

**DONALA WATER AND SANITATION DISTRICT**  
**Regular BOARD MEETING AGENDA**  
**February 16, 2023**

MEETING TIME & PLACE:  
**1:30 P.M.**

DONALA WATER & SANITATION DISTRICT  
15850 HOLBEIN DRIVE, COLORADO SPRINGS, CO 80921

**Agenda**

1. Call to Order
2. Pledge of Allegiance
3. Approval of Agenda
4. Public Comment on Items not on the Agenda
5. Minutes from January 19, 2023, Regular Meeting
6. Financial Reports
7. Action Items:
  - a. Martin Marietta Water Lease
  - b. Consider awarding of a construction contract to K.R. Swerdfeger Construction LLC for the Well 16A raw water pipeline in the monetary amount of \$292,302.00.
8. Reports:
  - a. General Manager
  - b. Water
  - c. Wastewater
  - d. Consultants
9. Directors Comments
10. Public Comments
11. Executive
  - a. CRS §24-6-402(4)(e) Contract Negotiation for Long Term Water Contract with CSU.
  - b. CRS §24-6-402(4)(b) – Advice from Donala’s General Counsel on legal questions regarding UMCWTF contract.
12. Adjourn

DONALA WATER AND SANITATION DISTRICT  
BOARD OF DIRECTORS  
MEETING MINUTES  
January 19, 2023

The Board of Directors of the Donala Water and Sanitation District met in regular session at the District's office, 15850 Holbein Dr., El Paso County, Colorado on December 8, 2022 at 1:30pm.

Directors Present: Wayne Vanderschuere  
Bill George  
Kevin Deardorff  
Ed Miller  
Ken Judd

Staff Present: Jeff Hodge  
Christina Hawker  
Mike Boyett  
Ronny Wright  
Ashley Uhrin

Consultants Present: Roger Sams (GMS)  
Brett Gracely (LRE)

Guests: Jackie Burhans (OCN)  
James Howald (OCN)  
Scott McCulloch

President Vanderschuere called the meeting to order at 1:28 pm.

Approval of Agenda:

- Vanderschuere added an action item to authorize Ross Robinson as the alternate representative to the Loop Authority

Public Comment Non-Agenda Items:

- None

Review of Minutes:

- Minutes from December 8, 2022 Board Meeting accepted
  - Judd motioned to approve, George second, all aye.

Review of Financial Statements and Check Summaries:

- Approval of Financials
  - George motioned to approve, Judd second, all aye.

Resolution 2023-1 Annual Resolution of the Board of Directors Statutes and 2023 Board Meeting Schedule

- Annual statutes that the board has agreed to abide by for 2023 as well as the list of board meetings for 2023
- George motioned to approve, Miller second, all aye.

### Corolla Study

- Hodge explained that during the budgeting process in 2022, Triview Metro and Forest Lakes indicated that they would like to conduct a collective analysis of the Upper Monument Wastewater Treatment Facility alongside Donala. Donala agreed to the study and approved it to be a part of the 2023 budget. However, Triview Metro and Forest Lakes hired their own company, Corolla, to conduct the analysis beginning in 2022 and without the consent or knowledge of Donala. The contract for the Corolla study was signed by Triview Metro and was not reviewed nor signed by any representative of Donala. Triview and Forest Lakes claim that there is a clause in our agreement that allowed them to hire Corolla as the study is considered a capital expenditure. Neither Hodge nor Donala legal council does agree with that interpretation. As a result, Hodge asked for guidance from the board on how to proceed with the billing for the part of the study conducted in 2022 as well as how to proceed with the study in 2023. The board decided and agreed that Donala will not pay for any part of the study completed in 2022 and the bid process to hire someone to complete the study will need to be started again with Donala's involvement. A letter stating the board's decision will be sent to the General Managers of Triview Metro and Forest Lakes as well as the board presidents.

### Alternative to Loop Authority

- Motion to approve Ross Robinson as the alternative representative of the Loop Authority should Hodge not be able to attend.
  - George motioned to approve, Deardorff second, all aye.

### General Manager's Report:

**Holbein Radium Results:** Another round of tests has been collected and sent off. The results should be available for the February board meeting.

**Well 8A:** Still waiting on vendor for what will be done to the motor that was removed and then setting install date.

**Well 16A:** We have an estimated time of delivery for the VFD, first of May 2023. Notice for bid for the raw water line has been sent

**Well 1A:** A new replacement VFD has arrived in the United States. Need to coordinate with partners to install as well testing is taking place.

**Well VFD Update:** New and replacement VFD's have been ordered for wells 4, 8, 9, 11, 12 and 14. They are about 30 weeks/8 months out for delivery and installation.

**Tri-Lakes WRF:** Had the kickoff meeting with Merrick on January 10, 2023. Our next step is to set up a meeting with Monument Sanitation to discuss this matter further and request information to better understand what the arrangement might be for service.

**Loop Water Authority:** The first official meeting was on January 19, 2023. At this meeting they obtained legal counsel and an accountant.

**Well Testing:** LRE, Colorado Water Well and Donala staff are testing all wells to develop a sustainable water regimen.

### Wastewater Report by Mike Boyett:

- No major or other findings during the inspection.

- Timberline was out to re-calibrate flows and found that there is a bulge of about .1” in the flume. The flume was corrected and will be monitored. At this time the flume is not being replaced.
- Quarterly samples showed high Manganese levels– self reported this to the state.
- Quarterly samples showed one “no report” listed as a result of the lab messing up both provided samples.

Consultants Comments:

- Sams and Hodge are working to refine the comparisons of utilizing the Northern Monument Creek Interceptor (NMCI) vs Upper Monument Creek Waste Water Treatment Plant (UMCWWTP).
- Sams stated that the state department that renews discharge permits has pushed renewals back. As a result, we will continue to operate under the permit as it currently is written and no adjustments can be made until such time that the permit is reviewed by the state.
- Gracely is meeting with multiple entities including the water commissioners about our Laughlin water rights.
- Gracely has submitted a cost proposal on behalf of the Loop Authority to test water sources for any and all contaminants so that when it comes time to design a treatment plan, they know what they will be treating for.

Directors Comments:

- Vanderschuere stated that he and Hodge will be attending the Water Congress meeting at the end of January.
- Vanderschuere stated that he and Hodge went to the last two meetings for the Arkansas Water Roundtable and invited any of the board members to attend the February meeting since Vanderschuere will not be available. Judd offered to attend the February meeting.
- Vanderschuere asked that everyone be ready with ideas for the April workshop. Bylaws will be reviewed at that time and Hodge’s performance review will be conducted then as well.
- Judd asked for the total amount of water in acre feet delivered in 2022. Vanderschuere asked that the total be sent to all the board members once obtained.

Public Comment:

- None

Regular board meeting adjourned at 3:26 pm.

These minutes are respectfully submitted for record by Ashley Uhrin on February 10, 2023.



# Budget Report Account Summary

For Fiscal: 2023 Period Ending: 01/31/2023

		Current	Period	Fiscal	Variance	Percent
		Total Budget	Activity	Activity	Favorable (Unfavorable)	Remaining
<b>Fund: 02 - Water Fund</b>						
<b>Revenue</b>						
02-00-00-40010	Water Sales	3757347	176689.1	176689.1	-3580657.9	
02-00-00-40020	Effluent/Augment	158000	15173.9	15173.9	-142826.1	
02-00-00-40030	Sewer Sales	1439716	128695.75	128695.75	-1311020.25	
02-00-00-40060	AVS Revenue	5250	-350	-350	-5600	
02-00-00-41000	Water Tap Fees	40000	0	0	-40000	
02-00-00-41001	Sewer Tap Fees	40000	0	0	-40000	
02-00-00-41002	Water Developing Fees	32500	0	0	-32500	
02-00-00-41003	Sewer Developing Fees	12500	0	0	-12500	
02-00-00-41004	Installation Fees	7500	0	0	-7500	
02-00-00-41005	Water Investment Fee	20000	0	0	-20000	
02-00-00-42001	Property Tax	2175748	765.37	765.37	-2174982.63	
02-00-00-42002	MV/SO Property Tax	200000	18009.41	18009.41	-181190.59	
02-00-00-43000	Capital Project Interest	27500	12695.72	12695.72	-14804.28	
02-00-00-43001	Strategic Planning Interest	8500	3953.93	3953.93	-4546.07	
02-00-00-43002	Operating Reserve Interest	6300	8857.02	8857.02	2557.02	
02-00-00-43003	Property Tax Interest	18000	3665.43	3665.43	-14334.57	
02-00-00-44000	Water Penalty Account	0	1120.52	1120.52	1120.52	
02-00-00-44001	Sewer Penalty Account	0	544.67	544.67	544.67	
02-00-00-45000	L.T. Investment Revenue	183000	6353.33	6353.33	-176646.67	
02-00-00-47005	Raidum	1650000	0	0	-1650000	
02-00-00-47006	Loop Reimbursement	1000000	0	0	-1000000	
02-00-00-47400	Triview Waste Plant Rev	853046	0	0	-853046	
02-00-00-47403	Forest Lakes Waste Plant Rev	111457	0	0	-111457	
02-00-00-48002	PD-DWSD Sal & Taxes	856688	0	0	-856688	
02-00-00-49900	Miscellaneous Revenue	35000	2052.44	2052.44	-32947.56	
02-00-00-49901	Bond Proceeds	10000000	0	0	-10000000	
<b>Revenue Total:</b>		<b>22,638,052.00</b>	<b>378,226.59</b>	<b>378,226.59</b>	<b>(22,259,825.41)</b>	<b>98.33%</b>
<b>Expense</b>						
02-00-00-54010	Salary-Office	0	23081.34	23081.34	-23081.34	
02-00-00-54400	457 Plan-Donala Expense	0	1452.87	1452.87	-1452.87	
02-00-00-54410	Insurance-Health	0	5985.17	5985.17	-5985.17	
02-00-00-56650	Debt Reserve	1250000	0	0	1250000	
02-01-00-54010	Salary-Office	278459	0	0	278459	
02-01-00-54210	Payroll Office Tax	20524	0	0	20524	
02-01-00-54400	457 Plan-Donala Expense	19576	0	0	19576	
02-01-00-54410	Insurance-Health	95762	0	0	95762	
02-01-00-54420	Disability, Life Ins.	10896.13	1852.07	1852.07	9044.06	
02-01-00-54430	Identity Protection	1920	160	160	1760	
02-01-00-54450	WASTE PLT./Salary,Taxes	856688	0	0	856688	
02-01-00-54500	Salary-Board Members	1200	0	0	1200	
02-01-00-54501	Payroll-Board of Directors	450	0	0	450	
02-01-00-57002	Miscellaneous Expense	5000	1053.31	1053.31	3946.69	
02-01-00-58005	Office Expenses	68800	4286.5	4286.5	64513.5	
02-01-00-58010	Large Office Equipment	20000	0	0	20000	
02-01-00-58015	Publication Expenses	5000	0	0	5000	
02-01-00-58020	Auditing/Accounting Expense	24617	0	0	24617	
02-01-00-58025	County Treas. Fee-G.F.	33200	0	0	33200	
02-01-00-58031	Abatement Refunds - GF	0	765.37	765.37	-765.37	
02-01-00-58035	Fees, Permits	15000	1000	1000	14000	
02-01-00-58040	Insurance-Bldg.	83504	0	0	83504	
<b>Expense:</b>		<b>2,790,596.13</b>	<b>39,636.63</b>	<b>39,636.63</b>	<b>2,750,959.50</b>	

