

**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 23, 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  
Judy Campbell  
Bud Gohn  
Tom Price

Also present were Nic Ionita, Doug Davis, Dave Marsa, Rick Johnson and Bud Smith. Also present was Dorman McShan and his contractor.

The Board reviewed and approved payment of the District invoices.

The Board reviewed the April 2019 financial statements of the District. Attorney Smith reported that there are no significant changes in the balance sheet. Total cash reserves are \$848,000. Revenues and expenses are consistent with budget projections for all items. The Board approved the financial statements.

The Board reviewed the minutes of April 18, 2019. On motion duly made and seconded the minutes 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 that was recently completed. The contractor explained that repairs had been made to a section of the main line which had settled causing the tap to disconnect. District representatives were not present during the work and could not confirm the condition of the main line. Rick stated that it appeared likely the District line had settled, and the District had some responsibility. After discussion, on motion duly made and seconded the Board authorized reimbursement to McShan of 75% of the invoice for the repairs. Board members directed all staff to not authorize any work on District lines without notification and observation by District representatives.

Dave presented the monthly operations report. Dave disagreed with the statements in the prior minutes about operating efficiency. Dave stated that his understanding of operating efficiency is achieved by meeting discharge limits without excessive expenditures. Although the plant could be operated to achieve higher quality effluent, it is not required to meet Reg 85 standards and the operating costs of producing high quality effluent would be significant. The Board will continue to monitor effluent quality and costs to determine the appropriate standard.

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Dave agreed that infiltration concerns are significant and need to be addressed. Staff will prepare recommendations for infiltration repairs for review by the Board. In order to provide funding within the capital budget the Grandview interceptor access improvements could be delayed since the design of the 5<sup>th</sup> leg access at the Wilson Gulch roundabout may resolve most of the access issues. Rick suggested that the cost of infiltration repairs would not exceed \$50,000 which is \$250,000 less than the budgeted amount for the interceptor project.

Sludge operations are continuing. Nic and Doug reported that scheduling of containers with Waste Management continues to limit sludge operations. Other alternatives for sludge disposal will be analyzed to maximize the rate of sludge processing.

Rick provided an update on various project within the District. There were no significant issues reported.

Rick suggested that a couple of Board members should review and help revise the financial model to help develop a final draft for review by the full Board. Directors Morrissey and Gohn volunteered to work on the financial model.

Rick discussed the development of an O & M plan as part of the Master Plan. Rick noted that it might be more productive to have the O & M plan developed in conjunction with the 2020 budget and with input from a district manager.

Bud distributed a district manager job description. The Board will review and provide suggestions for finalizing. There was a discussion of whether the manager should be a licensed operator, an administrator or both. The Board decided to see what qualifications candidates might possess before making a final determination.

Bud reviewed information on the District's FOG and sediment interceptor program. Nic and Doug will follow up with inspections as updated Maintenance Agreements are returned.

The Board discussed hiring an employee on a temporary basis during the summer and fall. The Board authorized Bud to hire an employee at \$15/ hour without benefits.

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