
RECORD OF PROCEEDINGS

**MINUTES OF THE BOARD OF DIRECTORS OF
THE ARAPAHOE COUNTY WATER AND WASTEWATER AUTHORITY**

HELD: May 9, 2007

13031 E Caley Ave
Centennial, CO 80111

ATTENDANCE:

Present were Directors: Hap Henderson, Doyle Tinkey, Rod Bockenfeld, Pat Mulhern, Marie Mackenzie, Linda Lehrer, Bart Miller and Jim Dyer. Also in attendance were: Gary Atkin, Jennie Achee, Will Koger, Martin Stegmiller, Les Nelson, Caryn Ashbay, Barbara Townsley, and Legal Counsel Rick Kron of Grimshaw & Haring. Guests: Steve Sullivan, Town of Foxfield.

CALL TO ORDER:

Director Hap Henderson called the meeting to order at 9:02 a.m. in the Arapahoe conference room of the Arapahoe County Water and Wastewater Authority office at 13031 E Caley Ave Centennial, CO 80111. Mayor Sullivan led the Pledge of Allegiance.

ADOPTION OF THE AGENDA:

Mr. Atkin suggested adding an item under managers report called Review and Potential Adoption of the Amendment to the Establishing Contract with the Cherry Creek Project Water Authority. A motion was made by Director Tinkey and seconded by Director Mackenzie to adopt the agenda with modifications. The motion passed 8 to 0.

PUBLIC FORUM:

Ms. Achee spoke regarding her new role as Assistant General Manager and of her future goals. Mr. Koger also spoke regarding his new role as Assistant General Manager where he will be concentrating on water supply. Mr. Atkin was recognized for his leadership as General Manager.

CONSENT AGENDA:

Mr. Kron stated that an illegal alien clause needed to be added to the Black & Veatch contract. A motion was made by Director Miller and seconded by Director Lehrer to approve the consent agenda with the addition of the illegal alien clause to the Black & Veatch contract. The motion passed 8 to 0. The consent agenda consists of the following items:

1. Approval of Meetings Minutes for April 11, 2007.
2. Approve Payment Requests for April 2007.
3. Approve Personnel Committee Recommended Changes to Employee Handbook
4. Approve PDAC Committee Items;
 - A. Approve a Professional Services Agreement with Black & Veatch for Waterbury Sewerline, Project P-21

GENERAL BUSINESS ACTION ITEMS:

Item No. 5 - Refinancing ACWWA Bonds

Ms. Achee addressed the Board. The bonds that are being considered for refinancing are the Series C 2003 Bonds. Staff is requesting that this item be brought back to the Finance Committee for initial review. A motion was made by Director Miller and seconded by Director Lehrer authorizing staff and Jim Harrington to proceed with the plan to refinance the Series C 2003 Bonds. The motion passed 8 to 0.

Item No. 6 – Environmental Management Program

Mr. Les Nelson addressed the Board. He explained that the Environmental Management Program is used to put together a preplanned and systematic way to review ACWWA's daily activities pertaining to energy and environmental savings. He also discussed the cost savings that the program would have for ACWWA. Mr. Stegmiller explained two plans that have recently been put in place by staff to save on water and cost, as well as the environment. Director Mulhern expressed his support for the program. Mr. Atkin requested that this item be taken to the Finance Committee for review which was approved.

Item No. 7 –Expansion of Water Service to Replatted Residential Lots in Foxfield

Mr. Koger addressed the Board and explained that most lots in Foxfield are approximately 2.5 acres. ACWWA has been asked to consider allocating more tap equivalents (TEs) for the larger lots. The Water Committee's

recommendation to allocate one TE per 2.5 acres on larger lots was reviewed. The Water Committee also recommended that ACWWA continue to purchase water exceeding a service requirement of 0.2 AF/TE at each lot (under the Foxfield Agreement) and not apply such “excess” toward the increased service commitment at larger lots. Mayor Sullivan discussed with the Board that the Town of Foxfield proposes that ACWWA allow the water underlying the larger properties to apply toward the increased service commitment. A motion was made by Director Henderson and seconded by Director Miller to adopt the recommendation of the Water Committee as to the creation of additional taps for larger lots in Foxfield. Mr. Kron recommended drafting a comprehensive amendment to the Agreement and presenting it to the Board at the next meeting. Director Henderson and Director Miller rescinded their motion with Mayor Sullivan’s agreement that this issue could be delayed, the Board referred the matter to the Water Committee.

Item No. 8 – Tour of Construction Sites and Water Supply Assets

Mr. Atkin worked with the Board to find a date that would work for the Board to tour the ACWWA construction sites and water supply assets. A date and time was set for June 8, 2007.

