

**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 April 18, 2019 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:

Pat Morrissey
Judy Campbell
Bud Gohn
Tom Price

Also present were Nic Ionita, Rick Johnson and Bud Smith.

The Board reviewed and approved the invoice for the purchase of a Telehandler. The Board reviewed and approved payment of the remaining District invoices.

The Board reviewed the March 2019 financial statements of the District. Attorney Smith reported that a three-year \$200,000 CD with a return of 2.65% had been purchased. He noted that the District's capital reserves now exceed the long-term debt by approximately \$200,000. Since interest on the debt is 2% and interest earnings on all reserves are above 2.5%, there is no advantage to the District in prepaying any debt. The Board approved the financial statements.

The Board reviewed the minutes of March 21, 2019. On motion duly made and seconded the minutes, as amended, were approved.

Nic reported that sludge processing will begin. There are no significant issues with the treatment plant. Flows have returned to normal.

The Board reviewed a request from Dorman McShan to contribute to the cost of a service line repair he is planning to complete in the next few weeks. Based on information available to the District prior to the repair it appears the problem is due to the settling of the service line and the Board declined the reimbursement request.

Rick provided a report on the pilot project operated by Purgatory Metro District. He expects it to be completed in approximately 3 weeks. The treatment technology is working well.

The Board discussed the following operational concerns with the plant and the collection system:

1. The treatment plant could produce better quality effluent. Regulation 85 standards are not required but the plant could meet those standards with increased operating efficiency. The Board directed staff to take steps to maximize the treatment efficiency at the plant. Bud will request monthly DMRs from Dave to keep with the District records. Copies will be provided to the Board.

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2. Infiltration concerns are significant and need to be addressed. Dave, Nic and Doug will provide a report on manholes where infiltration repairs are needed.
3. Sludge operations need to be accelerated to reduce stored sludge. Nic and Doug will work with Waste Management to schedule more frequent hauling to maximize sludge operations. Nic also reported that Doug offered to accept all sludge for land application if properly permitted which might provide cost savings. The District will analyze the permitting process and costs.
4. Oil and grease at the wastewater treatment plant is an increasing concern. The District has grease interceptor requirements, but additional monitoring is needed to be sure all interceptors are being properly maintained.
5. The District needs to develop better managerial oversight. A job description for a district manger will be developed for review and approval by the Board. Once approved, the District will seek qualified applicants for the position.

Bud provided an update on various projects under construction in the District.

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