

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

The regular meeting of the Board of Directors of the South Durango Sanitation District was held on May 18, 2017 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
Judy Campbell

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

The Board reviewed the invoices and approved the bills for payment.

Bud reviewed the April 2017 financial statements of the District.

The draft audit to 2016 was reviewed. Bud Smith noted that an amended budget would need to be adopted as a result of the sludge equipment lease purchase.

The Board reviewed and approved the minutes for April 20, 2017.

Dave Marsa presented the monthly operations report. The plant is running smoothly and meeting all permit limits. Dave reported that the sludge press has been delivered but the startup process has not been completed. It has been scheduled for June 5.

Dave presented a proposal from Browns Hill for OIP programming and remote startup for the wastewater treatment plant at a cost of \$13,000. After discussing the project, the Board approved the proposal.

Dave advised the Board that after further investigation it appears the demand charge will not be lowered by the installation of the soft starts. Dave indicated that the soft starts will provide a benefit by prolonging the life of the pumps.

Bud advised the Board the GRVP is preparing to install sewer lines in Three Springs Village 1, Filing 4, Phase 2A. A development improvements agreement for the project was approved.

The Board reviewed the tap fee waiver request from Volunteers of America. The Board expressed concern about establishing a precedent. Bud advised the Board that the tap fee waivers were authorized by the Special District Act but only for an affordable housing project meeting standards established by the District. Bud suggested that if the Board waives any portion of the tap fee for the Volunteers of America project it could condition the waiver on approval of Low Income Housing Tax Credits by the Colorado Housing Finance Authority. After discussing the matter the Board approved a waiver of 25% of the tap fee and a one year waiver of user fees from the date a building permit is issued subject to approval of the Low Income Housing Tax Credits. A formal resolution will be adopted at the next meeting.

Bud Smith presented an update on new development projects in the District.

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