

FOREST LAKES (Continued from 18)

See www.ocn.me/v18n5.htm#flmd.

- Donala Water and Sanitation District costs are likely to increase to \$114,000 due to day-to-day running costs of operating both the surface water and wastewater treatment plants for FLMD.
- \$160,000 is budgeted to deal with wastewater treatment operations including arsenic issues that are best dealt with at individual water treatment plants, before influent is sent on to the wastewater treatment plant.
- New tap fees, inspections, and water service have been lower than expected and currently estimated at \$71,910. Average monthly water use per residence was originally estimated at 12,500 gallons per month, but it is actually on average about 10,000 gallons per month.
- PPMD 2 has no development within it yet and so there is very little financial activity.
- PPMD 3 is generating significant revenue from the PIF, but more commercial business there will generate more revenue.

Annual administrative and management costs are paid to FLMD by each district. PPMD 1 is now generating higher O&M costs and the mill levy is generating more revenue. The budget reflects an increase to \$73,000 for PPMD 1. PPMD 2 will be charged \$4,300 and PPMD 3 \$25,000.

The FLMD, PPMD 2 and 3 board approved the resolutions for the 2019 budgets, 4-0. No mill levy is certified for FLMD, but for "The Pinons" financing districts, PPMD 2 and 3 were both set at 10 mills for O&M and 40 mills for debt service.

Regionalization might save money in the future

The board briefly discussed the proposed wastewater collector that could connect the Upper Monument Creek Regional Wastewater Treatment Facility (UMCRWWTF) to the Colorado Springs Utilities J. D. Phillips treatment plant. All three districts using UMCRWWTF, and also all three districts using the Tri-Lakes Wastewater Treatment Facility, have recently been offered the option of "regionalizing" their smaller wastewater systems and saving a lot of money in the long-term by taking advantage of economies of

scale. The board also discussed possibilities regarding drinking water return flows. No formal commitments have been made yet. See www.ocn.me/v18n12.htm#msd.

The FLMD board moved into executive session at 10:59 a.m. to receive legal advice from District Counsel Russel Dykstra regarding the contract for the FLMD Water Treatment Plant. The board received instructions to negotiations only during the session. No further votes or decisions were made after the executive session ended, Nichols told OCN.

PPMD 1 meetings, followed by the joint meeting of FLMD and PPMD 2 and 3, are usually scheduled for 10 a.m. the first Monday of each month in the Classic Homes office at 6385 Corporate Drive, Suite 200, Colorado Springs. Official meeting notices are posted on the district website <http://forestlakesmetrodistrict.com>, and at the Forest Lakes mailbox notice board. For general questions, contact Ann Nichols at 719-327-5810 or at anicholsduffy@aol.com.

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Donala Water and Sanitation District, Dec. 6

2019 budget approved; water rates up 4 percent, wastewater up \$2 per month

By Helen Walklett

At its Dec. 6 meeting, the Donala Water and Sanitation District board unanimously approved the 2019 budget. The board also approved another three-year agreement with Colorado Springs Utilities (CSU) and a draft contract for storage in Pueblo Reservoir and discussed the possible consolidation of wastewater treatment plants. Director Wayne Vanderschuere's absence was unanimously excused.

Financial reports

District General Manager Kip Petersen told the board that as of the end of November, 8.37 percent of the water operating revenue budget remained. The target is 8.4 percent. He said, "We still have a month to go so I think things are going to work out real well in terms of our estimates for revenue for 2018."

Turning to expenditures, Petersen reported 22.45 percent of the budgeted amount was remaining, largely due to projects that haven't yet been started or completed. The target is 8.4 percent. He said that utilities had come in over budget and would continue to do so because the district had pumped its wells a lot more than had been anticipated at the end of the summer.

Petersen said that he had no concerns with the financials for the wastewater plant. On expenditures, he reported that the district has not spent the capital projects funds, which is why 41 percent of the budget remains. He said that amounted roughly to \$450,000, some of which would be spent in 2018, some in 2019.

2019 budget adoption

Petersen detailed changes that had been made to the budget since his original presentation to the board in October.

For the water budget, these included a \$1 a month increase to the water service rate, which assists the district in covering the administrative costs of operations. This is the first increase since 2012 and follows higher-than-anticipated water sales in 2018 due to warmer and drier weather. Petersen also told the board that James Barash, one of the original developers of Gleneagle and the developer of Academy Gateway, had paid off his agreement with Donala earlier than anticipated and so this item had been removed from the 2019 water budget.