**Budget Report**

For Fiscal: 2023 Period Ending: 01/31/2023

		Current	Period	Fiscal	Variance
		Total Budget	Activity	Activity	Favorable (Unfavorable) Percent Remaining
<u>02-01-00-58056</u>	Insurance-Workmen's Comp.	18794	0	0	18794
<u>02-01-00-58060</u>	Legal - General	74500	0	0	74500
<u>02-01-00-58065</u>	Legal - Water	14800	0	0	14800
<u>02-01-00-58070</u>	Training Expenses	15000	0	0	15000
<u>02-01-00-58075</u>	Contract Services	129841	4440.69	4440.69	125400.31
<u>02-01-00-58080</u>	Communications	25331	1663.6	1663.6	23667.4
<u>02-02-00-50100</u>	Water Rights	60000	0	0	60000
<u>02-02-00-52000</u>	Repair & Maintenance- General	280000	19192.87	19192.87	260807.13
<u>02-02-00-52001</u>	Inspection Refunds	2000	0	0	2000
<u>02-02-00-52010</u>	Tools & Equipment	15000	767.01	767.01	14232.99
<u>02-02-00-52070</u>	Water and Well Engineering	250000	0	0	250000
<u>02-02-00-52080</u>	Pro Eng - LIRF Updates	10000	0	0	10000
<u>02-02-00-52110</u>	Civil Engineering	75000	0	0	75000
<u>02-02-00-53006</u>	Fuel	20000	561.59	561.59	19438.41
<u>02-02-00-53012</u>	Truck Maintenance	38000	2737.36	2737.36	35262.64
<u>02-02-00-54020</u>	Salary-Water Operations	416755	60490.91	60490.91	356264.09
<u>02-02-00-54220</u>	Payroll-Water Tax	31257	0	0	31257
<u>02-02-00-54400</u>	457 Plan-Donala Expense	29173	2265.01	2265.01	26907.99
<u>02-02-00-54410</u>	Insurance-Health	91038	7542.03	7542.03	83495.97
<u>02-02-00-54451</u>	Triview Waste Plant Exp	853046	0	0	853046
<u>02-02-00-54452</u>	Forest Lakes Waste Plant Ex	111457	0	0	111457
<u>02-02-00-56610</u>	CWRPDA Principal \$5M	265678	132839	132839	132839
<u>02-02-00-56615</u>	CWAP Interest-\$5M	51095	28372.64	28372.64	22722.36
<u>02-02-00-56620</u>	2020 Bond B	210000	0	0	210000
<u>02-02-00-56625</u>	2020 Bond B INT	106462	0	0	106462
<u>02-02-00-56635</u>	2020 Bond A INT	116850	0	0	116850
<u>02-02-00-56645</u>	L.T. Investment Expense	2000	0	0	2000
<u>02-02-00-57002</u>	Miscellaneous Expense	5000	-2286.64	-2286.64	7286.64
<u>02-02-00-57100</u>	Tabor Reserves	274050	0	0	274050
<u>02-02-00-57110</u>	Contingency Exp	100000	0	0	100000
<u>02-02-00-58070</u>	Training Expenses	15000	78	78	14922
<u>02-02-00-58075</u>	Contract Services	129840	0	0	129840
<u>02-02-00-60000</u>	Capital Projects - General	690000	0	0	690000
<u>02-02-00-60001</u>	Capital Reimbursement Bond	10000000	0	0	10000000
<u>02-02-00-60002</u>	Radium Removal	2100000	0	0	2100000
<u>02-02-00-60003</u>	Loop Group	1000000	240	240	999760
<u>02-02-41-52000</u>	Repair & Maintenance	5000	0	0	5000
<u>02-02-41-52030</u>	Residuals Management	96200	0	0	96200
<u>02-02-41-55030</u>	Natural Gas	1500	241.06	241.06	1258.94
<u>02-02-43-52000</u>	Repair & Maintenance	5000	0	0	5000
<u>02-02-43-55030</u>	Natural Gas	7300	0	0	7300
<u>02-02-45-51009</u>	Hazardous Materials Charges	125	0.25	0.25	124.75
<u>02-02-45-51015</u>	Caustic Soda	10050	1732.02	1732.02	8317.98
<u>02-02-45-51030</u>	Chlorine (Sodium Hypochloride)	2350	264.79	264.79	2085.21
<u>02-02-45-51040</u>	Potassium Permanganate	630	330	330	300
<u>02-02-45-51060</u>	Lab & Analytical Equip	10000	0	0	10000
<u>02-02-45-51070</u>	Lab Tests	15200	11	11	15189
<u>02-02-45-51080</u>	Chem-Other	750	135.62	135.62	614.38
<u>02-02-45-52000</u>	Repair & Maintenance	30000	0	0	30000
<u>02-02-45-55010</u>	Utilities-Electric	73669.2	0	0	73669.2
<u>02-02-45-55030</u>	Natural Gas	1000	0	0	1000
<u>02-02-45-60000</u>	Capital Projects	500000	0	0	500000
<u>02-02-47-51000</u>	Acetylene	365	35.03	35.03	329.97
<u>02-02-47-51009</u>	Hazardous Materials Charges	125	23.06	23.06	101.94
<u>02-02-47-51015</u>	Caustic Soda	10050	1353.62	1353.62	8696.38
<u>02-02-47-51020</u>	Oxygen	330	31.62	31.62	298.38
<u>02-02-47-51030</u>	Chlorine (Sodium Hypochlorade)	2350	264.79	264.79	2085.21
<u>02-02-47-51040</u>	Potassium Permanganate	630	330	330	300
	<b>Expense:</b>	<b>18,399,591.20</b>	<b>263,656.93</b>	<b>263,656.93</b>	<b>18,135,934.27</b>

**Budget Report**

For Fiscal: 2023 Period Ending: 01/31/2023

		Current	Period	Fiscal	Variance	
		Total Budget	Activity	Activity	Favorable (Unfavorable)	Percent Remaining
<u>02-02-47-51060</u>	Lab & Analytical Equip	10000	0	0	10000	
<u>02-02-47-51070</u>	Lab Tests	15200	3475.72	3475.72	11724.28	
<u>02-02-47-51080</u>	Chem-Other	750	115.63	115.63	634.37	
<u>02-02-47-52000</u>	Repair & Maintenance	30000	0	0	30000	
<u>02-02-47-55010</u>	Utilities-Electric	70160.2	0	0	70160.2	
<u>02-02-47-55030</u>	Natural Gas	3200	491.52	491.52	2708.48	
<u>02-02-47-60000</u>	Capital Projects	522000	0	0	522000	
<u>02-02-49-52000</u>	Repair & Maintenance	5000	0	0	5000	
<u>02-02-49-55010</u>	Utilities-Electric	2028.4	0	0	2028.4	
<u>02-02-49-55030</u>	Natural Gas	270	22.31	22.31	247.69	
<u>02-02-93-58080</u>	Communications	6500	0	0	6500	
<u>02-03-71-52000</u>	Repair & Maintenance	25000	517.77	517.77	24482.23	
<u>02-03-71-55010</u>	Utilities-Electric	3034.9	0	0	3034.9	
<u>02-03-73-52000</u>	Repair & Maintenance	25000	0	0	25000	
<u>02-03-73-55010</u>	Utilities-Electric	4669.5	0	0	4669.5	
<u>02-03-75-52000</u>	Repair & Maintenance	25000	0	0	25000	
<u>02-03-75-55010</u>	Utilities-Electric	448.8	0	0	448.8	
<u>02-04-01-52000</u>	Repair & Maintenance	250000	0	0	250000	
<u>02-04-01-55010</u>	Utilities-Electric	46883.1	0	0	46883.1	
<u>02-04-07-55010</u>	Utilities-Electric	11387.2	0	0	11387.2	
<u>02-04-13-55010</u>	Utilities-Electric	62339.2	0	0	62339.2	
<u>02-04-13-60000</u>	Capital Projects	80000	0	0	80000	
<u>02-04-15-52000</u>	Repair & Maintenance	250000	0	0	250000	
<u>02-04-15-55010</u>	Utilities-Electric	50762.8	0	0	50762.8	
<u>02-04-15-60000</u>	Capital Projects	80000	0	0	80000	
<u>02-04-17-55010</u>	Utilities-Electric	11568.7	0	0	11568.7	
<u>02-04-17-60000</u>	Capital Projects	80000	0	0	80000	
<u>02-04-19-55010</u>	Utilities-Electric	34800.7	0	0	34800.7	
<u>02-04-19-55030</u>	Natural Gas	550	74.79	74.79	475.21	
<u>02-04-19-60000</u>	Capital Projects	80000	0	0	80000	
<u>02-04-21-55010</u>	Utilities-Electric	22657.8	0	0	22657.8	
<u>02-04-23-55010</u>	Utilities-Electric	19006.9	0	0	19006.9	
<u>02-04-23-60000</u>	Capital Projects	80000	0	0	80000	
<u>02-04-61-52000</u>	Repair & Maintenance	5000	0	0	5000	
<u>02-04-61-55010</u>	Utilities-Electric	1611.5	0	0	1611.5	
<u>02-04-61-60000</u>	Capital Projects	250000	0	0	250000	
<u>02-04-63-52000</u>	Repair & Maintenance	5000	0	0	5000	
<u>02-04-63-60000</u>	Capital Projects	250000	0	0	250000	
<u>02-04-65-52000</u>	Repair & Maintenance	5000	0	0	5000	
<u>02-04-65-60000</u>	Capital Projects	250000	0	0	250000	
<u>02-04-81-52000</u>	Repair & Maintenance	12000	0	0	12000	
<u>02-04-81-55010</u>	Utilities-Electric	25052.5	0	0	25052.5	
<u>02-04-83-52000</u>	Repair & Maintenance	21000	0	0	21000	
<u>02-04-83-55030</u>	Natural Gas	1200	144.8	144.8	1055.2	
<u>02-04-85-52000</u>	Repair & Maintenance	25000	0	0	25000	
<u>02-04-85-55030</u>	Natural Gas	270	22.31	22.31	247.69	
<u>02-04-91-59900</u>	Colo. Spgs Util Water	1792812.87	3646.63	3646.63	1789166.24	
	<b>Expense:</b>	<b>4552165.07</b>	<b>8511.48</b>	<b>8511.48</b>	<b>4543653.59</b>	
	<b>Expense Total:</b>	<b>25,742,352.40</b>	<b>311,805.04</b>	<b>311,805.04</b>	<b>25,430,547.36</b>	<b>98.79%</b>



Vendor Name	Payment Number	Post Date	Description (Item)	Account Number	Amount
<b>Fund: 02 - Water Fund</b>					
Cyberbasement	10337	01/01/2023	January website maintenance	02-01-00-58075	40.00
Abila	10378	01/03/2023	MIP - Cloud subscription	02-01-00-58075	139.83
Cyberbasement	10383	01/03/2023	February website maintenanc	02-01-00-58075	40.00
Sbs Services Group Llc	10388	01/03/2023	Janitorial services - January	02-01-00-58075	321.50
Streamline	10390	01/03/2023	Loop Authority Website	02-02-00-60003	240.00
Comcast	10380	01/03/2023	Internet@ R Hull thru 02/03/	02-01-00-58080	117.88
Standard Insurance Co.-Life In	10389	01/03/2023	Disability - January 2023	02-01-00-54420	931.74
Cyberbasement	10395	01/06/2023	SSL certificates - donalawater.	02-01-00-58075	50.00
Frontier It	10396	01/06/2023	Monthly billing January	02-01-00-58075	1,942.00
Watereuse Association	10404	01/06/2023	2023 Annual Membership Du	02-01-00-58035	1,000.00
Colorado Department of Reve	DFT0000224	01/10/2023	State Income Tax Withholding	02-00-00-24001	7.50
Colorado Department of Reve	DFT0000224	01/10/2023	State Income Tax Withholding	02-02-00-24001	986.00
Internal Revenue Service	DFT0000205	01/10/2023	Social Security	02-00-00-24000	55.72
Internal Revenue Service	DFT0000205	01/10/2023	Social Security	02-02-00-24000	2,849.02
Internal Revenue Service	DFT0000206	01/10/2023	Medicare	02-00-00-24000	13.04
Internal Revenue Service	DFT0000206	01/10/2023	Medicare	02-02-00-24000	666.30
Internal Revenue Service	DFT0000207	01/10/2023	Federal Income Tax Withholdi	02-02-00-24002	4,558.17
Comcast Business	10422	01/11/2023	Fiber line January	02-01-00-58080	675.04
Wells Fargo Financial Leasing	10425	01/11/2023	Lease on Kyocera copier	02-01-00-58075	157.00
Pilot Travel Centers LLC	DFT0000226	01/11/2023	January fuel expenses	02-02-00-53006	142.71
Colorado Springs Utilities	DFT0000225	01/11/2023	IUF fee	02-04-91-59900	3,646.63
Lincoln Life	DFT0000208	01/15/2023	Employee 457 Contribution	02-00-00-24003	723.29
Lincoln Life	DFT0000208	01/15/2023	Employee 457 Contribution	02-02-00-24003	229.68
Lincoln Life	DFT0000209	01/15/2023	Employee 457 Contribution	02-00-00-24003	49.50
Lincoln Life	DFT0000209	01/15/2023	Employee 457 Contribution	02-02-00-24003	352.59
Lincoln Life	DFT0000211	01/15/2023	457 Contributions	02-00-00-24003	731.61
Lincoln Life	DFT0000211	01/15/2023	457 Contributions	02-02-00-24003	1,101.61
Cebt	DFT0000212	01/15/2023	Monthly Dental Premium	02-02-00-24005	1,454.00
Cebt	DFT0000213	01/15/2023	Health Insurance Premiums	02-02-00-24005	21,433.00
Cebt	DFT0000214	01/15/2023	Employer Dependent Life	02-00-00-24005	7.68
Cebt	DFT0000215	01/15/2023	Employer Life	02-00-00-24005	38.49
Cebt	DFT0000216	01/15/2023	Supplemental Employee Life	02-00-00-24005	27.30
Cebt	DFT0000217	01/15/2023	Supplemental Employee Depe	02-00-00-24005	3.50
Cebt	DFT0000218	01/15/2023	Supplemental Employee Spou	02-00-00-24005	13.65
Cebt	DFT0000219	01/15/2023	Monthly Vision Premium	02-02-00-24005	213.00
Colorado Department of Reve	DFT0000223	01/15/2023	State Income Tax Withholding	02-00-00-24001	393.00
Colorado Department of Reve	DFT0000223	01/15/2023	State Income Tax Withholding	02-02-00-24001	647.00
Internal Revenue Service	DFT0000220	01/15/2023	Social Security	02-00-00-24000	1,325.34
Internal Revenue Service	DFT0000220	01/15/2023	Social Security	02-02-00-24000	2,057.94
Internal Revenue Service	DFT0000221	01/15/2023	Medicare	02-00-00-24000	310.00
Internal Revenue Service	DFT0000221	01/15/2023	Medicare	02-02-00-24000	481.28
Internal Revenue Service	DFT0000222	01/15/2023	Federal Income Tax Withholdi	02-00-00-24002	1,008.94
Internal Revenue Service	DFT0000222	01/15/2023	Federal Income Tax Withholdi	02-02-00-24002	1,686.29
Usa Blue Book	10440	01/19/2023	Bottles and testing supplies	02-02-47-51070	3,475.72
Usa Blue Book	10440	01/19/2023	Speed handle and service vlav	02-02-00-52000	809.35
Usa Blue Book	10440	01/19/2023	Clam spoon and service valve	02-02-00-52000	667.30
Aura Sub LLC	10429	01/19/2023	Identity protection	02-01-00-54430	160.00
Pilot Travel Centers LLC		01/19/2023	January fuel expenses	02-02-00-53006	119.65
Pilot Travel Centers LLC	DFT0000228	01/19/2023	January fuel expenses	02-02-00-53006	119.65
Pilot Travel Centers LLC		01/19/2023	January fuel expenses	02-02-00-53006	-119.65
Airgas Usa, Llc	10428	01/19/2023	Cylinder rental acetylene & ox	02-02-47-51000	35.03
Airgas Usa, Llc	10428	01/19/2023	Cylinder rental acetylene & ox	02-02-47-51009	22.81
Airgas Usa, Llc	10428	01/19/2023	Cylinder rental acetylene & ox	02-02-47-51020	31.62



