

**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 December 21, 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
Bud Gohn
Judy Campbell
Tom Price

Also present were plant operator Dave Marsa, operator Nic Ionita and attorney for the District, Bud Smith.

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

The Board reviewed and approved the November 2017 financial statements of the District. Bud presented an engagement letter for preparation of the 2017 audit from Beckstead and Associates. The letter proposes commencement of the audit field work on February 12, 2018 with completion by June 30, 2018 for \$7,600. On motion duly made and seconded, the engagement letter was approved.

The public hearing on the 2018 budget was opened for comment. Bud noted that a notice of the hearing was published in the *Durango Herald*. No written comments on the budget have been received. No public comments were presented. Bud reviewed the highlights of the 2018 budget. Board members requested a financial analysis of the expense of hiring a manager. On motion duly made and seconded, Resolution 2017 – 5, Resolution to Adopt 2018 Budget and Resolution 2017 – 6, Resolution to Appropriate Sums for 2018 Budget, were approved.

Bud presented a sewer maintenance warranty policy for the purpose of lowering the District deductible for sewer backups. The maintenance policy for the upcoming year will remain the same with regular line cleaning and updated mapping. On motion duly made and seconded the sewer maintenance warranty policy was approved.

The Board reviewed and approved the minutes for November 16, 2017.

Dave presented the monthly operations report. The plant is running smoothly and meeting all permit limits. Flows are averaging about 160 gallons/day.

Nic reported that a total of 600,000 gallons of sludge had been treated during the year. It was noted that the cost for sludge hauling would have been almost \$300,000. Additional information will be analyzed to determine the District cost of sludge treatment.

Dave reported that Loma Linda Sanitation District had agreed to pay Nic for the overtime accumulated in connection with the Loma Linda treatment facility improvement project. Bud advised the Board that there is no employment policy for the District. Employment policies have been determined on a case by case basis. Bud recommended the development of a simple employment policy to handle employment

issues including benefits and overtime. The Board also requested a salary survey for Colorado sanitation workers.

Bud advised the Board that the survey work for the master plan should be completed by the end of the year. Rick Johnson will be asked to update the progress on the master plan in January or February.

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