Funds for arsenic removal had been moved out of the wastewater budget and placed into water capital for 2019 because this was now being mitigated at the R. Hull water production plant. The repair and maintenance item in the wastewater budget has been increased to accommodate a need to purchase specific, redundant pieces of equipment to have on hand in case of failure.

The board then unanimously approved five resolutions to adopt the 2019 budget, setting both Donala 2019 property tax mill levies (unchanged), a 4 percent increase across all six water use rate tiers, a \$2 per month sewer service rate increase to \$35 per month, and the 2019 appropriation. The construction water rate will increase from \$14.84 to \$15.43 per 1,000 gallons in 2019, the same as the third-tier drinking water rate, and no construction water will be sold for use out of Donala's area in 2019.

Total estimated 2019 expenditures are \$12.249 million, down from \$12.730 million in the 2018 budget. Total estimated revenues are \$29.193 million, up from \$22.730 million in the 2018 budget. The first of two property mill levies, which applies to all district property owners except those in Chaparral Hills, had a 2019 budget year valuation for assessment of \$78.731 million. The board's resolution certified a property tax of 21.296 mills to the El Paso Board of County Commissioners, which will produce total revenue of \$1.676 million in 2019. The second property mill resolution applies to those district property owners in Chaparral Hills who receive either Donala water or sewer service. It had a 2019 budget year valuation for assessment of \$287,020. The resolution certified a property tax of 10.648 mills to the county commissioners, which will produce total revenue of

\$3,056 in 2019.

The 2019 budget and rates can be viewed on Donala's website at <http://www.donalawater.org/>.

Water service agreement with CSU

The board unanimously approved another three-year agreement with CSU for the transportation, treatment, and delivery of Willow Creek Ranch water ahead of the expiration of the current agreement at the end of 2018. Petersen said that the terms and conditions of this agreement are similar to previous years but have been amended to reduce the monthly system use fee.

Donala's goal has been to develop a long-term (20-year) agreement with CSU but this has not been possible to date because of conditions that Donala must meet first. The first condition, that Donala have a long-term contract with the Bureau of Reclamation for the storage of its water in Pueblo Reservoir, was met at the Dec. 6 meeting (see below).

However, Petersen said that the second requirement, that Donala obtain compliance with Pueblo County's 1041 requirements, will take more time. Donala's request for an exemption, or a Finding of No Significant Impact (FONSI), has been denied by Joan Armstrong, Pueblo County planning director. Donala filed a request for reconsideration of this decision with the Board of Pueblo County Commissioners and the Planning Department on Nov. 21. Petersen said that as of Dec. 6, he had heard nothing further.

Storage in Pueblo Reservoir

The board also unanimously approved a draft 40-year contract between Donala and the Bureau of Reclamation for storage in Pueblo Reservoir. The process to achieve this started in 2011. An environmental assessment (EA) was completed as part of the work. The final contract will be signed once the EA has been signed to ensure consistency. The board agreed to accept the contract subject to it being reviewed by Petersen and the legal team. The EA is expected to be signed after the holidays. See www.ocn.me/v11n10.htm#dwsd915.

Possible consolidation of wastewater treatment plants

Petersen also reported that discussions are continuing with CSU on the possibility of the wastewater treatment plants on Monument Creek consolidating into a single interceptor line, with CSU treating all of

Donala's wastewater flows.

Petersen said that Donala needs to be certain that it can access all of its return flows, determine what impacts such a consolidation may have on augmentation plans, and address other concerns that may impact a consolidation.

One advantage of consolidation is the potential to eliminate a necessary capital upgrade to its Upper Monument Creek Regional Wastewater Treatment Facility to enable Donala to meet a requirement to remove phosphorous and nutrients from wastewater flows before they leave the plant by 2027. CSU's JD Phillips Water Reclamation Facility can already remove these and arsenic. Also, Donala would be able to decommission the Northgate lift station, eliminating a maintenance concern.

Happy New Year!

Thank you so much for all of the business in 2018, by far my best year yet!

If I can do anything to help you in 2019 with your real estate needs, please call, text, or email. I will be more than happy to help!

Have a fantastic 2019!

A few pictures of some of the homes you helped me sell in 2018!



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Shields