Board Expense Report

Payable Dates: 1/1/2023 - 1/31/2023

Vendor Name	Payment Number	Post Date	Description (Item)	Account Number	Amount
Black Hills Energy	10430	01/19/2023	Gas@ Jessie Dr. thru 01/10/2	02-04-83-55030	144.80
Black Hills Energy	10430	01/19/2023	Gas@ Latrobe Ct, thru 01/10/	02-04-85-55030	22.31
Black Hills Energy	10430	01/19/2023	Gas@ Holbein Dr. thru 01/10/	02-02-47-55030	491.52
Black Hills Energy	10430	01/19/2023	Gas@ Homeland Ct. thru 01/	02-02-41-55030	241.06
Black Hills Energy	10430	01/19/2023	Gas@ Pauma Valley thru 01/1	02-02-49-55030	22.31
Black Hills Energy	10430	01/19/2023	Gas@ Red Fox Ln. thru 01/10/	02-04-19-55030	74.79
Comcast	10432	01/19/2023	Internet@ maintenance thru	02-01-00-58080	122.88
Comcast	10432	01/19/2023	Internet@ Holbein thru 02/16	02-01-00-58080	257.10
Core & Main Lp	10433	01/19/2023	8' Curb box key, wrench, tubin	02-02-00-52010	334.27
Comcast Business	10445	01/24/2023	Office phone bill	02-01-00-58080	490.70
Timber Line Electric & Control	10455	01/24/2023	FCC Renewal	02-02-00-52000	415.00
Usa Blue Book	10456	01/24/2023	8' heavy-duty service/valve b	02-02-00-52000	264.95
Pilot Travel Centers LLC	DFT0000238	01/24/2023	January fuel expenses	02-02-00-53006	219.23
Hpe, Inc.	10450	01/24/2023	January preventive maintena	02-01-00-58075	136.00
Dpc Industries, Inc.	10447	01/24/2023	Caustic soda, chlorine, & pota	02-02-47-51009	0.25
Dpc Industries, Inc.	10447	01/24/2023	Caustic soda, chlorine, & pota	02-02-47-51015	1,353.62
Dpc Industries, Inc.	10447	01/24/2023	Caustic soda, chlorine, & pota	02-02-47-51030	264.79
Dpc Industries, Inc.	10447	01/24/2023	Caustic soda, chlorine, & pota	02-02-47-51040	330.00
Dpc Industries, Inc.	10447	01/24/2023	Caustic soda, chlorine, & pota	02-02-47-51080	115.63
Dpc Industries, Inc.	10447	01/24/2023	Caustic soda, chlorine, & pota	02-02-45-51009	0.25
Dpc Industries, Inc.	10447	01/24/2023	Caustic soda, chlorine, & pota	02-02-45-51015	1,732.02
Dpc Industries, Inc.	10447	01/24/2023	Caustic soda, chlorine, & pota	02-02-45-51030	264.79
Dpc Industries, Inc.	10447	01/24/2023	Caustic soda, chlorine, & pota	02-02-45-51040	330.00
Dpc Industries, Inc.	10447	01/24/2023	Caustic soda, chlorine, & pota	02-02-45-51080	135.62
Pueblo Bearing Service	10452	01/24/2023	1/16 Vinyl grommet	02-02-00-52000	142.30
Faris Machinery	10448	01/24/2023	Leader hose for vac truck	02-03-71-52000	517.77
Standard Insurance Co.-Life In	10454	01/24/2023	February disability	02-01-00-54420	920.33
Core & Main Lp	10446	01/24/2023	Various sized flange packs	02-02-00-52000	561.30
Core & Main Lp	10446	01/24/2023	MJ Gaskets	02-02-00-52000	67.70
Abila	10442	01/27/2023	MIP Cloud subscription	02-01-00-58075	139.83
Abila	10442	01/27/2023	MIP Cloud subscription	02-01-00-58075	151.03
Answer-Rite Telecommunicati	10444	01/27/2023	Answering service January	02-01-00-58075	99.00
Sbs Services Group Llc	10453	01/27/2023	Janitorial services February	02-01-00-58075	321.50
American Lock & Key	10443	01/27/2023	Keys, door knob, electronic le	02-02-00-52000	916.65
Lincoln Life	DFT0000230	01/31/2023	Employee 457 Contribution	02-00-00-24003	723.29
Lincoln Life	DFT0000230	01/31/2023	Employee 457 Contribution	02-02-00-24003	229.68
Lincoln Life	DFT0000231	01/31/2023	Employee 457 Contribution	02-00-00-24003	46.40
Lincoln Life	DFT0000231	01/31/2023	Employee 457 Contribution	02-02-00-24003	413.42
Lincoln Life	DFT0000233	01/31/2023	457 Contributions	02-00-00-24003	721.26
Lincoln Life	DFT0000233	01/31/2023	457 Contributions	02-02-00-24003	1,163.40
Colorado Department of Reve	DFT0000237	01/31/2023	State Income Tax Withholding	02-00-00-24001	376.51
Colorado Department of Reve	DFT0000237	01/31/2023	State Income Tax Withholding	02-02-00-24001	646.00
Internal Revenue Service	DFT0000234	01/31/2023	Social Security	02-00-00-24000	1,277.68
Internal Revenue Service	DFT0000234	01/31/2023	Social Security	02-02-00-24000	2,060.88
Internal Revenue Service	DFT0000235	01/31/2023	Medicare	02-00-00-24000	298.80
Internal Revenue Service	DFT0000235	01/31/2023	Medicare	02-02-00-24000	481.98
Internal Revenue Service	DFT0000236	01/31/2023	Federal Income Tax Withholdi	02-00-00-24002	968.07
Internal Revenue Service	DFT0000236	01/31/2023	Federal Income Tax Withholdi	02-02-00-24002	1,547.57
				<b>Fund 02 - Water Fund Total:</b>	<b>80,746.49</b>

**Board Expense Report**

**Payable Dates: 1/1/2023 - 1/31/2023**

Vendor Name	Payment Number	Post Date	Description (Item)	Account Number	Amount
<b>Fund: 03 - Wastewater Fund</b>					
Pikes Peak Culligan	10192	01/03/2023	Drinking water rental	03-50-00-58075	81.00
Energy Laboratories, Inc	10188	01/03/2023	TENORM testing	03-50-00-51070	306.00
Sbs Services Group Llc	10193	01/03/2023	Janitorial services - January	03-50-00-58075	223.50
Standard Insurance Co.-Life In	10195	01/03/2023	Disability - January 2023	03-50-00-54420	506.00
Chief Petroleum Company	10197	01/06/2023	Fuel for generators	03-50-00-52000	325.04
Frontier It	10201	01/06/2023	Monthly billing January	03-50-00-58075	1,025.00
Amerigas, Inc.	10196	01/06/2023	Propane 4th tank@ Mainbldg	03-50-00-55020	2,335.82
Amerigas, Inc.	10196	01/06/2023	Propane 1st tank@ Inside gat	03-50-00-55020	2,985.94
Amerigas, Inc.	10196	01/06/2023	Propane 3rd tank@ Mixer	03-50-00-55020	2,734.97
Usi Insurance Services Llc	10203	01/06/2023	Cyber Liability	03-50-00-58055	2,060.00
Lincoln Life	DFT0000204	01/10/2023	Employer 457 Contribution	03-50-00-24003	11,405.33
Colorado Department of Reve	DFT0000224	01/10/2023	State Income Tax Withholding	03-50-00-24001	2.50
Internal Revenue Service	DFT0000205	01/10/2023	Social Security	03-50-00-24000	18.56
Internal Revenue Service	DFT0000206	01/10/2023	Medicare	03-50-00-24000	4.34
Kubwater Resources, Inc.	10205	01/11/2023	4 drums polymer (zetag)	03-50-00-51050	7,814.56
Pilot Travel Centers LLC	DFT0000226	01/11/2023	January fuel expenses	03-50-00-53006	72.87
Lincoln Life	DFT0000208	01/15/2023	Employee 457 Contribution	03-50-00-24003	426.09
Lincoln Life	DFT0000209	01/15/2023	Employee 457 Contribution	03-50-00-24003	589.09
Lincoln Life	DFT0000210	01/15/2023	Employer 457 Contribution	03-50-00-24003	11,405.33
Lincoln Life	DFT0000211	01/15/2023	457 Contributions	03-50-00-24003	1,429.91
Colorado Department of Reve	DFT0000223	01/15/2023	State Income Tax Withholding	03-50-00-24001	685.00
Internal Revenue Service	DFT0000220	01/15/2023	Social Security	03-50-00-24000	2,584.42
Internal Revenue Service	DFT0000221	01/15/2023	Medicare	03-50-00-24000	604.38
Internal Revenue Service	DFT0000222	01/15/2023	Federal Income Tax Withholdi	03-50-00-24002	2,175.44
Municipal Treatment Equipm	10216	01/19/2023	4" Pec plug valve	03-50-00-52000	410.00
Usa Blue Book	10218	01/19/2023	Incubator refrigerator	03-50-00-51060	1,739.52
Denali Water Solutions Llc	10211	01/19/2023	Sludge hauls week ending 01/	03-50-00-52020	1,234.47
Aura Sub LLC	10209	01/19/2023	Identity protection	03-50-00-54430	52.00
Grainger	10213	01/19/2023	Carpeted entrance mat	03-50-00-58005	152.83
Grainger	10213	01/19/2023	Plug-in utility pump and wire	03-50-00-52000	108.70
Century Link	10210	01/19/2023	Internet@ Waste Plant	03-50-00-58080	228.41
Windustrial	10229	01/24/2023	PRV for laboratory D.I. water	03-50-00-52000	183.14
Pilot Travel Centers LLC	DFT0000238	01/24/2023	January fuel expenses	03-50-00-53006	22.22
Acz Laboratories, Inc.	10219	01/24/2023	Effluent tests (Mercury) dated	03-50-00-51070	166.64
Standard Insurance Co.-Life In	10227	01/24/2023	February Disability	03-50-00-54420	517.41
Clerk of the Combined Court	10221	01/24/2023	Mandatory employee deducti	03-50-00-24007	150.00
Pueblo Bearing Service	10224	01/25/2023	Silicone spray	03-50-00-52000	13.90
Usa Blue Book	10228	01/27/2023	Sulfuric acid, cover slips, stora	03-50-00-51060	600.04
Rampart Plumbing & Supply	10225	01/27/2023	4"1/8" Gasket	03-50-00-52000	18.40
Amerigas, Inc.	10220	01/27/2023	Propane 4th tank@ Mainbldg	03-50-00-55020	401.16
Amerigas, Inc.	10220	01/27/2023	Propane 2nd tank@ Domebld	03-50-00-55020	579.47
Amerigas, Inc.	10220	01/27/2023	Propane 3rd tank@ Mixer	03-50-00-55020	637.48
Denali Water Solutions Llc	10222	01/27/2023	Sludge hauls week ending 01/	03-50-00-52020	2,441.25
Sbs Services Group Llc	10226	01/27/2023	Janitorial services February	03-50-00-58075	223.50
Acz Laboratories, Inc.	10219	01/27/2023	Regualtion-85 dated 01/11/2	03-50-00-51070	153.93
Pueblo Bearing Service	10224	01/27/2023	Spare parts	03-50-00-52000	9.01
Lincoln Life	DFT0000230	01/31/2023	Employee 457 Contribution	03-50-00-24003	426.09
Lincoln Life	DFT0000231	01/31/2023	Employee 457 Contribution	03-50-00-24003	508.39
Lincoln Life	DFT0000233	01/31/2023	457 Contributions	03-50-00-24003	1,327.78
Colorado Department of Reve	DFT0000237	01/31/2023	State Income Tax Withholding	03-50-00-24001	650.49
Internal Revenue Service	DFT0000234	01/31/2023	Social Security	03-50-00-24000	2,539.74
Internal Revenue Service	DFT0000235	01/31/2023	Medicare	03-50-00-24000	594.00
Internal Revenue Service	DFT0000236	01/31/2023	Federal Income Tax Withholdi	03-50-00-24002	1,987.22
<b>Fund 03 - Wastewater Fund Total:</b>					<b>69,878.28</b>
<b>Grand Total:</b>					<b>150,624.77</b>

