

resolved issues discovered in the course of the audit. The district received an "unmodified report," Cutler said, adding that both the district's available cash and its net position are up since the last audit.

The board voted unanimously to accept the audit report and to send it on to the state as required.

Schedule for board meetings to change in July

The board voted unanimously to hold future meetings on the second Monday of each month at 1 p.m.

Highlights from operational reports

- In his financial report, Director Jim Wyss said the district received no tap fees in May and had received only one in June. Tap fees were received at much higher rates in previous months, he said.
- District Assistant Manager Randy Gillette said that biochemical oxygen demand, a measure of pollution, was higher than usual in May. Gillette did not know the reason

and said the testing schedule would be changed to try to understand the cause. See related Tri-Lakes Wastewater Joint Use Facility article on page 16.

- Gillette said that the augmentation station on the Chilcott Ditch was shut down temporarily due to problems with erosion. The board voted in an earlier meeting to approve a project to protect the station from erosion, but that work is not yet complete, Gillette said.

- Work on the district's new Well 21 is on hold due to difficulty acquiring a special gravel that is required for the project.

The next meeting is scheduled for July 9 at 1 p.m. Meetings are usually held at the district office at 1845 Woodmoor Drive on the second Monday of each month at 1 p.m. See www.woodmoorwater.com or call 488-2525 to verify meeting times.

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Donala Water and Sanitation District, June 28

Three capital construction contracts awarded

By Jim Kendrick

On June 28, the Donala Water and Sanitation District (DWSD) board unanimously approved the bids of three contractors for three parts of a \$2.6 million project to replace the water line between the district's Jessie Drive pump station and Donala's R. Hull Water Treatment Plant and the Gleneagle Drive water main. The board approved a 40-year water carriage agreement with Fountain Mutual Irrigation Co. and accepted the 2017 draft district audit as proposed by Hoelting and Co.

Director Bob Denny's absence was unanimously excused.

Water system improvement awards approved

Donala's consultant engineering firm GMS Inc. of Colorado Springs carried out the bid request, submission, and selection process for each of the district's three proposed schedules of project work. District General Manager Kip Petersen briefed the board using a GMS spreadsheet containing each statement of work line item required for the entire project and a GMS recommendation letter to the Donala board from GMS co-owner Dave Frisch. Five companies submitted bids.

Frisch's letter said Bid Schedule One was for directional drilling at a depth of 5.5 feet to 60 feet for installation of 2,554 lineal feet of 12-inch high density polyethylene distribution pipe between Donala's R. Hull Water Treatment Plant and the district's Jessie Drive Pump Station.

Global Underground Corp.'s winning bid for Schedule One was for \$918,458.

The letter said Bid Schedule Two was for replacement of existing 10-inch and 12-inch distribution water mains within Gleneagle Drive right-of-way from Westchester Drive to Sun Hills Drive that have reached the end of their service life with 1,700 lineal feet of new 12-inch transmission line. Donala asked that Schedule

Two bids include the possibility of extending this installation farther to Mission Hill Way at the same per unit price, when \$280,000 in additional capital funds from an existing district Colorado Water Resources and Power Development Authority loans can be reallocated to 2018 for this project later this summer.

Pate Construction Co.'s winning bid for Schedule Two was \$1.17 million.

The letter said Bid Schedule Three was for installation of 1,015 lineal feet of 1-inch pipe and installation of new fixtures and bedding for 28 potable water service taps. They are being installed where the corrosive soil has compromised the integrity of the existing lines. This replacement project eliminates future distribution system maintenance issues.

Beers Construction Co.'s winning bid for Schedule Three was \$136,605.

Frisch's letter to the board also noted that all three companies' key people had a long history of doing excellent work. The board unanimously approved each of the three bid awards individually. These three lowest responsible bids totaled \$2.57 million. The amount budgeted is \$2.6 million.

There will be a Donala open house from 6 to 8 p.m. July 10 for the property owners affected by this construction. Construction is expected to start the week of July 16. Phase One should take about 30 days. Phases Two and Three should be completed by mid-October.

