



**Sky Hi Domestic Water Improvement District**  
**Board of Director's Scheduled Meeting April 5, 2020**  
**Meeting Minutes** *MAY*

Board of Director's meeting called to order by the Chairman at 10:08am., at the Pump House.

In attendance was: All seated Board members present.

Call to the public. None in attendance.

Chairman reviewed Feb. 4<sup>th</sup>, 2020 Board meeting minutes. The Chairman gave a short review of the minutes, focusing on financial, deep well project, newsletter, and call to election. R. Inman motioned to approve the minutes as written, 2<sup>nd</sup> by B. Bro, approved unanimously.

General discussion concerning the end of the deep well project. The need to complete the site cleanup and fence repair remain paramount with issues of liability, safety, and security.

General discussion on the need to approve the infrastructure improvement connecting the new well to our existing water system. A not to exceed estimate of \$8k was motioned for approval by the chairman to pay for this work. 2<sup>nd</sup> S. Rodriguez, approved unanimously.

Water operator Mr. Harville joined the meeting and discussed with the Board the status of the electrical work necessary for the new well pump, which requires a "transformer" to provide the 460v circuit for the new pump. A single bid was received from Carlson elect. The Chairman motioned to approve for this work, not to exceed \$25k, 2<sup>nd</sup> by S. Rodriguez, approved unanimously. Mr. Harville promised to clean up the drill site and erect a temporary fence within the next week.

Mr. Harville mentioned the need to repair an ongoing issue with a leaky galvanized pipe feed line from pump #2 that needs to be replaced or repaired. Replaced being the preferred fix. Under a \$1,000 is estimated for this repair.

Chairman Lucas had to adjourn to attend to personal business, and Ms. Rodriguez took over facilitating the Board meeting. A discussion was had on the long-tabled need of a water rate increase. The Treasurer repeated that he had comparison rate structures from nearby water districts. It was agreed that a base cost of operations (including all maintenance costs) was needed to proceed on a new rate structure. The Treasurer mentioned that since 2011, the SHWID had an aprox. 15% "profit" margin. It was acknowledged that the Board needs to do an analysis of our new fixed costs (new well, electrics, etc.) to determine what a prudent and justified rate increase should be. The chairman clarified that any rate increases do not need to be vetted by the users, but a public meeting is necessary to inform the users of any rate changes.

Discussion on financials continued around rate increases. A usage rate comparison was presented by S. R. that shows that SHWID currently has very average base rates compared to nearby water districts.

A short discussion was had pro and con about limits or rate adjustments based upon water use, conservation, etc. Further discussion is warranted about the SHWID's position on conservation, drought contingency, use-based rates, etc. S. R. reminded the Board of our mission statement.

Mr. Harville mentioned that the new well's extensive water quality testing takes a long time (weeks). Results of water quality tests may help determine several water use limits and needs such as chlorination, etc.

Chairman Lucas reviewed the status of the requirements on closing our RDA grant. Our contracted licensed engineer (Painted Sky Inc.) is key to completing required final inspections and paperwork. The chairman said he would contact Will Flake to insure we meet our contractual requirements and time frames.

The chairman talked about our need to publish a current newsletter. Items needed in the newsletter are the "Chairman's Report" which will include deep well updates and overall financial situation, likely water rate increases, water quality of new well, usage philosophy, etc. The Secretary was tasked to provide new graphics illustrating our financial cash flow. It was agreed to have an unscheduled meeting around June 2<sup>nd</sup> to finalize our newsletter draft content.

Next scheduled meeting is July 1<sup>st</sup>, 10am, at the pump house.

Chairman motioned to adjourn the meeting at 11:45am. 2<sup>nd</sup> B.Bro, passed.


Signed to approve these minutes and actions:



**Bill Lucas, Chairman**



**Susan Rodriguez, Vice Chair**



**Maurice Williams, Tres.**



**Bill Bro, Operations**



**Richard Inman, Sec.**