## Report Summary

## Fund Summary

Fund	Expense Amount	Payment Amount
02 - Water Fund	80,746.49	80,746.49
03 - Wastewater Fund	69,878.28	69,878.28
<b>Grand Total:</b>	<b>150,624.77</b>	<b>150,624.77</b>

## Account Summary

Account Number	Account Name	Expense Amount	Payment Amount
02-00-00-24000	Payroll Tax-Employee SS	3,280.58	3,280.58
02-00-00-24001	Employee State Tax W/H	777.01	777.01
02-00-00-24002	Employee Fed Tax-W/H	1,977.01	1,977.01
02-00-00-24003	Employee 457 W/H	2,995.35	2,995.35
02-00-00-24005	Health Withholding	90.62	90.62
02-01-00-54420	Disability, Life Ins.	1,852.07	1,852.07
02-01-00-54430	Identity Protection	160.00	160.00
02-01-00-58035	Fees, Permits	1,000.00	1,000.00
02-01-00-58075	Contract Services	3,537.69	3,537.69
02-01-00-58080	Communications	1,663.60	1,663.60
02-02-00-24000	Payroll Tax-Employee SS	8,597.40	8,597.40
02-02-00-24001	Employee State Tax W/H	2,279.00	2,279.00
02-02-00-24002	Employee Fed Tax-W/H	7,792.03	7,792.03
02-02-00-24003	Employee 457 W/H	3,490.38	3,490.38
02-02-00-24005	Health Withholding	23,100.00	23,100.00
02-02-00-52000	Repair & Maintenance-	3,844.55	3,844.55
02-02-00-52010	Tools & Equipment	334.27	334.27
02-02-00-53006	Fuel	481.59	481.59
02-02-00-60003	Loop Group	240.00	240.00
02-02-41-55030	Natural Gas	241.06	241.06
02-02-45-51009	Hazardous Materials Ch	0.25	0.25
02-02-45-51015	Caustic Soda	1,732.02	1,732.02
02-02-45-51030	Chlorine (Sodium Hypoc	264.79	264.79
02-02-45-51040	Potassium Permanganat	330.00	330.00
02-02-45-51080	Chem-Other	135.62	135.62
02-02-47-51000	Acetylene	35.03	35.03
02-02-47-51009	Hazardous Materials Ch	23.06	23.06
02-02-47-51015	Caustic Soda	1,353.62	1,353.62
02-02-47-51020	Oxygen	31.62	31.62
02-02-47-51030	Chlorine (Sodium Hypoc	264.79	264.79
02-02-47-51040	Potassium Permanganat	330.00	330.00
02-02-47-51070	Lab Tests	3,475.72	3,475.72
02-02-47-51080	Chem-Other	115.63	115.63
02-02-47-55030	Natural Gas	491.52	491.52
02-02-49-55030	Natural Gas	22.31	22.31
02-03-71-52000	Repair & Maintenance	517.77	517.77
02-04-19-55030	Natural Gas	74.79	74.79
02-04-83-55030	Natural Gas	144.80	144.80
02-04-85-55030	Natural Gas	22.31	22.31
02-04-91-59900	Colo. Spgs Util Water	3,646.63	3,646.63
03-50-00-24000	Payroll Tax-Employee SS	6,345.44	6,345.44
03-50-00-24001	Employee State Tax W/H	1,337.99	1,337.99
03-50-00-24002	Employee Fed Tax-W/H	4,162.66	4,162.66
03-50-00-24003	Employee 457 W/H	27,518.01	27,518.01
03-50-00-24007	Tax Levy/Garnishment	150.00	150.00
03-50-00-51050	Polymer	7,814.56	7,814.56
03-50-00-51060	Lab & Analytical Equip	2,339.56	2,339.56
03-50-00-51070	Lab Tests	626.57	626.57
03-50-00-52000	Repair & Maintenance	1,068.19	1,068.19
03-50-00-52020	Biosolids Hauling	3,675.72	3,675.72
03-50-00-53006	Fuel	95.09	95.09

**Account Summary**

Account Number	Account Name	Expense Amount	Payment Amount
03-50-00-54420	Disability, Life Ins.	1,023.41	1,023.41
03-50-00-54430	Identity Protection	52.00	52.00
03-50-00-55020	Propane	9,674.84	9,674.84
03-50-00-58005	Office Expenses	152.83	152.83
03-50-00-58055	Insurance_Liability & Au	2,060.00	2,060.00
03-50-00-58075	Contract Services	1,553.00	1,553.00
03-50-00-58080	Communications	228.41	228.41
	<b>Grand Total:</b>	<b>150,624.77</b>	<b>150,624.77</b>

**Project Account Summary**

Project Account Key	Expense Amount	Payment Amount
**None**	150,624.77	150,624.77
	<b>Grand Total:</b>	<b>150,624.77</b>

# Donala Water & Sanitation District

## Executive Summary

### Portfolio Snapshot

Book Value (\$000):	\$5,989	Average Coupon:	2.69%	Average Maturity (years):	1.87
Market Value (\$000):	\$5,846	Book Yield:	3.00%	Average Life (years):	1.87
Gain (Loss) on Portfolio:	(\$143)	Expected Total Return:	4.33%	Effective Duration:	1.56

### Market Snapshot

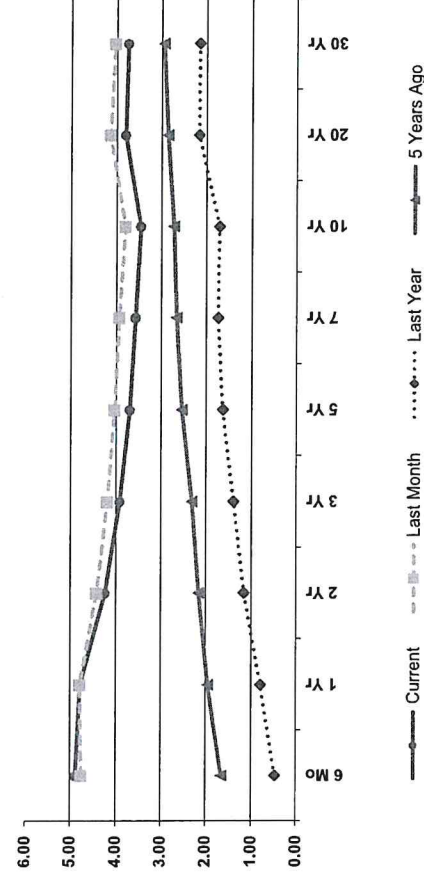
#### Market Brief

- Wages remain a significant driver of inflation. The Federal Reserve is tightening financial conditions to lower labor demand and regain price stability
- The Fed may stop hiking rates in the first half of 2023. However, rates could remain higher for longer to avoid a second spike in inflation.
- De-globalization, brought on by the war in Ukraine and trade uncertainty with China, is increasing the risk of a recession domestically and globally.
- As rates fell in the fourth quarter, financial markets rallied. Bonds are beginning to reflect our economic outlook.
- We continue to be cautious on equities. Though valuations have declined, earnings remain a risk as we enter 2023.

#### U.S. Treasury yields as of 01/31/2023

Maturity	Yield	Last Month	Last Year
6 month	4.88	4.75	0.47
1 Year	4.78	4.79	0.79
5 Year	3.69	4.03	1.63
10 Year	3.46	3.80	1.71
30 Year	3.74	4.03	2.16

#### Treasury Yield Curve History



## WATER LEASE

THIS WATER LEASE is made this March 25, 2021, between Donala Water and Sanitation District, a Colorado special district, 15850 Holbein Drive, Colorado Springs, Colorado 80921, as lessor ("Donala"), and Martin Marietta Materials, Inc., a North Carolina corporation, with a place of business at 1627 Cole Blvd, Suite 200, Lakewood, CO 80401, Colorado, ("Martin Marietta"), as lessee.

WHEREAS, Donala serves its potable water customers water derived from, among other sources, nontributary and not nontributary ground water from the Denver Basin aquifers, and discharges treated reusable effluent resulting from such use to Monument Creek at the Upper Monument Creek Regional Waste Water Treatment Facility; and

WHEREAS, subject to its own needs within its district boundaries, and prior leases of reusable effluent ("Prior Obligations"), Donala has and will have reusable effluent available for use in varying amounts from time to time during the next two years ("Lease Water"); and

WHEREAS, Martin Marietta owns and operates the Rich Pit in Pueblo County, and has a need for augmentation water in the Arkansas River to replace evaporative depletions and to support gravel mining operations at the Rich Pit according to a substitute water supply plan to be requested by Martin Marietta.

NOW THEREFORE, in consideration of the foregoing, the covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Donala and Martin Marietta agree:

1. Donala leases to Martin Marietta and Martin Marietta leases from Donala up to 135 acre-feet of Lease Water per year, not to exceed 16 acre-feet in any month. The Lease Water is available from time to time in varying quantities after meeting Prior Obligations. Donala does not guarantee the availability of any quantity of water at any given time, but Martin Marietta shall receive the first increment of reusable effluent after Donala's Prior Obligations and only upon making a specific request to Donala for Lease Water in a given month. Notwithstanding the foregoing, Donala shall not be required to deliver the Lease Water when delivery of the Lease Water would cause Donala to have insufficient water to meet its requirements under any plan for augmentation; or during "force majeure" situations.
2. The term of this Water Lease is from the date above through March 31, 2023. The Water Lease may be extended for one year commencing on April 1, 2023 and ending on March 31, 2024 so long as the one year extension is approved by the Parties and specifically by the Donala Water and Sanitation District Board of Directors.
3. Martin Marietta shall pay as rent \$300 per acre foot of Lease Water it requests as delivered at the outfall of the Upper Monument Creek Regional Waste Water Treatment Facility. Donala will bill Martin Marietta for all Lease Water delivered on a monthly basis, and payment is due within 30 days. Martin Marietta is responsible for arranging delivery from the place of delivery to its place of use, and shall bear all transit loss.
4. The place of delivery of such Lease Water will be at the point of discharge of the Upper Monument Creek Regional Waste Water Treatment Facility to Monument Creek. Martin Marietta shall incur any transit loss which occurs between the place of delivery and the ultimate place of use,

which is the Rich Pit point of depletion located on the Arkansas River in the SW1/4 of the SE1/4 of Section 34, Township 20 S, Range 63 W, 6th P.M. Donala, which is a participant in the USGS Transit Loss Model for Fountain Creek and Monument Creek, shall determine the transit loss between those two locations and Martin Marietta agrees to accept that determination.

5. The Lease Water shall meet the water quality requirements of the applicable CDPS discharge permit. Donala makes no other warranties or guarantees concerning either the quality of the Lease Water or the purposes for which the Lease Water is suitable.

6. The parties intend to coordinate as necessary to match deliveries of Lease Water to Martin Marietta's demand. Donala shall account for the Lease Water in its daily, weekly or monthly reports, as necessary. The contact person for day-to-day operations shall be:

Donala: Jeff Hodge, General Manager  
15850 Holbein Drive  
Colorado Springs, CO 80921

Martin Marietta:  
1627 Cole Blvd, Suite 200  
Lakewood, CO 80401

With copy to:  
Legal Department, Martin Marietta Materials  
4123 Parklake Avenue  
Raleigh, NC 27612

7. Martin Marietta shall be responsible for obtaining all necessary approvals to use the Lease Water for its purposes, including obtaining approval of a substitute water supply plan. Donala shall reasonably cooperate with Martin Marietta to obtain necessary approvals, but such "reasonable fashion" does not include any matters which would require Donala to incur legal fees or engineering fees.

8. This Water Lease may be terminated by Donala in the event of non-payment of Lease Water when due hereunder. Donala shall provide five days written notice of termination for non-payment to Martin Marietta. If Martin Marietta shall fail to bring all payments current within ten days of such notice, this Water Lease shall terminate and Donala shall have no further obligations hereunder. This Water Lease may otherwise be terminated prior to the expiration of the term hereof only upon written consent of both Parties.

9. Nothing in this Water Lease shall be interpreted to give Martin Marietta any legal or equitable title to or in any of Donala's water or water rights.

10. This Water Lease constitutes the entire agreement between the parties pertaining to the subject matter described in it and supersedes any and all prior contemporaneous agreements, representations, and understandings. No supplement, modification, or amendment of this Water Lease shall be binding unless executed in writing by all parties.

11. Neither Party may assign this Water Lease or sublet the Lease Water without the prior approval of the other Party, which shall not be unreasonably withheld, conditioned or delayed. The terms and provisions of this Water Lease are binding upon the parties, their permitted successors and assigns.

12. No waiver or failure to act on the part of either Party to this Water Lease shall prevent such Party from later exercising their rights under this Water Lease.

13. This Water Lease may be executed simultaneously in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same instrument. It shall not be necessary that any single counterpart hereof be executed by all Parties hereto so long as at least one counterpart is executed by each Party.

14. This Water Lease shall be construed according to the law of the State of Colorado. In the event of a dispute between the parties which they cannot resolve between themselves, the venue for a lawsuit shall be proper in El Paso County, Colorado unless the dispute concerns a "water matter" as defined by Colorado law, in which case jurisdiction and venue shall be proper in the water court for Water Division 2, State of Colorado.

IN WITNESS WHEREOF, the Parties have executed this Water Lease effective as of the date first set forth above.

DONALA WATER AND SANITATION DISTRICT

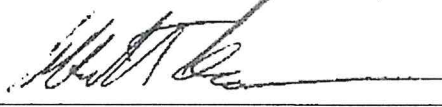
By: \_\_\_\_\_

  
Jeff Hodge, General Manager

25 March 2021

MARTIN MARIETTA MATERIALS, INC.

