

**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 March 21, 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 District operator Dave Marsa, Nic Ionita and Bud Smith.

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

The Board reviewed and approved the February 2019 financial statements of the District.

Bud Smith presented information on historic Colotrust rates and current CD rates. He also reviewed the funds available in the capital reserve fund and capital projects planned for the next few years. In order to diversify investments, the Board authorized Attorney Smith to invest \$200,000 in 3-year CDs with an annual return of 2.65%.

The Board reviewed the minutes of February 28, 2019. One correct was noted and upon motion duly made and seconded the minutes, as amended, were approved.

Nic present information to the Board on the purchase a equipment that is needed in dewatering operations. Nic reviewed the pros and cons of purchasing a bigger tractor, a backhoe or a telehandler. It is the recommendation of staff that the telehandler would be the most appropriate equipment for District needs. The Board authorized staff to obtain a firm price for the purchase of the equipment.

Dave presented the monthly operations report. High water levels from melting snow allowed infiltration which has resulted in flows at the treatment plant of approximately 447,000 gallons per day. The staff is identifying manholes that need to be seals, line breaks and other maintenance to reduce infiltration. Dave also recommended that the District begin strictly enforcing its manhole testing requirement for new construction.

The pilot project operated by Purgatory Mero District is ongoing. Dave expects it to be completed in May. The project has not created any significant issues for the District.

There was a discussion about the potential need for a part time employee. Judy provided a resume form a potential employee for which the District might receive funding for training.

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Bud presented the 2018 audit of the District's financial statements prepared by Beckstead & Co. The audit letter reported that the District's financial statements present fairly, in all material respects, the financial position of South Durango Sanitation District as of December 31, 2018 and 2017, and the changes in financial position, and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America. On motion duly made and seconded the 2018 audit of the District's financial statements was approved for submittal to the Office of the State Auditor.

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.