

**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 July 16, 2015 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:

Bud Gohn
Tom Price
Judy Campbell
Curt Piccoli

Also present was Bud Smith.

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

The Board reviewed and approved the minutes for June 18, 2015.

Dave Marsa was unable to attend but he did advise Bud Smith that an EPA energy audit was scheduled for July 22, 2015. He also reported that the plan was operating efficiently and meeting all discharge limits.

The Board requested a review of the ERTs for the property directly east of Upper Eastside Deli. It appears there are several mobile homes on the property along with a furniture business.

Bud reviewed the June 30, 2015 financial statement. Bud presented calculations to the Board showing that user fee revenue was projected to be almost 150% more than operating expenses. This excess revenue was necessary for several years to pay the District's bonded indebtedness. Since tap fee revenue is now available to pay debt service, a reduced user fee was discussed. Bud reported that the a new requirement in the Special District Act requires 30 days' notice of a meeting at which new fees or increases are being considered. He will check the language to determine is it applies to reduced fees.

Bud presented alternatives for the medical insurance for the District's employees. The District can save almost \$5,000 by selecting coverage with a \$1,500 deductible rather than \$1,000. After discussing the matter the Board approved the change and approved an increase in employee's salaries which will provide \$500 in additional after tax income to pay for the increased deductible.

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