

WWSD (Cont. from 14)

public hearing on water and sewer rates for 2021, with Rob Wadsworth of Raftelis Financial Consultants presenting an updated rates analysis as requested by the board at the November meeting.

Shaffer pointed out that the initial discussion was focused on how much revenue would need to increase to fund the district's work, and that proposed rates were calculated to generate the needed revenue.

Wadsworth presented three scenarios for revenue increases:

- Scenario A—1% increase per year for 2021 and 2022 followed by 9.5% per year increases for years 2023 through 2030.
- Scenario B—2% increase per year for 2021 and 2022 followed by 9.0% per year increases for years 2023 through 2030.
- Scenario C—3% increase per year for 2021 and 2022 followed by 9.5% per year increases for years 2023 through 2030.

Wadsworth focused in on scenario B, presenting a chart that listed the rate increases that would be required to achieve a 2% increase in district revenue. Residential water rates are categorized in three blocks depending on monthly water use. For residential customers, the proposed rate increases were these:

- The rate for block 1 (0 to 6,000 gallons per month) would increase from \$6.01 per 1,000 gallons to \$6.14 per 1,000 gallons—an increase of 2.2 percent.
- The rate for block 2 (6,001 to 25,000 gallons per month) would increase from \$9.91 per 1,000 gallons to \$10.12 per 1,000 gallons—an increase of 2.1 percent.
- The rate for block 3 (more than 25,000 gallons per month) would increase from \$15.85 per 1,000 gallons to \$16.19 per 1,000 gallons—an increase of 2.1 percent

Wadsworth projected how the rate increases in scenario B would raise customer's monthly bills for three categories of residential users:

- Low users (3,000 gallons per month) would see an increase from \$99.16 to \$100.18
- Medium users (5,000 gallons per month) would see an increase from \$111.18 to \$112.30
- High users (10,000 gallons per month) would see an increase from \$156.83 to \$158.36

Wadsworth recommended an increase in sewer rates for residential users from \$31.63 to \$32.31.

Wadsworth also recommended that the water and sewer plant investment fees remain unchanged or be increased by an inflationary factor of 2 percent. Shaffer said that he had budgeted for no increase to these fees.

Wadsworth pointed out that at current rates, residential customers are being subsidized by non-residential customers.

Note: WWSD has four other customer categories in addition to residential customers. For a complete list of water rates, see the district's web page at <https://www.woodmoorwater.com/services/residential-services/rates-and-charges.html>.

When public comments were requested, resident David Hamilton Smith asked what strategy was behind having a small increase in the first two

years but an increase in following years of 8%. Shaffer answered that current circumstances with COVID-19 and other disruptions to the economy led the board to conclude lower increases would be more appropriate for the time being. Shaffer said the district's long-range planning runs on a five-year cycle, and the current plan is four years old and he felt that process would create more accurate planning data when it resumes.

Bush commented that a large project was being considered around the end of the decade, but the project was still tentative, and Raftelis had included the potential costs of this project in its first analysis. Then the board asked Raftelis to revise its analysis with more modest increases in rates. The current Raftelis analysis still anticipates the district accumulating the funds for this project, Bush said.

Discussion by the board followed the public comments. Shaffer said he had developed the proposed 2021 budget with the rates from scenario B in mind.

The board voted unanimously to approve Resolution 20-06, which made the rates in scenario B official district policy.

Public hearing on proposed 2021 budget concluded

Following the discussion of rates, the board returned to the public hearing on the proposed 2021 budget that had begun at the Nov. 16 meeting.

Shaffer again emphasized the budget presented in November had been updated with the rates in scenario B included. Shaffer said the proposed budget included spending \$6.7 million out of reserves.

There were no public comments on the proposed budget, and Bush closed the public hearing.

Following the hearing, the board voted unanimously to approve Resolution 20-07, which adopted the budget and appropriated the funds for 2021.

Contract between Chilcott Ditch Co. and WWSD approved

Shaffer told the board that WWSD is the majority shareholder in the Chilcott Ditch Co., and provides bookkeeping, operational support, and other services to the company for an hourly rate. The contract is renewed annually, he said, adding that this year the hourly rate was increasing from \$17 an hour to \$31 an hour.

The board voted unanimously to approve the 2021 contract.

