

Security Water District/Enterprise

Regular Board Meeting

January 18, 2023, 5:30 p.m.

231 Security Boulevard, El Paso County, Colorado

Call-In Number: **1-605-313-5949**, Access Code: **895871#**

Agenda

CALL TO ORDER AND INTRODUCTION OF GUESTS

PUBLIC COMMENT (Please limit to 5 minutes per person)

CONSENT CALENDAR:

- Adoption of the minutes of the regular Board meeting of December 14, 2022.
- Acceptance of the Treasurer's reports for the month of December, 2022 subject to audit.

LEGAL REPORT – consideration of the following items, including items reasonably related to these items, where formal action may or may not be taken:

- a. Base Ranch update (Monson/Shohet, Heald).
- b. Security Diligence Cases (Monson/Shohet).
- c. Other Current Water Court Cases (Monson/Shohet).
- d. Other Legal Issues in Progress (Monson/Shohet).

OLD BUSINESS - consideration of the following items, including items reasonably related to these items, where formal action may or may not be taken:

W-1: SAMS Facility Operations, Upgrades and Grants (Heald, Sukalski, Bernard, Sams, Morton).

District staff and consultants will provide the latest information regarding the SAMS facility operations, improvements and new construction, as well as other PFAS-related information.

Security Water District/Enterprise

Regular Board Meeting

January 18, 2023, 5:30 p.m.

231 Security Boulevard, El Paso County, Colorado

Agenda

(continued)

NEW BUSINESS - consideration of the following items, including items reasonably related to these items, where formal action may or may not be taken:

W-2: Designation of Location, Dates and Time of 2023 Board Meetings – For Discussion and Possible Action (Heald).

Recommended motion: "...to designate the location, dates and time of 2023 regular Board meetings as: the Security Water and Sanitation Districts' office, 231 Security Boulevard in El Paso County, Colorado, at 5:30 p.m. on the following dates:

January 18, 2023	February 15, 2023	March 15, 2023	April 19, 2023
May 17, 2023	June 21, 2023	July 19, 2023	August 16, 2023
September 20, 2023	October 18, 2023	November 15, 2023	December 13, 2023
January 17, 2024			

In addition, all Board meeting notices will be prominently posted at the Security Water and Sanitation Districts' office, the Security Fire Department Station #1 at 400 Security Boulevard, the Widefield Community Center at 705 Aspen Drive and the office of the El Paso County Clerk and Recorder, 1675 W. Garden of the Gods Road, Colorado Springs, Colorado."

In order to comply with Colorado law, it is necessary for the Board to make the preceding designations during its first meeting of each year.

W-3: 2022 Financial Audit – For Discussion and Possible Action (Heald).

Recommended motion: "...to authorize the acceptance of a proposal from Hoelting & Company, Inc. to perform the 2022 financial audit."

The District has received a proposal from Hoelting & Company, Inc. to perform the 2022 financial audit. Hoelting & Company, Inc. has considerable experience and expertise in performing governmental audits. District staff recommends that the Board accept the audit proposal and engage Hoelting & Company, Inc. to complete the 2022 financial audit. Please see Enclosure W-3 for a copy of the 2022 audit proposal from Hoelting & Company, Inc.

Security Water District/Enterprise
Regular Board Meeting
January 18, 2023, 5:30 p.m.
231 Security Boulevard, El Paso County, Colorado
Agenda
(continued)

W-4: 2023 Water Rates, Fees and Charges – For Discussion and Possible Action (Heald, Sukalski).

Recommended motion: "... to approve the 2023 water rates, fees and charges as recommended by Harvey Economics Co. and District staff, and approve resolution W-2023-01-1, which implements those rates, fees and charges."

Harvey Economics Co. completed its most recent Water Rate Study in January, 2021, which included rate recommendations for three years. Consequently, District staff is presenting the third year of Harvey's rate recommendations to the Board for consideration. District staff plans to implement any rate modifications approved by the Board on February 17, 2023, to be effective with the April, 2023 billing. This possible Board action has been properly posted in accordance with state law. A copy of the final Harvey Economics report is included as Enclosure W-4 along with Draft Resolution W-2023-01-1.

W-5: 2023 Board Election – For Discussion and Possible Action (Sukalski, Heald).

Recommended motion: "...to approve Resolution W-2023-01-2 regarding the May 2, 2023 Board election."

