

**MEETING 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 March 19, 2026 at 6:00 p.m. at 65 Mercado Street, Durango, Colorado.

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

Curt Piccoli
Tom Price
Erick Martin
Judy Campbell
Art Wyman

Also present were Andrew Aragon and Attorney Bud Smith.

On motion duly made and seconded, the minutes from the meeting of February 19, 2026, were approved.

The Board reviewed and approved the accounts payable.

Attorney Smith reviewed the financial statements for February 28, 2026. The Board requested an explanation of the miscellaneous expenditures.

Attorney Smith reviewed the investment report. Interest rates continue to decline and will impact interest earning on the CD renewals in 2026. The first CD maturity is April 26, 2026. Attorney Smith will have investment options for the Board to review at the April meeting.

Andrew presented the operations report.

- Andrew discussed his accrued comp time and offered options for eliminating it through lump sum payments and raises. Attorney Smith advised the Board he has not been provided a copy prior to the meeting and recommended the matter be tabled until it would be thoroughly reviewed.
- Andrew requested the Board consider one time bonuses for the employees who were required to pay income taxes due to insufficient withholding. Directors noted that employees had an opportunity throughout the year to review withholding on each payroll payment. Andrew noted that it would really help morale if the District could provide some financial assistance. He indicated that he would be willing to waive any bonus if the other employees were compensated in some manner. On motion duly made and seconded a one-time bonus equal to ½ of the amount employees McBrien, Murphy and Fowler were required to pay due to insufficient withholding.
- Andrew reported that he had been seeking accounting service proposals. Attorney Smith recommended that an RFP be developed to solicit proposals for review for accounting services in 2027. The RFP could also request proposals for billing services as well.
- Andrew updated the Board on repairs at the River Oaks lift station.

South Durango Sanitation District Minutes

March 19, 2026

Page 2

- Cleaning to 2026 has been scheduled. Andrew and Attorney Smith will begin applying for the necessary permits.
- Dewatering operations have commenced. Staff will make sure equipment is properly drained when necessary to avoid possible damages from freezing.
- Andrew presented a proposal for the purchase of a service truck with a crane for \$108,000. There will be some additional costs for equipping the vehicle, but the total final cost will be substantially less than the budgeted amount of \$165,000. The Board approved the purchase.

Attorney Smith presented Resolution No. 2026-2 which adopted inspection fees for District staff to be charged to development projects. The recommended fees are based on the District's direct costs for salaries and benefits plus indirect costs for equipment, training and other employee related expenses. The costs to developers will be less than the cost for using independent contractors for inspections. On motion duly made and seconded, Resolution No. 2026-2 was approved.

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