By: \_\_\_\_\_

  
Abbott Lawrence, Division President



**GMS, INC.**  
**CONSULTING ENGINEERS**  
**611 NORTH WEBER, SUITE 300**  
**COLORADO SPRINGS, COLORADO 80903-1074**

**TELEPHONE (719) 475-2935**  
**TELEFAX (719) 475-2938**

**EDWARD D. MEYER, P.E.**  
**ROGER J. SAMS, P.E.**  
**JASON D. MEYER, P.E.**  
**DAVID R. FRISCH, P.L.S.**

**THOMAS A. McCLERNAN, P.E.**  
**MARK A. MORTON, P.E.**  
**KEN L. WHITE, P.L.S.**

February 9, 2023

Mr. Jeff Hodge, General Manager  
Board of Directors  
Donala Water and Sanitation District  
15850 Holbein Drive  
Colorado Springs, CO 80921

***Via Email To: gm@donalawater.com***  
***Hard Copy Will Not Follow***

RE: Donala Water and Sanitation District  
Well 16A Improvements – Bid Sch. No. 1 - Raw Water Pipeline  
Results of Bidding and Recommendation for Contract Award

Dear Gentlemen:

Bidding documents were prepared for the Raw Water Pipeline for the Well 16A project. This pipeline will be used to convey raw water pumped from the well on the District's property and well site westerly across Bermuda Dunes Way to connect to the existing raw water pipeline between Wells 3A, 3D and the R. Hull Water Treatment Plant. This construction will utilize directional boring under Bermuda Dunes Way with the intention of mitigating potential conflicts with existing utilities by going significantly deeper than existing utilities and will not disturb the existing street improvements. There will be open excavation on the District's property fronting on Pauma Valley Drive and in the platted open space on the west side of Bermuda Dunes Way. Disturbance by this open excavation will be restored with seeding of native vegetation.

The bidding documents were prepared and issued January 29, 2023. Publication of an Advertisement for Bid was accomplished in the Tri-Lakes Tribune. GMS, Inc. distributed a "Notice of Availability of Plans and Specifications" to ten (10) organizations, including general contractors capable of accomplishing the work and material suppliers. Seven (7) general contractors were furnished with this notice. GMS, Inc. distributed the plans and specifications directly to three (3) contractors and two (2) material suppliers who have performed similar work before and have exhibited capability to do the work.

At the time of the advertised bid opening, 4:00 p.m. February 7, 2023, only one bid was received. That bid was:

K.R. Swerdfeger Construction, LLC                      \$292,302.00

We did contact one of the other planholders just before the bidding and they indicated that they would not be bidding due to lack of available staff and equipment that were committed on other projects and could not provide services for this project in the time frame designated.

Mr. Jeff Hodge, General Manager  
Board of Directors  
February 9, 2023  
Page 2

GMS, Inc. had not prepared a construction cost estimate prior to the bid opening; however, it is our opinion that the monetary value of the proposed bid is reasonable and reflective of the level of effort required for the project. If the District elects to award this project, we will conduct an informal value engineering exercise with this contractor seeking approaches to cost avoidance prior to proceeding with the work. A contract time of forty-five (45) calendar days was specified for this project as it is the intent that the system is planned to be operable between May 15 and June 1, 2023.

We suggest that the Donala Water and Sanitation District give consideration to awarding a construction contract to K.R. Swerdfeger Construction, LLC in the amount of \$292,302.00 for the Well 16A - Bid Schedule No. 1 - Raw Water Pipeline project. We will be in attendance at your scheduled board meeting of February 16, 2023 to further discuss this matter with you. In the meantime, should you have any questions or desire additional information, please contact us at your convenience.

Sincerely,

A handwritten signature in cursive script that reads "Roger J. Sams".

Roger J. Sams, P.E.

RJS/lme

ec: Ms. Christina Hawker, Office Manager, Donala Water and Sanitation District  
Mr. Ronny Wright, Operations Superintendent, Donala Water and Sanitation District

NOTICE OF AWARD

TO: Mr. Scott Baysinger, Project Manager  
K.R. Swerdfeger Construction, LLC  
421 East Industrial Blvd  
Pueblo West, CO 81007

PROJECT Description: Well 16A Improvements --  
Bid Schedule No. 1 – Raw Water Pipeline

The OWNER has considered the BID submitted by you for the above-described WORK in response to its Advertisement for Bids dated February 7, 2023 and Information for Bidders.

You are hereby notified that your BID has been accepted for items in the amount of \$292,302.00.

You are required by the Information for Bidders to execute the Agreement and furnish the required CONTRACTOR'S Performance BOND, Payment BOND and certificates of insurance within ten (10) calendar days from the date of this Notice to you.

If you fail to execute said Agreement and to furnish said BONDS within ten (10) days from the date of this Notice, said OWNER will be entitled to consider all your rights arising out of the OWNER'S acceptance of your BID as abandoned and as a forfeiture of your BID BOND. The OWNER will be entitled to such other rights as may be granted by law.

You are required to return an acknowledged copy of this NOTICE OF AWARD to the OWNER.

Dated this 16<sup>th</sup> day of February, 2023.

Donala Water and Sanitation District  
Owner

By \_\_\_\_\_

Title \_\_\_\_\_

ACCEPTANCE OF NOTICE

Receipt of the above NOTICE OF AWARD is hereby acknowledged

by K.R. Swerdfeger Construction, LLC

this the \_\_\_\_\_ day of \_\_\_\_\_, 2023.

By \_\_\_\_\_

Title \_\_\_\_\_

**Donala Water & Sanitation District**  
**Manager's Report**  
**February 16, 2023**

**The Loop Water Authority:** We held the first official meeting of the Loop January 19<sup>th</sup>. We continue to hold weekly workshops to put together request for water quality testing, project management and various other needed professional services. I have included a PowerPoint that includes an updates timeline, alignments of pipeline and so pro forma of the costs.

**Colorado Water Congress:** Attended the annual conference January 24-27 in Aurora, Colorado. There was an informative three-hour session on PFAS on Tuesday. Other topics included demographics of the state, climate and many on the rivers and storage in Colorado and the west.

**Radiation Training:** Troy and I received our required training that enables us to enter the Arsenic removal building alone. It was very educational and useful regarding the minimal amounts of exposure we might receive.

**RMWEA Water Innovation Seminar:** This one-day symposium was held Friday February 3 in Denver. Great topics on SCADA, battery storage and a couple other innovative things some of the regional facilities have undertaken.

**Tri-Lakes and Monument Sanitation Feasibility Study:** Merrick is about 30% into this study. They have made preliminary contract with Monument SD and draft of pump station and force main alignment.

**Pikes Peak Regional Water Authority:**

**Arkansas Water Forum:** The forum will be held - April 24-26, 2023, Double Tree, Colorado Springs Colorado. Please let me know if you would like to attend.

**April Board Workshop:** Thursday, April 20, 2023 starting at 10:00 am. Topics will be District Rule and Regs and policies and water resource planning, i.e. Loop, local reuse, wastewater treatment.

## Upper Monument Creek Regional WWTF Board Report

February 2023

In-house and ACZ analysis results were all well within permit limits for the past month.

- Bod<sup>5</sup> influent had a removal efficiency over 98%.
- TSS influent had a removal efficiency over 98%.

January 19, 2023: Swapped SBRs- put #2 SBR on-line and took #3 off-line due to seal leaking on #3 SBR. Once we had the pump apart for seal replacement, we discovered the pump's impellor was cracked and needs to be replaced. We will continue to run #2 as we wait for parts and a new impellor.

Carollo structural engineers have concerns about the integrity of the SBR walls. They talked with Roger Sams and Mark Morton on Friday, February 11, 2023, via a zoom meeting and discussed the construction of the SBRs and wall surface cracking issues. A Carollo engineer will be visiting the facility to inspect the SBRs in the next 2 weeks.

We have scheduled Timberline's flume calibration person to return to double check our Donala influent flows after questions of the flume's accuracy came up after the most recent flow report showed a higher than normal flow for Donala.



No.	REVISION	DATE
1	EPF SUBMITTAL	09/20/22
2	EPF COMMENTS	10/20/22

**SITE GRADING AND EROSION CONTROL PLAN**

**STROTHERS RANCH SUBDIVISION FILING NO. 4**  
**LOTS 1-2, STROTHERS RANCH SUBDIVISION FILING NO. 4**

TITLE SCALE	DATE
PROJECT NO.	PROJECT
DATE	DATE
DATE	DATE
DATE	DATE

**C1.1**  
SHEET



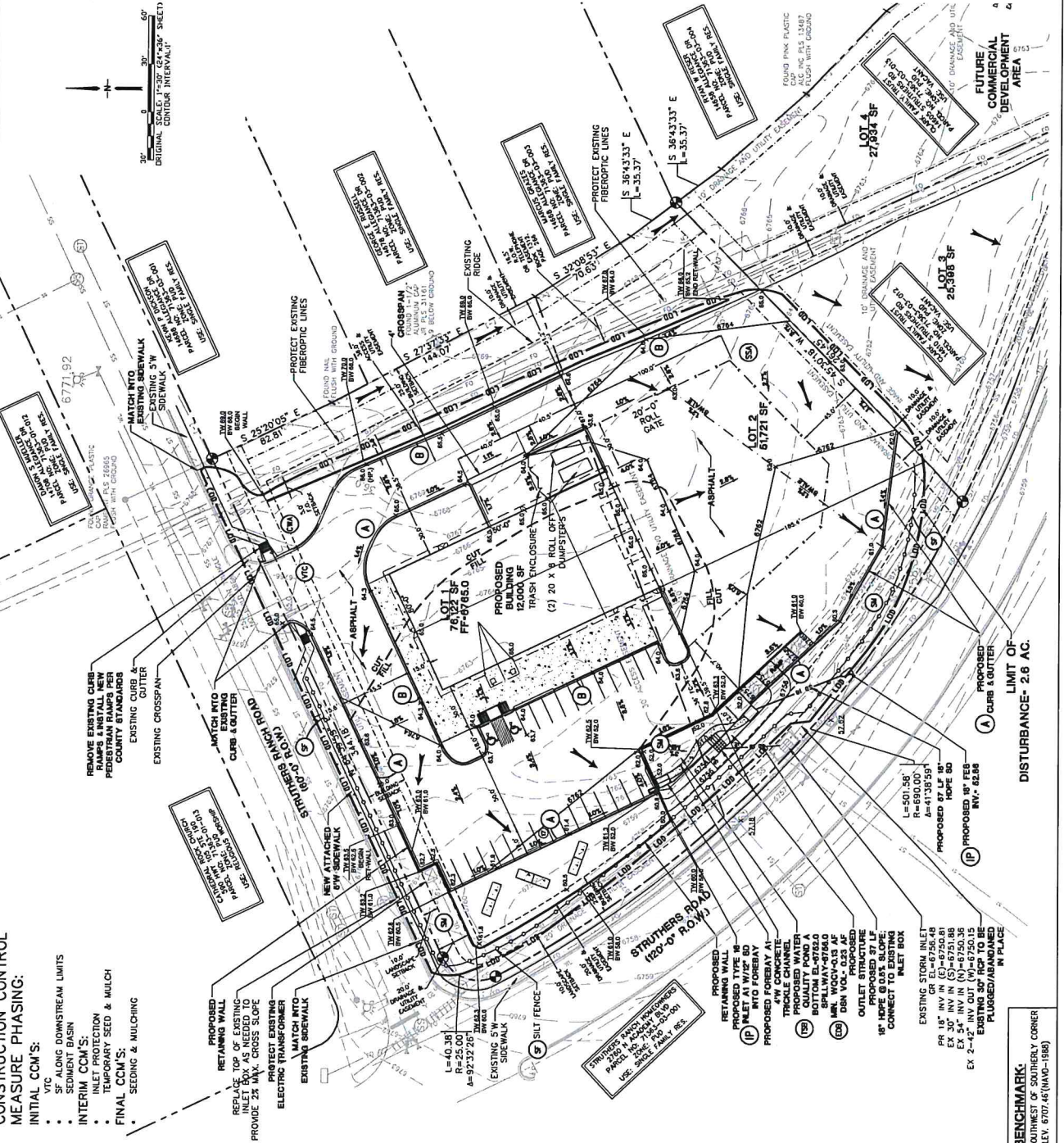
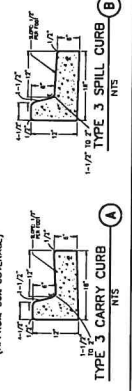
VICINITY MAP

- KEYED NOTES:**
- TOPSOIL & STRIPPING STOCKPILE AREA
  - CONTRACTOR MAY WASTE EXCESS CUT MATERIAL OR BERMION AVAILABLE FULL MATERIAL FROM THIS AREA. MAINTAIN POSITIVE DRAINAGE & MATCH INTO EXISTING GRADES WITH 3% MAX. SLOPE.
  - CONTRACTOR TO VERIFY ALL EXISTING UTILITIES AND RECORD THEM ACCURATELY.
  - PROTECT EXISTING FIBEROPTIC LINES
  - STORAGE AREA FOR BUILDING MATERIALS, EQUIPMENT & CONSTRUCTION WASTE (CONTRACTOR MAY ADJUST AS NEEDED)
  - MIN 6" CONCRETE LANDING AT DOOR W/ 2% OR SLOPE AWAY FROM BUILDING

**ESTIMATED EARTHWORK QUANTITY:**  
 UNCLASSIFIED EXCAVATION (TOTAL CUT) = 4,148 CY  
 TOTAL FILL = 1,262 CY  
 NET (CUT) = 2,886 CY  
 \* (ASSUME 15% COMPACTION FACTOR)

NOTE: THIS ESTIMATE IS PROVIDED FOR INFORMATION ONLY. REPRESENTING THE CALCULATED BULK EARTHWORK QUANTITIES. FINISHED GRADE, EXCLUDING ANY EXISTING MATERIALS, SHALL BE DETERMINED BY CONTRACTOR. CONTRACTOR SHALL MAKE HIS OWN DETERMINATION OF EARTHWORK QUANTITIES AS BASIS FOR BID DISCREPANCIES.

