

**MINUTES
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 17, 2020 at 6:00 p.m. via teleconference.

Present at the meeting were the following members of the Board of Directors:

Curt Piccoli
Pat Morrissey
Judy Campbell
Tom Price
Bud Gohn

Also present were Nic Ionita, Doug Davis, Stephan Kimball, Rick Johnson, and Bud Smith.

The Board reviewed and approved payment of the District invoices.

The Board reviewed the November 2020 financial statements of the District. No significant changes or concerns were noted.

The Board reviewed the minutes of November 17, 2020. On motion duly made and seconded, the minutes were approved.

The monthly operations report was presented. No significant issues with the treatment plant were reported. The discharge report shows the plant is operating effectively.

Rick reported on the plant upgrade project. The Board approved Change Orders #1 extending the completion date by 180 days for the Electrical Upgrade, Basin Controls and Headworks projects. The Board approved Change Order #2 for the Mechanical Upgrade project increasing the price by \$19,500 and extending the completion date by 180 days. The price increase was necessary for additional piping, painting and other improvements that were not anticipated.

The hearing for the 2021 budget was held. Attorney Smith noted that a notice of the budget hearing was published as required by law. No comments were received. The final 2021 Budget was reviewed. On motion duly made and seconded Resolution No. 2020-5, Approving the 2021 Budget, and Resolution No. 2020-6, Appropriating Funds for the 2021 Budget, were approved.

Attorney Smith reviewed the status of the Lease/Purchase Agreement for the sludge handling equipment. He reported that there were sufficient operating reserves available to exercise the purchase option in March 2021. Since the lease purchase interest rate is substantially higher than interest earnings on the reserves, he recommended exercising the purchase option. On motion duly made and seconded, the Board authorized that notice of the purchase option on March 15, 2021 be provided to NBH Bank.

The Board discussed year end bonuses for the employees. It was noted that year end funds would not be expended for the annual Christmas party this year. There was also a discussion of the impacts of the pandemic during the year. In light of those special circumstances, the Board approved a \$750 bonus for each employee for 2020 only.

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