

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
FOUNTAIN SANITATION DISTRICT**

**June 8, 2022**

**Opening:**

Mr. Christian called the regular meeting of the Board of Directors of the Fountain Sanitation District to order at 5:30 p.m. on June 8, 2022.

**Directors Present:**

Mr. Christian  
Dr. Durbin  
Mr. Holtz  
Mr. Blankenship

**Also In Attendance:**

Office Administrator Cindy Murray  
District Engineer Jonathan Moore  
Consulting Engineer Roger Sams  
Attorney Scott Johnson *via telephone*

**Guests in attendance:** Seef LeRoux, CliftonLarsonAllen, Darrin Zeer, 705 E. Ohio

At this time, Mr. Blankenship made a motion to excuse Phil Thomas due to illness. Second by Dr. Durbin. Motion carried.

**A. Approval of Minutes**

Dr. Durbin made a motion to approve the regular meeting minutes of May 11, 2022. Second by Mr. Holtz. Motion carried.

**B. Approval of Bills**

Dr. Durbin made a motion to approve the bills for May 2022 for payment. Second by Mr. Blankenship. Motion carried.

\*The Board reviewed the financial statements for May 2022 at this time with no questions or comments.

**C. Special Business –**

1. Mr. Zeer, homeowner of 705 E. Ohio, Fountain, CO 80817 attended the meeting to request a sanitary system connection waiver from the District Board to replace his existing Onsite Wastewater Treatment Systems (OWTS) or septic tank. He stated that the house is on .47 acres and was built in 1918 with a septic tank. He spoke with the El Paso County Health Department and they informed him that if he got a waiver from the District that they would allow him to fix or replace the existing septic tank. It is the recommendation of the staff to have the Board give favorable consideration for approving Mr. Zeer's request for a sanitary system connection waiver. Discussion followed. Mr. Blankenship made a motion to approve Mr. Zeer's request for a sanitary system connection waiver. Second by Mr. Holtz. Motion carried. Ms. Murray informed Mr. Zeer that District staff will get a written waiver approval letter to him for the El Paso County Health Dept. Mr. Zeer thanked the Board.

2. Seef LeRoux with Clifton Larson Allen, LLP attended the meeting to present the December 31, 2021, financial statements for the 2021 Financial Audit Report. He reported that the Board received the draft 2021 financial statements prior to the Board meeting. He gave the Board a PowerPoint presentation of the financial statements that go with the audit report. Mr. LeRoux reported that Biggs Kofford, P.C. completed the audit with no concerns or issues and provided the audit report of the financial statements with an unqualified opinion. Discussion followed. Mr. Holtz made a motion to approve the 2021 Financial Audit Report. Second by Mr. Blankenship. Motion carried. The Board thanked Mr. LeRoux for his time and presentation.
3. District Engineer Jonathan Moore reported on the Wilson Road Sanitary Replacement Project. He stated that this project is complete. It consisted of replacing 830-feet of 12-inch sanitary main in Wilson Road. He is asking the Board to consider Payment No. 1 to RMS Utilities, Inc. in the amount of \$158,387.85 for the Wilson Road Sanitary Sewer Replacement Project. He stated that the Board approved a budget of \$256,000 for the project. The awarded contract was for \$204,885 and the actual total contract submitted was \$175,986.50, which is \$80,015.50 under budget. He stated that there is still 10% retainage in the amount of \$28,898.50 being held until final notice is published making Payment #1 a total of \$158,387.85. Discussion followed. Mr. Blankenship made a motion to approve Payment No. 1 to RMS Utilities, Inc. in the amount of \$158,387.85. second by Mr. Holtz. Motion carried.

**D. General Business –**

1. District Engineer Jonathan Moore reported on the Illinois Avenue sanitary realignment (railroad) project. He stated that with the help of attorney Scott Johnson, some revisions to the license agreement were completed and sent it back to the railroad's legal department. They are asking for an upfront cost of \$53,425 versus annual payments over 25 years with a 3% increase. The District countered with a request to pay half which was declined because they stated it is already at a discounted rate. Staff is recommending that the Board favorably consider a onetime payment to BNSF Railroad Co. in the amount of \$53,425.00. It was the Board's consensus to pay a onetime license fee of \$53,425. Mr. Moore is waiting for the railroad's legal counsel to return the license agreement for execution by the Board. Discussion followed. Mr. Moore stated that he has reached out to the geotechnical firm to complete some bore holes once the permit is signed and before the project goes out to bid.
  - ✓ District Engineer Jonathan Moore reported on the Colorado Springs Utilities Service Agreement. They have been working on updating this with Consulting Engineer Roger Sams and Attorney Scott Johnson, they have another meeting scheduled to finalize all the District comments and they will submit those to CSU for their review.
  - ✓ He reported that he completed the construction drawings for the RJCII Sanitary Sewer Main Realignment project and submitted those to Magellan. They have reviewed them and have no issues. Their attorneys are reviewing the easement agreements. Mr. Moore is hoping to hear back by next week. He will be putting the project out for bid for August in anticipation to complete the project by October. He will keep the Board updated.
2. Consulting Engineer Roger Sams reported that he has been working with Mr. Heckman, Mr. Moore and Attorney Scott Johnson on the District's wastewater management service

agreement with CSU. He also reported that the Water Quality Control Commission will have a rulemaking hearing in November that has the potential to impact the District although it would be minimal. The impact is related to potential modifications with the Voluntary Incentive Program (VIP) which would delay some compliance schedules. He will keep the Board updated.

3. Attorney Scott Johnson wanted to commend Mr. Heckman and Mr. Moore on the work they did with the Railroad Agreement. He also reported that Pat Hrbacek with his firm has been working with Ms. Murray on the Petition for Inclusions for the District.

**E. New Business –**

1. Ms. Murray requested the Board consider ratifying the following transfers:

- ✓ \$100,000 from the United Business Bank Checking account to the Community Banks of Colorado Payroll account on May 9, 2022,
- ✓ \$112,000 from the United Business Bank Tap Fee account to the CSAFE-FSD account on June 3, 2022,
- ✓ \$110,000 from the United Business Bank Tap Fee account to the CSAFE -JCC/LFMSDD account on June 3, 2022,
- ✓ \$100,000 from the United Business Bank Tap Fee account to the United Business Bank checking account on June 3, 2022,
- ✓ \$175,000 from the United Business Bank Checking account to the CSAFE -FSD account on June 3, 2022,
- ✓ \$175,000 from the United Business Bank Checking account to the CSAFE-JCC/LFMSDD account on June 3, 2022, and
- ✓ \$100,000 from the United Business Bank Checking account to the Community Banks of Colorado Payroll account on June 3, 2022

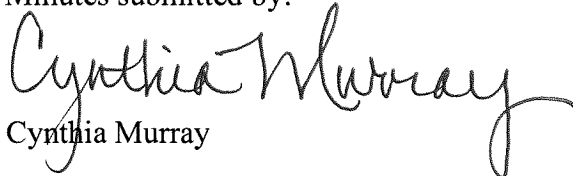
Mr. Holtz made a motion to ratify the transfers. Second by Dr. Durbin. Motion carried.

**F. Other Business – None**

**Adjournment:**

Dr. Durbin made a motion to adjourn the meeting at 6:37 pm. Second by Mr. Holtz. Motion carried. The next regular meeting will be at 5:30 pm. on July 13, 2022.

Minutes submitted by:

  
Cynthia Murray