

**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 15, 2022, at 5:00 p.m. at 65 Mercado Street, Durango, Colorado.

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 Dave Marsa, Doug Davis, Stephan Kimball and Bud Smith.

The Board reviewed the minutes of November 17, 2022. On motion duly made and seconded, the minutes with corrections were approved.

The Board reviewed and approved payment of the District invoices.

The November 2022 financial statements of the District were reviewed. Total reserves are now over \$2.3 million. Year to date operating expenses are 627% of budgeted amounts well below the projected 92% level for November.

Attorney Smith review a list of possible investments. Short term investments of one year or less have the highest return. The Board approved the purchase of a \$250,000 CD for a 8-12 month term.

The Board revised and approved the engagement letter from Fredrick Zink & Associates for accounting and billing services for 2023.

Attorney Smith announced that a notice of the budget hearing had been published. No comments were received, and no one appeared at the meeting to comments on the budget. Attorney Smith reviewed some of the highlights of the proposed 2023 budget. On motion duly made and seconded, the Board approved Resolution No. 2022-5, adopting the 2023 budget and Resolution No. 2022-6, appropriating funds for the 2023 budget year.

The Board reviewed a spreadsheet showing the sludge processing costs for 2022. On motion duly made and seconded, the Board approved leasing the sludge processing equipment to Loma Linda at the rate of \$6,500 per month.

The monthly operations report was presented. No significant issues with the treatment plant were reported. The Skytrack repairs will cost \$16,000-\$18,000. The Board discussed the need for additional water supply. If the well cannot be drilled the District will investigate the installation of storage tanks.

The Board approved payment of hotel and meals for Stephan for schooling and certification testing in January.

**MINUTES
BOARD OF DIRECTORS
SOUTH DURANGO SANITATION DISTRICT
December 15, 2022**

Page 2

On motion duly made and seconded the Board authorized an executive session to discuss personnel matters as authorized by C.R.S. 24-6-402(4)(f).

The Board returned from executive session. The Board discussed the need to keep District employees with providing competitive salaries. On motion duly made and seconded the Board approved a 5% increase in salaries for the District employees.

Attorney Smith reviewed information concerning a retirement plan for District employees through the Colorado Retirement Association. These plans are designed for Colorado local governments. The 401(a) plan for government employees requires minimum contributions of 3% by the employee and by the District. Attorney Smith reported that he had reviewed the plans with the District employees and that they would like to participate. On motion duly made and seconded, the Board approved a Participation Agreement for the CRA Retirement Plan and Trust Agreement and the Deferred Compensation Plan.

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