

**REGULAR MEETING  
of the  
BOARD OF DIRECTORS**

**MINUTES**

Thursday, 10:00 a.m.

15 September 2005

Called to Order at 10:01 a.m.

The regular monthly meeting of the Boxelder Sanitation District Board of Directors was held at the Boxelder Sanitation District administrative office located at 3201 E. Mulberry, #Q, Fort Collins, CO 80524. Mr. Gordon Woelfle, being the Chairman and Mr. Ravindra M. Srivastava as Secretary being present, called the meeting to order. Prior notice of the meeting was given in accord with CRS 32-1-903.

1. Roll Call:

Directors Present: Mr. Gordon Woelfle, Chairman  
Mr. Steve Kawulok, Treasurer  
Mr. Fred Walker  
Mr. James F. Ruff, arrived at 10:09  
Mr. Robert Bisetti, appointed, sworn-in at 10:08

Others Present: Mr. Ravindra M. Srivastava, General Manager  
Ms. Pat Mathena, Assistant Manager and Controller  
Mr. Randy Siddens, District Engineer  
Mr. Robert Bisetti, joined the meeting at 10:01; departed at 12:47  
Mr. Brent Harris, Wastewater Collection System Manager and Construction Superintendent, 10:41-11:14

Roll was called and it was determined that a quorum was present.

2. Mr. Steve Kawulok moved to appoint Mr. Robert Bisetti to complete the position of director (term due to expire in May 2008) vacated by Mr. Robert Heath's resignation of 21 July 2005. Motion seconded. Motion passed unanimously (3-0).

Mr. Robert Bisetti was sworn to the office of director of the Boxelder Sanitation District by Mr. Woelfle, Chairman of the Board.

Mr. Jim Ruff joined the meeting subsequent to the appointment and swearing in of Mr. Bisetti.

3. **Approval of the Minutes:**  
The minutes of the last meeting (18 August 2005) were supplied to the board in advance and were reviewed. No reading of the minutes took place in the meeting. Mr. Steve Kawulok moved to approve the minutes of the 18 August 2005 regular board meeting as presented. Motion seconded. Minutes approved as presented (5-0).
  
4. **Financial Information:**  
Presented to the board was information on financial status, inflow and outflow of funds, and growth in customer base:
  - Cash and Cash Equivalents as of 31 August 2005;  
\$1,940,607.42 Ending Cash, 31 July 2005  
187,920.95 August Receipts  
-150,996.81 August Cash Disbursements  
\$1,977,531.56 Ending Cash, 31 August 2005
  - Details of revenues, including components of cash received monthly, monthly sewer billings and # of sewer accounts, delinquent billings, fee revenues, WDR receipts, and current monthly charges – comparison by user class.
  - Details of outflow of funds were presented, including contract status, contingent commitments, purchase orders, cash disbursement listing for the month ended 31 August 2005, and large check descriptions and credit card detail.
  - Financial statements for the seven months ended 31 July 2005 were presented. Cash flow (graph) and financial ratios were presented.
  - Growth related information including WDRs purchased, new property accounts, and estimated population equivalents & treatment capacity was presented.
  - There was discussion of the overall financial health of the district, the current level of indebtedness, and the possibility of calling the district's 1994 bonds which are callable without penalty starting 1 January 2006. It was the sense of the board that during 2006, the district should attempt to pay off a substantial portion of the high-interest bonds, which amount to nearly half of the total outstanding debt.
  
5. **Operations:** Information on the industrial pretreatment program, wastewater collection system, treatment plant, and administration operations through 31 August 2005 was presented. Mr. Harris made a presentation on the wastewater collection system.
  
6. Mr. Steve Kawulok moved to authorize negotiations to enter into a contract with ACS Government Systems (Springbrook accounting software vendor) for the purchase of general ledger, accounts payable and budgeting, fixed assets, utility billing and central cash modules at a contract amount not to exceed \$85,000. Motion seconded. Motion passed unanimously (5-0).
  
7. It was the sense of the board that staff prepare the forthcoming budget (for 2006 and beyond) using a System Development Charge (SDC) assessed on each multi-family residential unit based on the number of dwelling units, rather than water meter size; said multi-family SDC amount being equivalent to the SDC adopted for a 5/8" water meter times the number of dwelling units in the multi-family building.

8. There was extensive and thorough discussion exploring the concept of changing the SDC structure so that basin SDCs are instituted. Staff will calculate various alternatives to be presented at the next board meeting.

Mr. Bisetti left the meeting during this discussion.

9. It was the sense of the board that staff prepare the forthcoming budget (for 2006 and beyond) using the 'adjusted SDC' as identified in the Cost of Service study.

10. There was a comprehensive discussion of the various aspects of the monthly operating charges, including average winter consumption (AWC), AWC period, billing based on water meter sizes, magnitudes of fixed and variable charges, flow allowances, industrial pretreatment program surcharge, irrigation credits, and rate structure for multi-tenant non-residential units. Staff is to explore these issues further using the computer model from Red Oak Consulting.

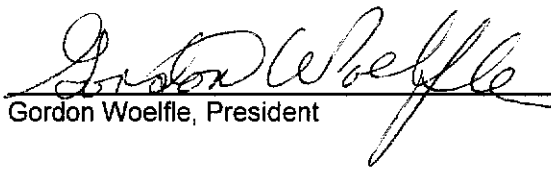
11. Information Transfer:


- The final report titled *Cost of Service, Financial Plan and System Development Charge Study* from Red Oak was supplied.
- Polluted Water 303(d) list
- Draft Memorandum of Understanding with Town of Windsor was discussed. It was the sense of the Board that the agreement with Windsor should be an IGA (intergovernmental agreement) rather than a memorandum of understanding (MOU). Changes were suggested to the language of the draft document presented.
- Presentations and/or discussions took place on East Prospect Road improvements; Accounting/Billing software upgrade; Drake/I-25 crossing; City of Greeley potable water pipeline project; Sherry St. crossing; NPDES permit renewal; Boxelder Creek floodplain; Plant site flood proofing; Stockpiling fill material at plant site; Easement acquisitions; Emergency generator; Emergency pump; Rest Area force main relocation; Electronic record-keeping and TV truck. Development (i.e., growth/new subdivisions) information was also presented.

12. New business: None

Mr. Steve Kawulok moved to adjourn. Motion seconded. Motion passed unanimously. Meeting adjourned at 1:57 pm.

These minutes were approved on the 18<sup>th</sup> day of October, 2005 by an action of the Board of Directors.

  
Gordon Woelfle, President

  
Ravindra M. Srivastava, Secretary  
*Kandy Siddens, Acting Secretary*