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**PAGOSA SPRINGS SANITATION  
GENERAL IMPROVEMENT DISTRICT SPECIAL  
MEETING MINUTES  
WEDNESDAY NOVEMBER 2, 2011  
Town Hall Council Chambers  
5:00 P.M.**

- I. **CALL MEETING TO ORDER** – Board President Aragon, Board Member Cotton, Board Member Hart, Board Member Holt, Board Member Lattin, Board Member Pierce, Board Member Volger
- II. **APPROVAL of MEETING MINUTES FROM OCTOBER 4<sup>th</sup> and 20<sup>th</sup>, 2011** – The minutes were approved as read.
- III. **NEW BUSINESS**
  1. **Resolution No. 2011-04, Resolution Certifying Delinquent Accounts to the Archuleta County Treasurer** - The amount of delinquent services to be levied have decreased by half compared to 2010. Customers have commented positively to the conversion of monthly billing the district began in 2011. The certification to the County Treasure guarantees the District will recoup the service fees the properties have been provided along with any penalties. Board Member Pierce moved to approve Resolution 2011-04, Certifying delinquent wastewater fees and charges to the County Treasurer, Board Member Lattin seconded, unanimously approved.
  2. **Wastewater Treatment Plant Update** - The District has been diligently working over the past two years with USDA RD to complete the application and acceptance of a mechanical wastewater treatment plant to replace the current failing plant. Thousands of dollars have been spent for engineering, testing, applications and attorneys fees towards the plant upgrade. Financing is in place, the District is waiting for approval of the O&E Agreement from USDA RD to begin the bidding process. Pagosa Area Water and Sanitation District PAWSD approached the District offering to treat the wastewater at their underutilized plant on Lyn Ave. The District would be required to pump the wastewater to the plant and pay PAWSD for the treatment of the waste. PAWSD met with members of staff and town council to discuss pumping options and their willingness to work with the District to accomplish a mutually acceptable agreement for the treatment of the wastewater. Option 1 includes the District installing and maintaining the entire pumping system with approximate costs of \$5.5 million. The cost to treat the wastewater is estimated at \$1.017/1000 gallons. Option 2 includes the District installing about ½ of the segment of the pipeline at a cost of \$2.65 million, and PAWSD installing the balance of the pipeline segment and maintaining the entire pumping system at an estimate of \$2.83 million. The treatment \$1.012/1000 gallons and debt service \$2.044/1000 gallons for this option would make the estimated cost of treatment to PAWSD \$3.062/1000 gallons. The segment paid by PAWSD would be repaid by the District over 20 years at 2.5% interest. Option 3 includes the installation of the system according to Option 2 with an eventual inclusion into the PAWSD District. Mr. Greg Mayo explained a proposed scenario to follow the existing water line that follows easements already in place. He explained that these numbers are

just estimates, and said there may be other options available to look into. Mr. Mayo has talked with CWRPA and has been told that CWRPA is willing to let the District use the original \$2 million loan toward this project if desired. He indicated there may be other grant funding available for green energy associated with this project as well. Mrs. Shelly Peterson said the inclusion of the District into the PAWSD district would require a vote of the people. Board Member Holt asked about the mil levy. She explained that if approved the current general obligation (GO) bond mil would take into account all of the district's assessed value for the Town and County customers to pay for, this would be for only the GO bond, the rest of the PAWSD debt are revenue bonds and are paid by rate payers not mil levy. Board Member Holt said the current PAWSD mil levy at 6.37 mils would make commercial building cost prohibitive in Town and an increase for the town residents. Mr. Ed Whinton brought up other points about the proposed pumping station; he said the proposed WWTP is on a pristine piece of land and is close to a water intake area, just ½ mile below the WWTP discharge point. He also mentioned the need for PAWSD to increase the use of the current facility and the benefits to the current PAWSD water customers in town. If the Town went with Option 1, PAWSD will allow the town to use the same easements as Option 2. Mr. Mark Weiler said the open dialog between PAWSD and District is a refreshing change, and realizing better utilization of both PAWSD and District assets are number one priority. The board will hold a work session on Thursday November 17<sup>th</sup> at 10:00am. Mr. Mark Weiler, Board Member Cotton and Board Member Holt, and Sanitation Supervisor, Phil Starks, will serve on a committee to look into the Pagosa Area Water and Sanitation District offer.

**IV. NEXT BOARD MEETING NOVEMBER 17<sup>th</sup>, 2011 at 12:00pm**

**V. ADJOURNMENT** – Upon motion duly made, the meeting adjourned at 6:00pm.