The next Board election is scheduled for May 2, 2023, and the Board should appoint a Designated Election Official (DEO) during this meeting. Terms for Directors Allgood, Baptiste and Davis will expire in 2023. The District Assistant Manager will provide details regarding the May election during this meeting. Resolution W-2023-01-2, which outlines some of the particulars of the 2023 election and appoints the DEO, is included as Enclosure W-5.

W-6: Petition for Inclusion from Dr. Thomas Johnson and Theresa Johnson for Property known as 5115 Fontaine Blvd. – For Discussion and Possible Action (Heald, Monson/Shohet).

Recommended motion: "...to approve Resolution Number W-2023-01-3 granting the Petition for Inclusion of the property known as 5115 Fontaine Blvd., with conditions including the development of a suitable Inclusion Agreement."

Security Water District/Enterprise

Regular Board Meeting

January 18, 2023, 5:30 p.m.

231 Security Boulevard, El Paso County, Colorado

Agenda

(continued)

The owners of the property known as 5115 Fontaine Blvd. have filed a Petition for Inclusion of the property to the District in accordance with state law. A notice has been published that a public hearing will occur as part of this meeting to seek public input regarding the petition for inclusion. Once the Petition for Inclusion has been granted, an Inclusion Agreement will be developed. A copy of Resolution No. W-2023-01-3 and the Petition for Inclusion are included as Enclosure W-6.

OTHER - consideration of the following reports, including items reasonably related to these reports, where formal action may or may not be taken:

Superintendent's Report (Davis)

Manager of Operations Report (Bernard)

Assistant Manager's Report (Sukalski)

General Manager's Report (Heald)

EXECUTIVE SESSION: (if necessary) Consideration of the following items (motion will include subject matter to be discussed in as much detail as possible without compromising the purpose for which the session is being called):

- Discussion of Possible Purchase of Water Rights near the Upper Arkansas River-
 - Concerning the purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest, C.R.S. 24-6-402(4)(a).
 - Conferences with an attorney for the public entity for the purposes of receiving legal advice on specific legal questions, C.R.S. 24-6-402(4)(b).
 - Determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators, C.R.S. 24-6-402(4)(e).

Security Water District/Enterprise

Regular Board Meeting

January 18, 2023, 5:30 p.m.

231 Security Boulevard, El Paso County, Colorado

Agenda

(continued)

W-7: Purchase of Water Rights Near the Upper Arkansas River – For Discussion and Possible Action (Heald, Monson).

Subsequent to the preceding Executive Session, the Board may or may not consider taking formal action on this agenda item.

Next Regular Meeting: February 15, 2023, 5:30 p.m., at 231 Security Boulevard, El Paso County, Colorado.

ADJOURN

Security Sanitation District/Enterprise

Regular Board Meeting

January 18, 2023, 5:30 p.m.

231 Security Boulevard, El Paso County, Colorado

Call-In Number: **1-605-313-5949**, Access Code: **895871#**

Agenda

CALL TO ORDER AND INTRODUCTION OF GUESTS

PUBLIC COMMENT (Please limit to 5 minutes per person)

CONSENT CALENDAR:

- Adoption of the minutes of the regular Board meeting of December 14, 2022.
- Acceptance of the Treasurer's reports for the month of December, 2022 subject to audit.

LEGAL REPORT – consideration of the following items, including items reasonably related to these items, where formal action may or may not be taken:

- a. Other Legal Issues in Progress (Monson/Shohet)

OLD BUSINESS - consideration of the following items, including items reasonably related to these items, where formal action may or may not be taken:

S-1: Design and Construction of Wastewater Treatment Plant Improvements – For Discussion and Possible Action (Sukalski, Bernard, Sams, Morton).

District staff and consultants will provide the Board with the latest information regarding the status of wastewater plant improvements being designed by GMS, Inc., and constructed by the Construction Manager at Risk (CMAR), Moltz Construction, Inc.

NEW BUSINESS - consideration of the following items, including items reasonably related to these items, where formal action may or may not be taken:

S-2: Designation of Location, Dates and Time of 2023 Board Meetings – For Discussion and Possible Action (Heald).