1041 exemption

In a separate June 20 exemption letter, GMS informed Craig Dossey, manager of the El Paso County Development Services Department, that a county 1041 permit is not required for any of these three schedules, which will provide a system with higher reliability, lower maintenance costs, and adequate fire flow. The letter gave several details on why

the county 1041 regulation does not apply. Electronic copies of the project plans were also forwarded to Dossey. The GMS letter also noted that the bid opening for these three schedules was to be held on June 21.

Some of the items in the GMS 1041 exemption letter were:

- Bid Schedule One work is exempt since it is a replacement of an existing transmission line for transporting water from a lower pressure zone to a higher pressure zone. Due to the pressures and the bury depth of 5.5 feet to 60 feet, the replacement pipe selected for this design has a very thick wall. The inside diameter of the replacement 12-inch pipe is only 10.3 inches to provide the necessary strength required to handle the loads of this transmission line. There are no service taps on this transmission line. The directional drilling will be within an existing 20-foot-wide utility easement.
- Bid Schedule Two work is a replacement of an existing 10-inch distribution main that is the backbone of the entire distribution system, as well as a replacement of an existing 1,700-foot, 12-inch transmission line. Both will be replaced with 12-inch lines concurrently. Both installations are replacements in the existing Gleneagle Drive right-of-way and are exempt under county 1041 Regulation Chapter 3 - Efficient Utilization of Municipal and Industrial Water Projects.
- Bid Schedule Three work is only for the replacement of service lines and saddle taps where the soil corrosivity has compromised the integrity of the existing equipment. This is strictly to eliminate maintenance issues in the distribution system and, therefore, not subject to the

1041 Regulation.

- There are no water treatment components in these improvements. All work is for water distribution. The improvements only replace existing aging pipes and are not considered an extension. Where new distribution pipes are being installed, the new service lines connections are to existing customers and are not an extension.

There was consensus that there were no technical or financial issues. The board unanimously approved separate individual motions for each of the three contract awards.

Background note: The Board of County Commissioners approved a proposal on June 6, 2013 to create a new 1041 environmental permit process for county utilities, railroads, highways, and stormwater. County approval has to be sought for any new plant construction or modifications in addition to the current 208 Plan approval process run by Pikes Peak Area Council of Governments and the Colorado Department of Public Health and Environment. At the request of Pikes Peak Regional Water Authority, Donala water attorney Rick Fendel, and several wastewater district representatives, the threshold for county 1041 review was changed at this hearing to any improvement involving more than 250 homes, rather than 25 residents. The county now has total discretion in the amount it charges for a county 1041 review, and there is no appeal process beyond the Board of County Commissioners to a district court for any county Development Services Department administrative decision or costs charged. See www.ocn.me/v13n7.htm#juc.

Note: For more El Paso County 1041 regulation information, see <https://planning-development.elpasoco.com/resources-and-references/>.

Fountain Mutual

Irrigation Co. proposal

Petersen and Fendel discussed a proposed 40-year water carriage agreement with Fountain Mutual Irrigation Co. (FMIC) to have FMIC measure Donala's Laughlin Water Right renewable surface flows in order to lease this water to the Arkansas Basin Ground Water Users Association (AGWA) while the district moves through a multi-year water court process. This AGWA lease would provide revenue from the right but requires a change to the water right's place of use to a location within Donala's service area. Petersen said he expects the AGWA lease to produce about \$40,000 in revenue this year. The FMIC agreement can be reviewed for conditions every 10 years.

Donala's Laughlin Water Right is for 324 acre-feet per year. There is a one-time buy-in fee of \$11,757 for use of the FMIC facilities—\$2,500 plus \$22 per acre-foot for 324 acre-feet. FMIC's estimated current annual rate is \$44 per acre-foot, which would total \$14,256. Donala would also be assessed for its proportionate share of FMIC capital costs and extraordinary maintenance or repair costs for each year.

Donala formally closed on its purchase of the Laughlin renewable surface

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