- EROSION CONTROL LEGEND:**
- SKY FENCE
  - VEHICLE TRACKING PAD
  - INLET PROTECTION
  - SEED & MULCH
  - CONCRETE WASHOUT AREA
  - TEMPORARY SEDIMENT BASIN
  - EXTENDED DETENTION BASIN
  - STABILIZED STAGING AREA
  - ALL EROSION CONTROL MEASURES SHALL BE INSTALLED PRIOR TO THE START OF EARTHWORK ACTIVITIES. COLORADO SPRINGS DRAINAGE DISTRICT CRITERIA MANUAL, VOLUME 2 SHALL BE REFERENCED FOR ALL EROSION CONTROL MEASURES.
  - EXISTING VEGETATION (CONSISTS OF NATIVE GRASSES (INCLUDING SOIL COVERSAGES))



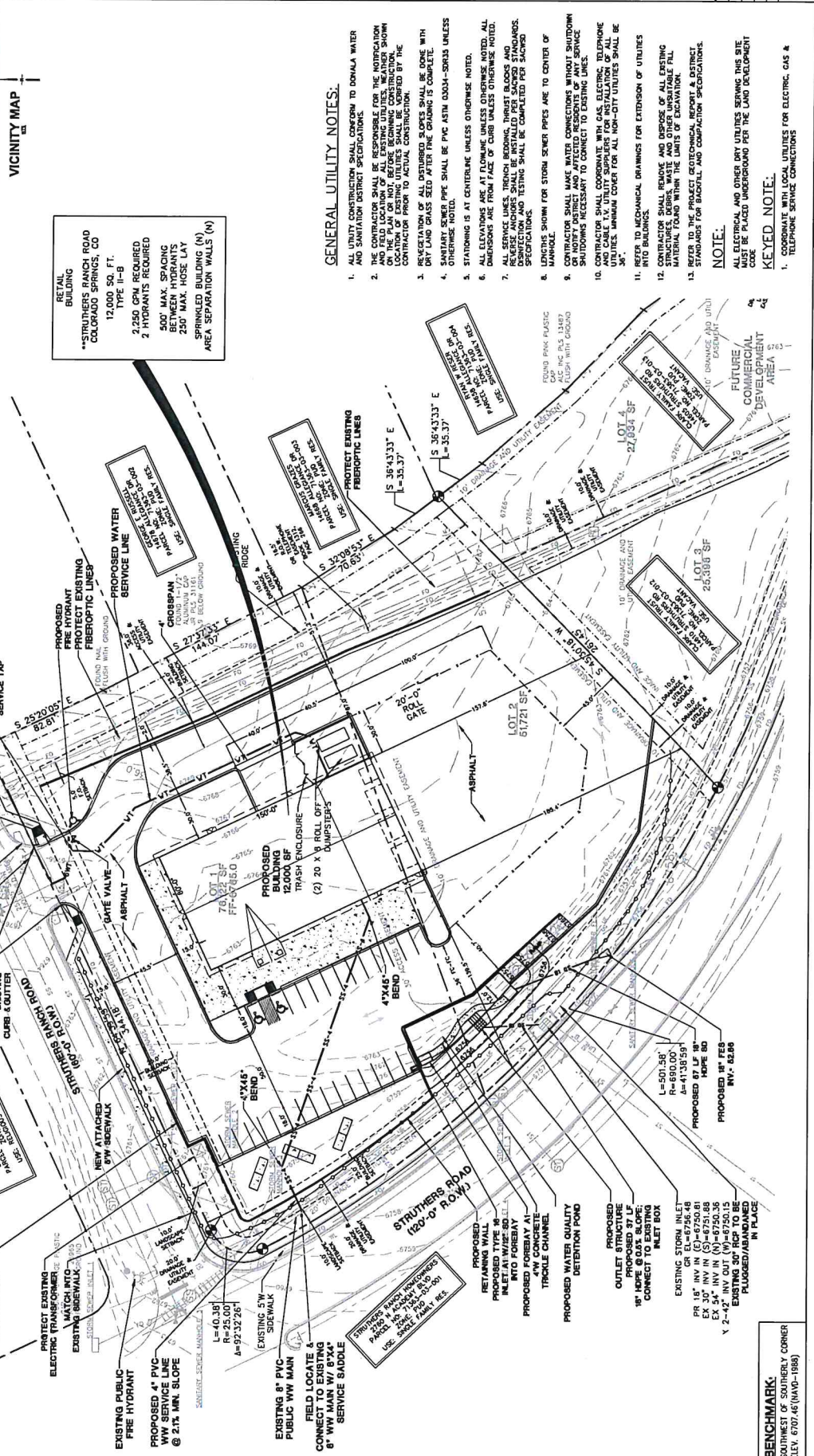
- CONSTRUCTION CONTROL MEASURE PHASING:**
- INITIAL CCM'S:
- VIC
  - SF ALONG DOWNSTREAM LIMITS
  - SEDIMENT BASIN
- INTERIM CCM'S:
- INLET PROTECTION
  - TEMPORARY SEED & MULCH
- FINAL CCM'S:
- SEEDING & MULCHING

**BENCHMARK:**  
 SUBMITTAL CORNER  
 ELEV. 6707.46 (NAD=1988)

**LIMIT OF DISTURBANCE - 2.6 AC.**

NO.	BY	DATE

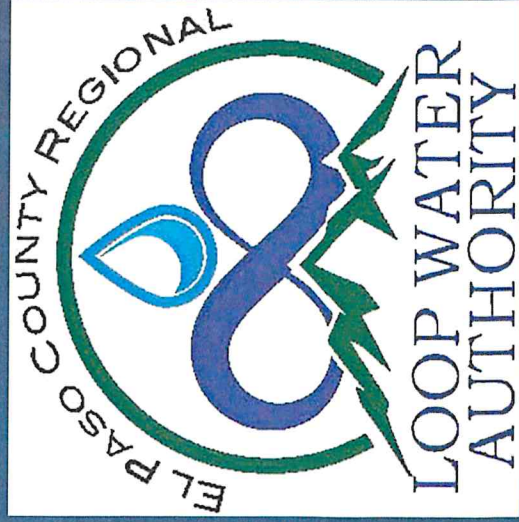
**STRUTHERS RANCH POLARIS**  
**LOTS 1-2, STRUTHERS RANCH SUBDIVISION FILING NO. 4**



RETAIL BUILDING  
 \*STRUTHERS RANCH ROAD  
 COLORADO SPRINGS, CO  
 12,000 SQ. FT.  
 12" TYPE 11-B  
 2,250 GPD REQUIRED  
 500' MAX. SPACING  
 250' MAX. HOSE LAY  
 SPRINKLED BUILDING (N)  
 AREA SEPARATION WALLS (N)

**BENCHMARK:**  
 SOUTHWEST CORNER  
 ELEV. 6707.46 (NAVD=1988)

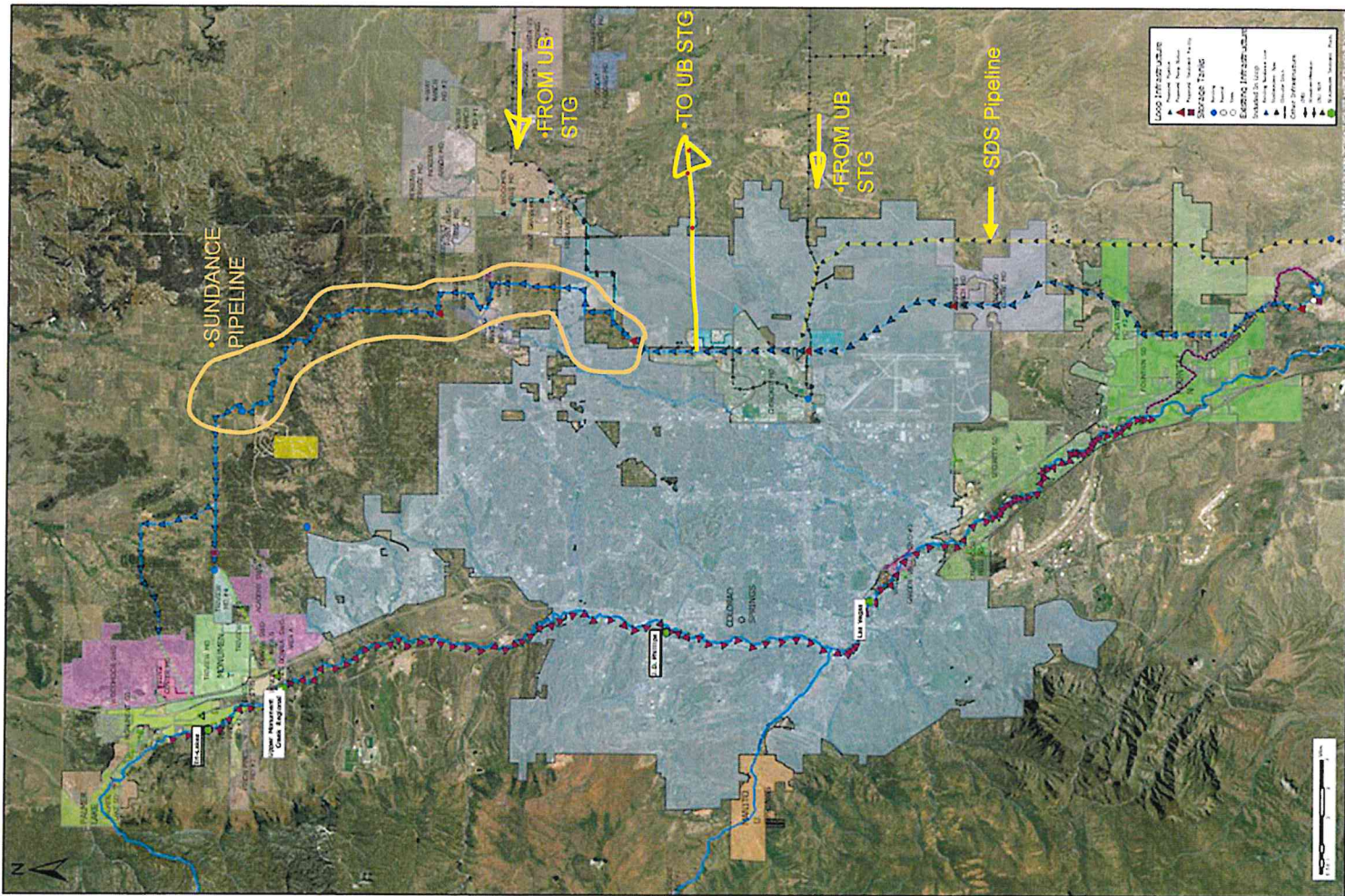
# The Loop Water System “Current Status Overview”

