motion passed unanimously 5-0.

W-3. 2024 Budget Updates

The District Manager reported the 2024 Budget with budget message and associated paperwork, along with the certification of a mill levy of zero, have been filed with the County Assessor and the Colorado Department of Local Affairs.

W-4. Notice to Electors – Transparency Notice

The District Manager reported the notice containing contact information for the district, along with the times and locations designated for regularly scheduled meetings, has been submitted to the Special District Association and are posted on the District Website.

W-5. Confirmation of Services for 2023 Audit

The District Manager reported that Hoelting & Company provided a letter of engagement to the district to confirm the services to be provided to conduct the 2023 audit for the Water District. The fee for their services will be \$12,300. Director Pesicka moved to authorize Hoelting & Company to perform the 2023 Audit as described in the engagement letter provided to the Stratmoor Hills Water District. Second provided by Director Wilcox. All Ayes – motion passed unanimously 5-0.

W-6. Colorado Springs Utilities Agreement to Provide Standby Regional Water Service

Copies of the proposed agreement between Colorado Springs Utilities and the Stratmoor Hills Water District were included in the board packets and the District Manager explained how the ARPA funds will be utilized to upgrade the existing interconnect (as described in the agreement) to meet current design standards. He pointed out that the biggest expense identified in the agreement would be the cost for the Water Regional System Availability Fee (\$396,025) required for an additional 175 acre feet of water resources that would be made available to the district. He assured the board that these resources would be needed if the wells were ever lost or if the groundwater supply was unavailable. He added that these fees would have to be paid once the agreement was signed by both parties. Director Dent asked if these funds were available in the budget and the manager confirmed, and pointed out there are enough reserve funds to cover this expenditure. Director Pesicka moved to approve the agreement between the Stratmoor Hills Water District and Colorado Springs Utilities for standby regional water service through an interconnect

as described in the agreement. Second provided by Director Willcox. All Ayes – motion passed unanimously 5-0.

W-7. USAF Environmental Services Agreement (ESA) Termination / Renewal

The Air Force is requesting that the district terminate the existing ESA that is scheduled to expire on August 15, 2024, and establish a new ESA that, once approved, would be retroactive to January 1, 2024. The District Manager has negotiated changes to the agreement for consideration by the Board and he recommended terminating the existing agreement and establishing a new ESA as requested by the air force. He pointed out that we have had two consecutive samples of less than 70 ppt of PFOA and PFOS, and either agreement can be terminated when three consecutive samples do not meet the levels defined by the air force. Director Pesicka moved to authorize the Board President to terminate the existing Environmental Services Agreement with the U.S. Air Force Civil Engineer Center scheduled to expire on August 15, 2024, and approve the new Environmental Service Agreement between the Stratmoor Hills Water District and the Air Force Civil Engineer Center that will expire on December 31, 2025. Second provided by Director Wilcox. All Ayes – motion passed unanimously 5-0.

Manager's Report

A Manager's Report describing significant activities that took place during the month was included in the board packet. The District Manager reported that the final Water Operator vacancy for 2023 was filled on January 8, 2024 and our new operator seems to be a quick learner. He added that an additional operator position was included in the 2024 budget and he anticipates filling that vacancy within a couple of months. The manager reported that he is still working with Aspen Sign company but it may be February before the water treatment plant dedication sign is completed. There was some discussion on how the water treatment plant was operating with only four of eight ion exchange vessels in service. The manager reported that there were no water main breaks in December and there were two service lateral repairs.

Safety Committee Report

Director Willcox stated the Safety Committee has not held its January meeting yet and there was nothing to report. He did go over the December 2023 meeting minutes. The District Manager will email the January 16, 2024 meeting minutes when they are completed.

Financial Reports

The District Manager stated the Financial Report for December have not been completed yet and he will email it out to the Directors once it is completed.

Other Business

None

Adjournment

With no further business to come before the Board of Directors, Director Pesicka made a motion to adjourn the meeting at 4:41 PM. Second provided by Director Dull. All Ayes - motion passed unanimously 5-0.



John Willcox
Secretary/Treasurer



Robert Colgrove
President/ Chairman