

**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 February 28, 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:

Curt Piccoli
Pat Morrissey
Bud Gohn
Tom Price

Also present were District operator Dave Marsa, Rick Johnson and Matt Mathers of San Juan Engineering and attorney for the District, Bud Smith.

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

The Board reviewed and approved the January 2019 financial statements of the District.

Bud Smith reviewed tap sales for 2019. Sales include a large tap fee for an 81-room hotel complex on Escalante Drive. With at least one other large project planned, the District should receive tap fee revenue in 2019 in excess of the budgeted amount.

Bud reviewed the developer reimbursement status for the year end.

The Board reviewed and approved the minutes for January 17, 2019.

Dave presented the monthly operating report. Dave reported that the plant is operating well and the effluent quality is good. The plant has experienced power outages as a result of the heavy snowfall creating problems with the sensors. They are working to correct that problem.

Rick and Matt presented a draft of the financial plan which is being developed as part of the master plan. The financial plan is based on growth projections developed using data from the City comp plan update and the District's historical data on actual growth. The plan provides for improvements to the wastewater treatment plant in 2026 to meet new effluent quality limits the state has advised will be implemented. The final plan will help determine if current user and tap fees are adequate to meet anticipated future expenses. The plan will be reviewed and revised to develop planning decisions that the Board will need to discuss and approve.

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.