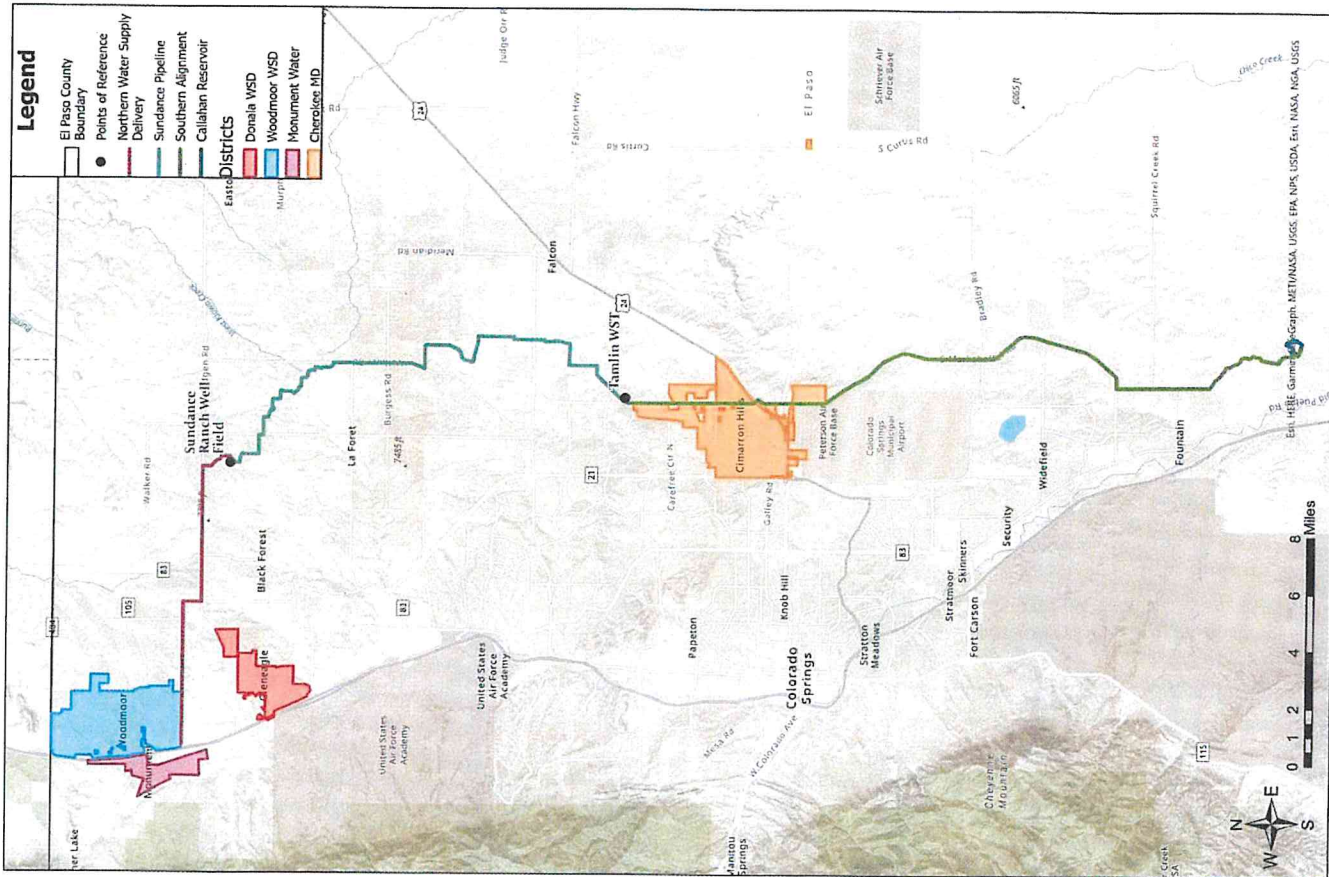




## What is “The Loop”

- ❖ Not a New Concept
  - ❖ Taken From Previous Work:
    - ❖ URS Memo (Callahan Res.) - 2011
    - ❖ WWSD Long Range Plan - 2012
    - ❖ RIPS Study - 2015
    - ❖ Area 3 Preliminary Engineering Study - 2016
- ❖ Advancing on Past Work
  - ❖ 2018 – 2022:
    - ❖ Loop Water System Study
    - ❖ Regional Reuse Study





<p><b>El Paso Loop Exhibit</b></p> <p>DATE: 11/18/2010</p>	
<p>PROJECT NO:</p>	<p>DATE:</p>
<p>PROJECT NAME:</p>	<p>SCALE:</p>
<p>PROJECT LOCATION:</p>	<p>PROJECT STATUS:</p>
<p>PROJECT OWNER:</p>	<p>PROJECT CONTACT:</p>
<p>PROJECT DESCRIPTION:</p>	<p>PROJECT PHASE:</p>
<p>PROJECT BUDGET:</p>	<p>PROJECT RISK:</p>
<p>PROJECT SCHEDULE:</p>	<p>PROJECT COMPLETION:</p>
<p>PROJECT TEAM:</p>	<p>PROJECT APPROVAL:</p>
<p>PROJECT REVIEW:</p>	<p>PROJECT SIGNATURE:</p>
<p>PROJECT COMMENTS:</p>	<p>PROJECT NOTES:</p>

# The Loop Project Highlights

- ❖ Pooling Resources – “Economies of Scale”
- ❖ Effectuate Lower Costs and Greater Efficiency
- ❖ Provides for Increased Redundancy/Resiliency
- ❖ Water Supplies
- ❖ Can Capture Most Entities’ Return Flows
- ❖ Can Capture Most Entities’ Fountain Creek Water Supplies
- ❖ Can Enable Regional Well Field Management/Regional Storage
- ❖ Denver Basin Groundwater – Peak & Off Peak Pumping
- ❖ UBSGWB – Alluvial Wells & Storage Potential
- ❖ Loop Water Supply Yields
- ❖ Successive Return Flows Yield 112% - 189%, Scenario Dependent

# Loop Yields

Use to Extinction & Multipliers:

	15% Chilcott Carriage Charge		0% Chilcott Loss (piped ditch)	
	5% Callahan Evap	0% Callahan Evap	5% Callahan Evap	0% Callahan Evap
[1] Net Loss per Loop	47.2%	44.4%	37.9%	34.6%
[2] Percentage of Reusable Effluent Available per Loop	52.8%	55.6%	62.1%	65.4%
[3] Ultimate Percentage of Reusable Effluent Available after Successive Reuse to Extinction	112%	125%	164%	189%
[4] AF Potable Delivery per 100 AF Effluent After First Cycle	59	62	69	73
[5] Ultimate AF Potable Delivery per 100 AF Effluent after Successive Reuse to Extinction	124	139	182	210

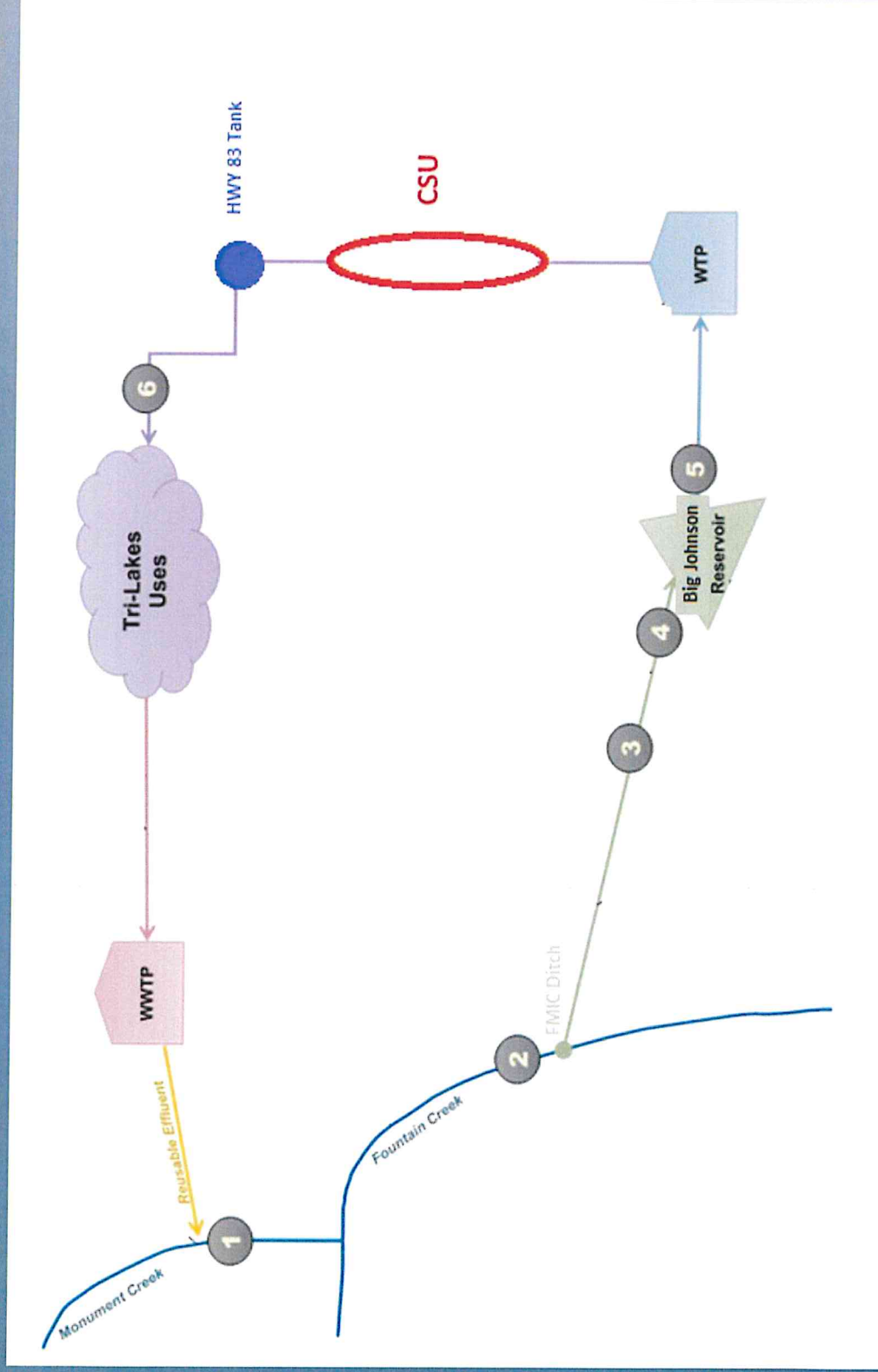
Examples:

$$*3500 \text{ AF initial use} + (1.12)(1750) = 5460 \text{ AF/yr}$$

$$*3500 \text{ AF initial use} + (1.89)(1750) = 6807 \text{ AF/yr}$$

# Other Regional Alternatives

## ■ CS-U: Convey/Treat/Deliver



# Quantitative Comparisons (AACE Level 3)

- 2022 – Study Results
  - Loop Costs Based on Loop Study & CTD Costs Based on CSU-Reuse Study Results

## FINANCIAL REQUIREMENTS

Item	Type of Cost	Loop		CTD	
		Cost	Cost	Cost	Cost
North Facilities	One Time	\$162,300,000		\$20,973,753	
South Facilities	One Time			\$65,350,000	
Tap Fee	One Time		N/A	\$53,675,975	
Service Fees <sup>(1)</sup>	Annual		N/A	\$11,080,802	
Delivery Fees <sup>(2)</sup>	Annual		\$4,586,000		
Total Capital			\$162,300,000		\$139,999,728
Annual O&M			\$4,586,000		\$11,080,802

<sup>(1)</sup> Based on Buildout Flows of 4,600 AF/Yr.

<sup>(2)</sup> Based on Buildout Flows of 4,600 AF/Yr. + Lease to Own Sundance Line

# Quantitative Comparisons Cont'd

- From Results of Loop & CSU-Reuse Studies:

Loop Delivery Costs

Entity	Today (\$/1000 gal.)	@Buildout (\$/1000 gal.)
Woodmoor	\$ 9.54	\$ 8.23
Donala	\$ 9.15	\$ 9.14
Monument	\$ 14.11	\$ 9.50
Cherokee	\$ 5.47	\$ 4.21
Tri-View	\$ 10.32	\$ 8.59

CSU Delivery Costs

Entity	Today (\$/1000 gal.)	@Buildout (\$/1000 gal.)
Woodmoor	\$ 14.72	\$ 13.35
Donala	\$ 13.35	\$ 13.35
Monument	\$ 17.31	\$ 13.35
Cherokee	\$ 13.35	\$ 13.35
Tri-View	\$ 15.13	\$ 13.35

Notes:

- 1) All Capital Costs Assumed to be 100% Financed by a Joint Entity (i.e. Loop Authority/CTD Authority)
- 2) Loop Delivery Costs Include Leasing Fees, Lease to Own Fees & Infrastructure O&M
- 3) CTD Delivery Costs Include CTD Rates and Infrastructure O&M



# Quantitative Comparisons Cont'd

- Breakeven Analysis (Aggregate):

CTD		Loop
Capital (\$)	\$139,999,728	\$162,300,000
O&M (\$/AF)	\$4,551	\$2,902 Weighted Ave.

Loop/CTD, Breakeven Period = yrs. **3.61**

Forecast Deliveries (AF/Yr.)	Project Costs (NPV-Capital and O & M)				Diff. Cumulative (\$\$)
	Year	CSU-CTD	Cumulative	Loop	
3600	0	\$139,999,728	\$139,999,728	\$162,300,000	\$22,300,272
3710	1	\$16,383,739	\$156,383,467	\$10,446,387	\$16,362,920
3820	2	\$16,884,353	\$173,267,820	\$10,765,582	\$10,244,148
3930	3	<b>\$17,384,968</b>	<b>\$190,652,788</b>	<b>\$11,084,777</b>	<b>\$3,943,958</b>
4040	4	<b>\$17,885,582</b>	<b>\$208,538,370</b>	<b>\$11,403,972</b>	<b>-\$2,537,651</b>
4150	5	\$18,386,196	\$226,924,566	\$11,723,167	-\$9,200,680
4260	6	\$18,886,810	\$245,811,376	\$12,042,363	-\$16,045,128
4370	7	\$19,387,425	\$265,198,801	\$12,361,558	-\$23,070,994
4480	8	\$19,888,039	\$285,086,840	\$12,680,753	-\$30,278,280
4590	9	\$20,388,653	\$305,475,493	\$12,999,948	-\$37,666,985
	10	\$20,889,267	\$326,364,760	\$13,319,143	-\$45,237,109

- Breakeven Analysis (Individual):