Amendment to grazing lease approved

Shaffer asked the board to consider an amendment to the grazing lease between WWSD and JV Ranches LLC, which grazes cattle on Woodmoor Ranch, which is owned by WWSD. The amendment removes 79 acres from the lease, reducing the land available to JV Ranches to 490 acres. The acres were removed from the lease because WWSD is revegetating those acres as the district was required to do when it converted the water rights from agricul-

tural to municipal use. That conversion required the district to revegetate the land with native plants to prevent soil erosion.

The board voted unanimously to approve the amendment.

Mary Mills' property added to district service area

In September, the board voted to include property owned by Jon Mills in the district's service area, at Mills' request. Mills had an agreement with his mother, Mary Mills, allowing him to use a well on her property, and this agreement required WWSD to include some constraints in the district's agreement with him in the event he should ever sell his property. Mills wanted his property included in the service area for tax purposes and planned to continue to use the well on his mother's property. As Mills' petition moved through the approval process, these constraints in his agreement with WWSD began to complicate the petition for inclusion.

To simplify the original agreement with Jon Mills, the district proposed that the 6.5 acres owned by Mary Mills, which are east of Jon Mills' property, also be included in the district's service area. District Engineer Ariel Hacker analyzed the Mary Mills inclusion petition and determined that the district could provide water service to her property if that were ever needed, even if the property were acquired by a developer with the intent to build additional houses.

At the Dec. 14 meeting, the board held the public hearing required by the petition, approved the required resolution, and authorized the execution of the inclusion agreement with Mary Mills.

Signs to be placed around Lake Woodmoor
At its October meeting, the board heard from residents who wanted to continue to use the service roads on the west side of Lake Woodmoor for walking and other recreation. The board also heard from residents on the east side of the lake who were struggling with visitors trespassing on their property to access the east side of the lake.

In response, at the Dec. 14 meeting, the board approved the placement of seven signs around the lake. On the west side, signs will read "DANGER: Property maintained only for Maintenance Personnel, Enter at your Own Risk." Along the south, north and east, the signs will read: "No Lake Access—Keep Out." Three private driveways will be labeled as private property.

The next meeting is scheduled for Jan. 11 at 1 p.m. Meetings are usually held on the second Monday of each month at 1 p.m. Meetings are currently held at the Woodmoor Barn Community Center rather than the district office; please see www.woodmoorwater.com or call 488-2525 to verify meeting times and locations.

James Howald can be reached at jameshowald@ocn.me.

Monument Sanitation District, Dec. 16

Board approves 2021 budget

By Allison Robenstein and Lisa Hatfield

The Dec. 16 Monument Sanitation District (MSD) meeting was held in person and virtually, however Chairman Dan Hamilton made the decision not to use the camera because online attendees "didn't need it." All five board members and the district lawyer attended the meeting in person, while OCN and two MSD staff members attended online.

Paper shuffling and movement in the room added to poor audio quality provided by the microphone MSD used at its conference table. Therefore, most of this article will pertain only to the 2021 budget and the board packet.

Note: OCN reporters have been asking the MSD board to improve the sound quality of meetings every month since August. Most OCN reporters are not attending meetings in person per county and state public health orders. See <https://covid19.colorado.gov/data/covid-19-dial-dashboard>.

2021 budget approved

The 2021 budget and funds appropriation were unanimously approved in one combined resolution.

Though not discussed in the meeting, high-

lights from the 2021 budget include:

- Engineering fees increased from \$5,582 in 2020 to \$75,000, which most likely includes subcontracting with Donala for an Operator in Responsible Charge (ORC) in the absence of a district manager.
- Legal fees for 2021 are expected to remain the same as 2020 at \$50,000. Though the budget notes year-to-date legal costs as \$27,875 as of Nov. 23, the year-end cash flow document ending Dec. 16 says the district spent \$59,000 for legal counsel for 2020.
- Salaries and wages are decreased from \$252,129 to 167,600.
- Employee health insurance decreased from \$46,000 in 2020 to \$15,000.
- There is \$168,000 set aside for a portion of North Monument Creek Interceptor project in negotiation and design phase.
- Capital Improvement expenses increased from \$41,777 in 2020 to \$100,000. This is most likely to do with work on Willow Spring development.
- No TABOR reserves appear to be included in



ELIZABETH BRYSON
INSURANCE
GROUP
ELIZABETH BRYSON
325 2nd St. Ste. M, Monument, CO 80132
Office: (719) 418-9350
elizabeth@ebinsurancegroup.com
ebinsurancegroup.com

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