

**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 February 15, 2024, 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  
Bud Gohn  
Judy Campbell  
Tom Price

Also present were Andrew Kimball, Kegan Aragon, Bud Smith and Rick Johnson.

The Board reviewed the minutes of January 18, 2024 and February 6, 2024. On motion duly made and seconded, the minutes were approved.

The Board reviewed and approved payment of the District invoices.

The January 2024 financial statements of the District were reviewed. The statement showed percentages above budget amounts for employee benefits due to the compensation for accrued benefits paid to Doug Davis.

The investment report for January indicated interest earning remain strong.

Attorney Smith reviewed the engagement letter for FredrickZink and Associates for accounting and billing services for 2024. On motion duly made and seconded, the engagement letter was approved.

Andrew Kimball presented the monthly operations report. A summary of the items discussed is attached. Significant issues discussed were:

- The District lift stations have several years of deferred maintenance. Andrew has arranged for inspections by the manufacturer representatives and will be ordering repairs as needed.
- Ball Septic has been dumping waste from its trucks into the District settling pond in return for its availability when vactoring services are needed. However, the District is not receiving any payment or price reduction for the arrangement. The Board instructed Andrew to discontinue that practice. An RFP for vactoring services will be prepared.
- Andrew has been discussing a consulting engagement with Peter Hayes. Operator and testing training would be provided to District staff to enable them to obtain operator licensing certifications. A written proposal will be presented for Board approval
- Andrew requested and received Board approval to purchase boots and shirts with the District logo for staff members.
- Andrew advised the Board that the RAM truck had been experiencing numerous problems that seem to be getting progressively worse. He has checked into trading the truck for a new GMC. The Board authorized him to complete the trade.

Rick Johnson presented the engineering update. He and Andrew visited the Southern Ute wastewater treatment plant sludge drying facility. Continued investigation will determine if a similar sludge processing facility would be suitable for the District.

Rick reported that work on the master plan update is continuing. An updated financial model should be ready for Board review in March. Rick believes the model will suggest a significant increase in tap fees is needed to meet the rapid cost increases in constructing new wastewater facilities.

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Rick presented plans for the construction of a new administration building at the plant. The building would provide office space, board meeting area and file storage. A proposal from Bonds Construction for preparation of the pad was reviewed. Rick noted the preparation could include settling pond. The Board authorized the work to be completed.

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