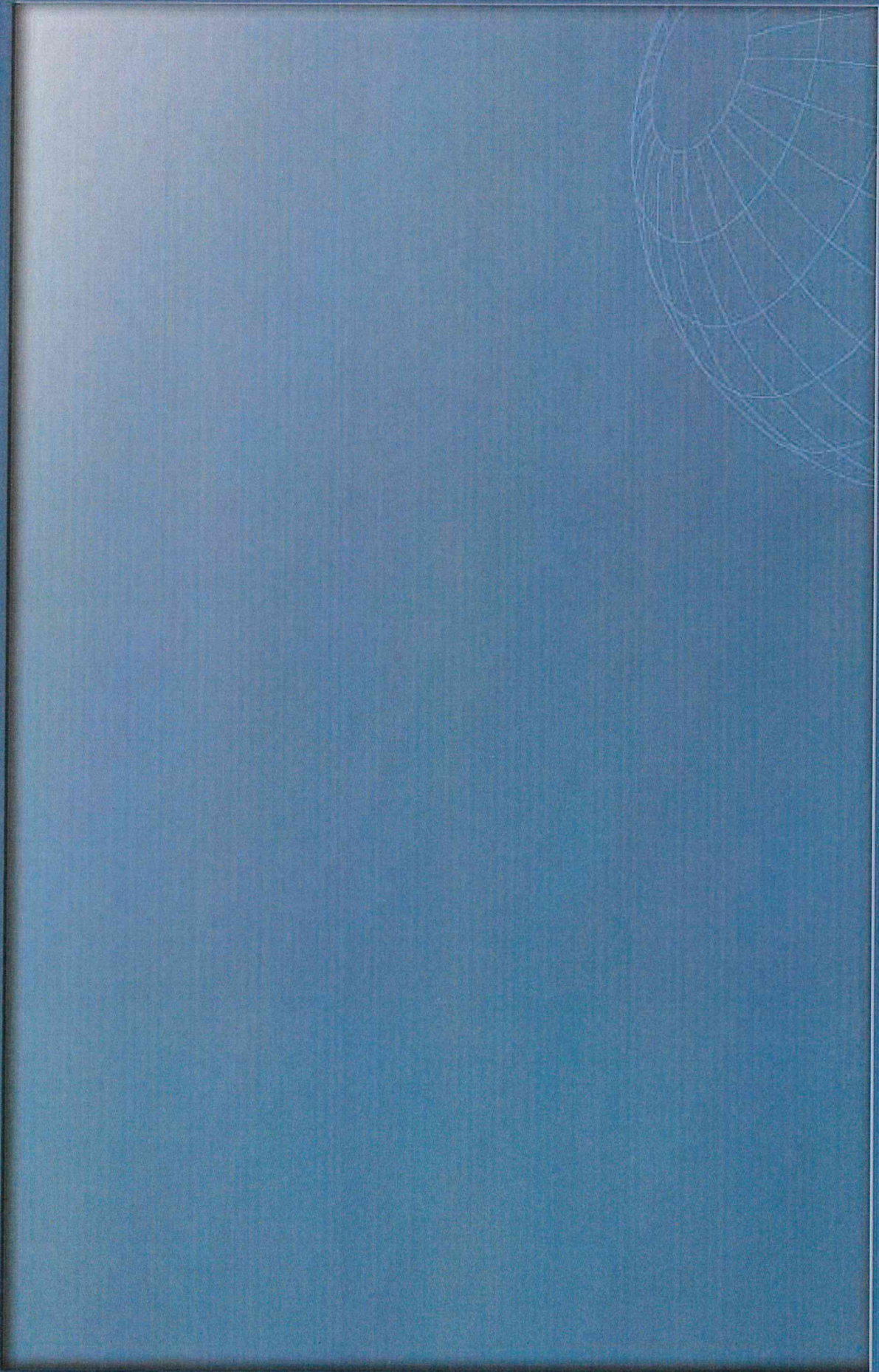
Entity	Breakeven (Yrs.)
Woodmoor	3.63
Donala	3.54
Monument	7.15
Cherokee	1.75
Tri-View	3.88

Breakeven Varies Based on Leasebacks to Participants

# Estimated Timeline

- 2022
  - The Loop Awarded \$4M ARPA Funds
  - December – the “Loop Water Authority” Formed via IGA
- 2023
  - Refine Cost Sharing Agreements/Business Models
  - Complete Operations Modeling (“Deep Dive” on yields)
  - Complete Water Quality Testing on Fountain Creek/Chilcott Ditch
  - Complete Pre-Design Report, Refine Costs (AACE Level 2) & Back Check
  - Begin Engineering Design of the Loop Water System
- 2024
  - Complete Engineering Design of the Loop Water System
  - Develop & Execute Financing Strategy
- 2025 - 2032
  - Construction

Questions?

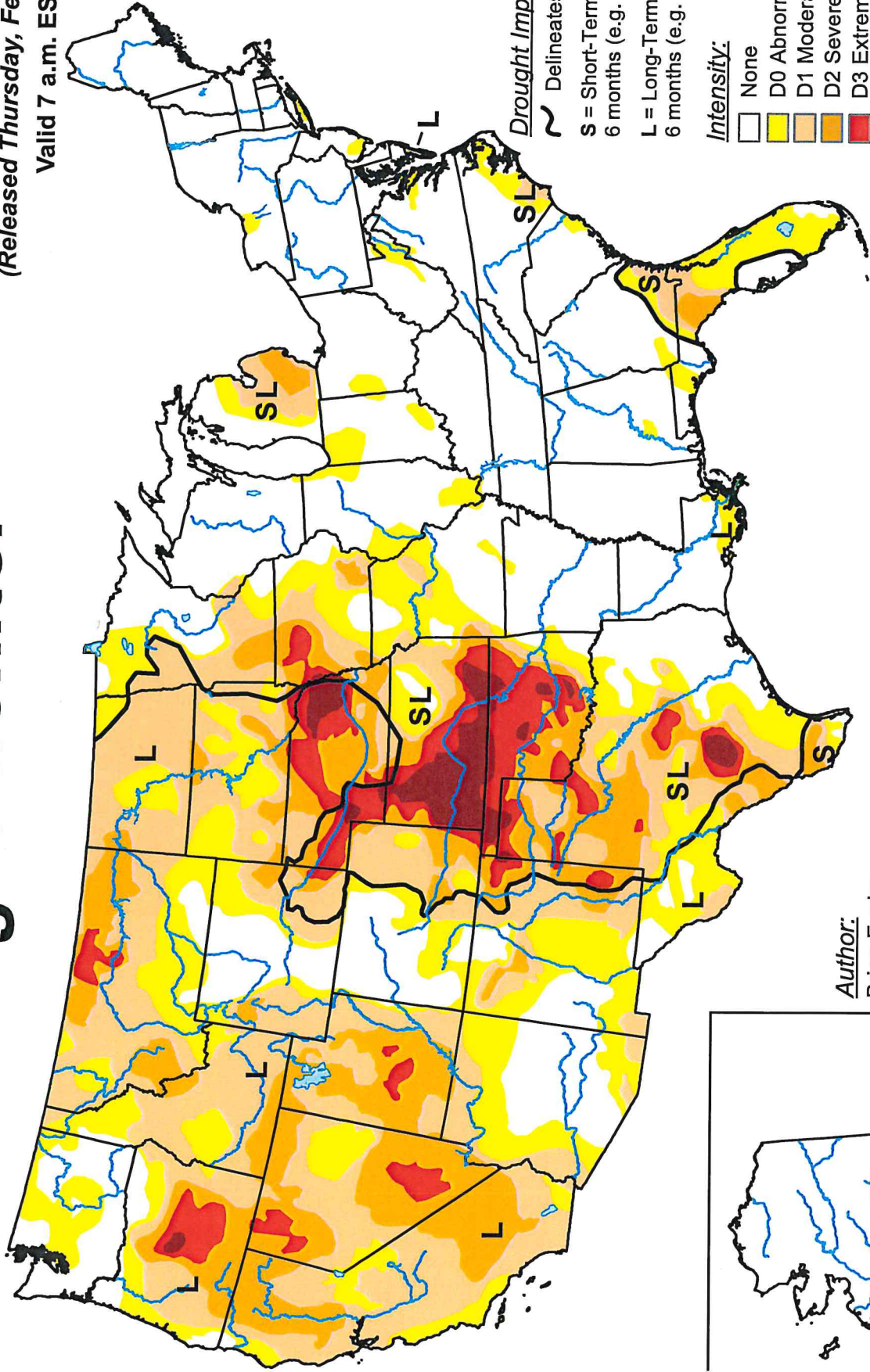


# U.S. Drought Monitor

February 7, 2023

(Released Thursday, Feb. 9, 2023)

Valid 7 a.m. EST



### Drought Impact Types:

Delineates dominant impacts

**S** = Short-Term, typically less than 6 months (e.g. agriculture, grasslands)

**L** = Long-Term, typically greater than 6 months (e.g. hydrology, ecology)

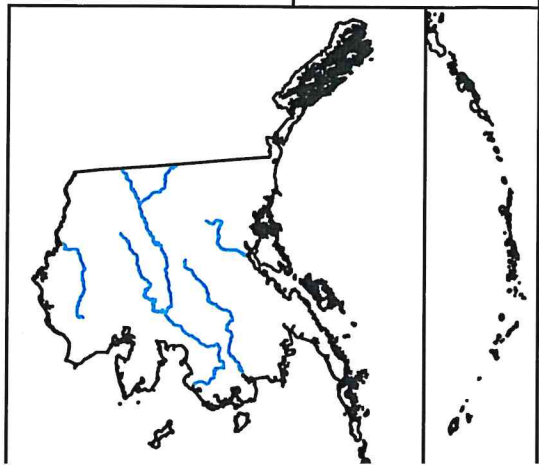
### Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

### Author:

Brian Fuchs

National Drought Mitigation Center



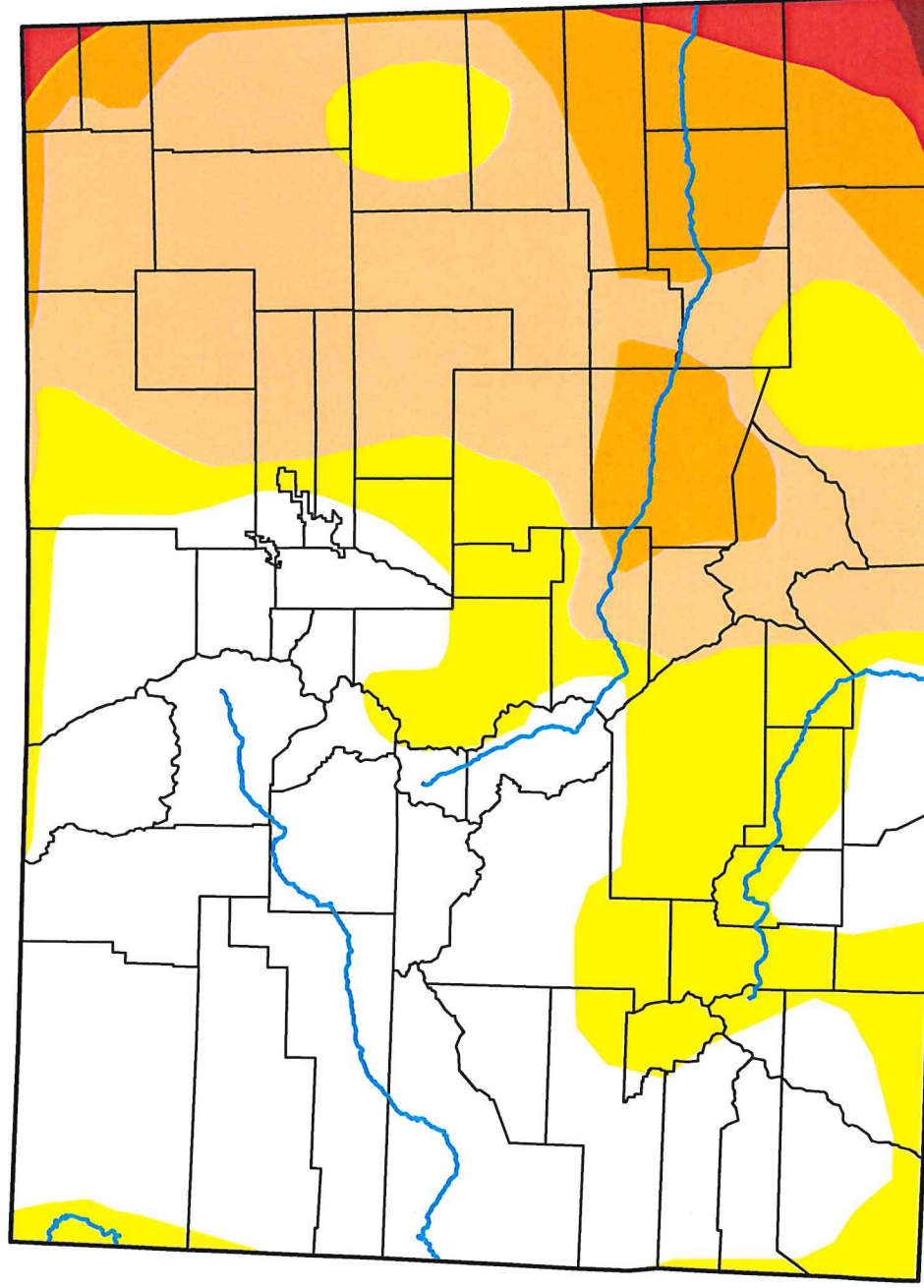
The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>



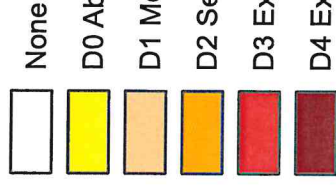
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# U.S. Drought Monitor Colorado

**February 7, 2023**  
(Released Thursday, Feb. 9, 2023)  
Valid 7 a.m. EST



**Intensity:**



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