

**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 23, 2018 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 District operator Dave Marsa and attorney for the District, Bud Smith.

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

The Board reviewed and approved the March 2018 financial statements of the District.

Bud Smith presented an update on the redemption of the 2006 revenue bonds. The District can pay off the balance of the bonds on June 1, 2018, fund all budgeted capital projects and still have over \$300,000 in reserves plus any additional tap fees and operating income. On motion duly made and seconded, the Board authorized redeeming all outstanding bonds on June 1, 2018. A Notice of Redemption will be sent to the paying agent to notify Alpine Bank that the bonds will be redeemed.

Bud presented Resolution 2018-3, a resolution approving a supplemental budget and appropriation for the year 2017. Bud explained that the supplemental budget and resolution were required because the District had greater tap fee revenue than planned and used the revenue to redeem additional bonds in 2017. On motion duly made and seconded, the Board approved Resolution 2018-3.

The Board reviewed and approved the minutes for March 15, 2018.

Dave presented the monthly operating report. Dave reported that the plant is operating well and the effluent quality is good. A new pump is needed for the sludge processing operation. The Colorado Special District Property and Liability Insurance Pool had scheduled an appraisal of the District's property. The appraisal will be used to make any adjustments to the schedule of values for property insurance. Dave reviewed an estimate for repairs for the tractor.

Bud reported on the meeting with C & J Gravel representatives to discuss the erosion of the Grandview interceptor. Bud reported that C & J has agreed to make changes to the drainage and repair the erosion based on a plan developed by San Juan Engineering.

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.