Recommended motion: "...to designate the location, dates and time of 2023 regular Board meetings as: the Security Water and Sanitation Districts' office, 231 Security Boulevard in El Paso County, Colorado, at 5:30 p.m. on the following dates:

Security Sanitation District/Enterprise
Regular Board Meeting
January 18, 2023, 5:30 p.m.
231 Security Boulevard, El Paso County, Colorado

Agenda
(continued)

January 18, 2023	February 15, 2023	March 15, 2023	April 19, 2023
May 17, 2023	June 21, 2023	July 19, 2023	August 16, 2023
September 20, 2023	October 18, 2023	November 15, 2023	December 13, 2023
January 17, 2024			

In addition, all Board meeting notices will be prominently posted at the Security Water and Sanitation Districts’ office, the Security Fire Department Station #1 at 400 Security Boulevard, the Widefield Community Center at 705 Aspen Drive and the office of the El Paso County Clerk and Recorder, 1675 W. Garden of the Gods Road, Colorado Springs, Colorado.”

In order to comply with Colorado law, it is necessary for the Board to make the preceding designations during its first meeting of each year.

S-3: 2022 Financial Audit – For Discussion and Possible Action (Heald).

Recommended motion: “...to authorize the acceptance of a proposal from Hoelting & Company, Inc. to perform the 2022 financial audit.”

The District has received a proposal from Hoelting & Company, Inc. to perform the 2022 financial audit. Hoelting & Company, Inc. has considerable experience and expertise in performing governmental audits. District staff recommends that the Board accept the audit proposal and engage Hoelting & Company, Inc. to complete the 2022 financial audit. Please see Enclosure S-3 for a copy of the 2022 audit proposal from Hoelting & Company, Inc.

S-4: 2023 Wastewater Rates – For Discussion and Possible Action (Heald, Sukalski, Sams).

Recommended motion: “... to approve the 2023 wastewater rates as recommended by GMS, Inc. and District staff and approve resolution S-2023-01-1, which implements those rates.”

Security Sanitation District/Enterprise
Regular Board Meeting
January 18, 2023, 5:30 p.m.
231 Security Boulevard, El Paso County, Colorado
Agenda
(continued)

GMS, Inc. has provided a memorandum for this meeting recommending revised user charges for 2023 through 2025. District staff, therefore, is likely to recommend that the Board consider implementing the recommended rates for 2023, to be effective on February 17, 2023 and reflected on the April, 2023 billing. This possible Board action has been properly posted in accordance with state law. A copy of the GMS report and draft Resolution S-2023-01-1 is included as Enclosure S-4.

S-5: 2023 Board Election – For Discussion and Possible Action (Sukalski, Heald).

Recommended motion: "...to approve Resolution S-2023-01-2 regarding the May 2, 2023 Board election."

The next Board election is scheduled for May 2, 2023, and the Board should appoint a Designated Election Official (DEO) during this meeting. Terms for Directors Allgood, Baptiste and Davis will expire in 2023. The District Assistant Manager will provide details regarding the May election during this meeting. Resolution S-2023-01-2, which outlines some of the particulars of the 2023 election and appoints the DEO, is included as Enclosure S-5.

S-6: Petition for Inclusion from Dr. Thomas Johnson and Theresa Johnson for Property known as 5115 Fontaine Blvd. – For Discussion and Possible Action (Heald, Monson/Shohet).

Recommended motion: "...to approve Resolution Number S-2023-01-3 granting the Petition for Inclusion of the property known as 5115 Fontaine Blvd., with conditions including the development of a suitable Inclusion Agreement."

The owners of the property known as 5115 Fontaine Blvd. have filed a Petition for Inclusion of the property to the District in accordance with state law. A notice has been published that a public hearing will occur as part of this meeting to seek public input regarding the petition for inclusion. Once the Petition for Inclusion has been granted, an Inclusion Agreement will be developed. A copy of Resolution No. S-2023-01-3 and the Petition for Inclusion are included as Enclosure S-6.

Security Sanitation District/Enterprise
Regular Board Meeting
January 18, 2023, 5:30 p.m.
231 Security Boulevard, El Paso County, Colorado
Agenda
(continued)

OTHER - consideration of the following reports, including items reasonably related to these reports, where formal action may or may not be taken:

Superintendent's Report (Sipe)

Manager of Operations Report (Bernard)

Assistant Manager's Report (Sukalski)

General Manager's Report (Heald)

EXECUTIVE SESSION: (if necessary) Consideration of the following items (motion will include subject matter to be discussed in as much detail as possible without compromising the purpose for which the session is being called):

Next Regular Meeting: February 15, 2023, 5:30 p.m., 231 Security Boulevard, El Paso County, Colorado.

ADJOURN