Item No. 9 – Establishment of an ACWWA Service Boundary

Mr. Koger and Ms. Ashbay reviewed the overlay map with the Board. Director Mulhern suggested a few changes to the map. Based on the boundaries shown on the map, service area boundaries were discussed. A motion was made by Director Dyer and seconded by Director Miller to establish an ACWWA Service Area Boundary to include all property within the old Arapahoe Water and Sanitation District (ACWWA’s predecessor) and the ACWWPID as presented on the map. The motion passed 8 to 0. Clarification of the boundaries will be added to the ACWWA Rules and Regulations document. The Rules and Regs will also make clear that ACWWA may impose a service fee for properties within the service area that are not in the ACWWPID.

Item No. 10 – Chapparral Pump Station and Loyd Well Projects

EXECUTIVE SESSION

A motion was made by Director Henderson and seconded by Director Tinkey to move into Executive Session to discuss negotiation strategies and consult legal counsel on specific legal issues regarding Chapparral Pump Station and Loyd Well at 10:14 a.m. pursuant to Section 24-6-402(4) (B)(E) C.R.S.. The motion passed 8 to 0. (Executive session meetings are recorded and retained for 90 days.) The

Executive Session ended at 10:24 a.m. No formal action was taken during Executive Session.

Item No. 11 – Service to Concrete Express

EXECUTIVE SESSION

A motion was made by Director Henderson and seconded by Director Bockenfeld to move into Executive Session to discuss acquisition of water rights and develop negotiation strategies regarding Concrete Express at 10:25 a.m. pursuant to Section 24-6-402(4) (A)(E) C.R.S.. The motion passed 8 to 0. (Executive session meetings are recorded and retained for 90 days.) The Executive Session ended at 10:47 a.m. No formal action was taken during Executive Session.

INFORMATION ITEMS AND REPORTS

Written reports were provided to the Board on the following topics:

Item No. 12 – Detention Center Screening Project

Mr. Koger went over the cost to complete the work on the Detention Center Screening Project. The work will be done by the end of July.

Item No. 13 – Water Conservation Activities

Mr. Atkin stated that staff attended a presentation by Veva McCaig, Section Chief of Water Conservation and Drought Planning, with the Colorado Water Conservation Board. Staff discussed with Ms. McCaig a grant funded project with CWCB. They clarified with Ms. McCaig that the grant fund could be used to hire an agent to work with the City of Centennial and with Arapahoe County regarding Xeriscaping. Mr. Atkin and Mr. Koger met with a potential consultant who could serve this purpose. Mr. Atkin requested permission from the Board to apply for the grant fund with CWCB and work with the City and the County regarding Xeriscaping. The request was approved.

Item No. 14 – Joint Water Purification Plant Project

Mr. Koger explained that the delay of the JWPP project is primarily due to complications in obtaining a permit for discharge of the concentrate and how it needs to be handled. The toxicity testing and phosphorus limit are two major issues. Staff has reviewed some options and has meetings scheduled with CDPHE. Staff will provide more cost and schedule information at a future meeting.

Director Miller left the meeting at 11:12 a.m.

Item No. 15 – Update on Vermilion Creek Request for Water and Sewer Service

Mr. Atkin was contacted by Vermilion Creek six weeks ago regarding a “Will Serve” letter. He referred to two letters that were presented in the Board packet. Kim Fiore of IDES has been identified as the single point of contact regarding Vermilion Creek.

Item No. 15A - Review and Potential Adoption of the Amendment to the Establishing Contract with the Cherry Creek Project Water Authority

Mr. Kron stated that the Cherry Creek Project Water Authority purchased the Western Water assets. The changes to the First Amended and Restated Water Project Agreement and Establishing Contract of the Cherry Creek Project Water Authority was discussed. This item was assigned to the Water Committee and will be put on the June Board meeting consent agenda.

Item No. 16 – Financial Report

Ms. Achee presented the March 2007 financial reports, which were a handout this month and took questions from the Board.

Item No. 17 – Legal Report

Mr. Kron went over the Spring Valley Agreement with the Board. A motion was made by Director Tinkey and seconded by Director Mulhern to approve the Spring Valley First Amendment to Option Agreement. The motion passed 7 to 0.

EXECUTIVE SESSION

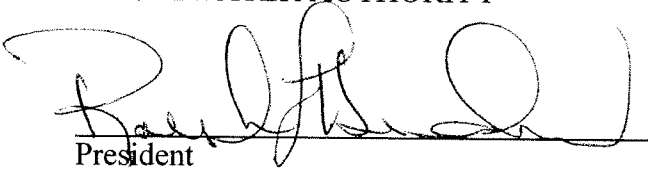
A motion was made by Director Henderson and seconded by Director Mulhern to move into Executive Session to develop negotiation strategies and discuss acquisition of water rights at 11:24 a.m. pursuant to Section 24-6-402(4) (A)(E) C.R.S. The motion passed 7 to 0. (Executive session meetings are recorded and retained for 90 days.) The Executive Session ended at 11:51 a.m. No formal action was taken during executive session.

ADJOURNMENT:

A motion was made by Director Bockenfeld and seconded by Director Tinkey to adjourn the meeting at 11:52 a.m. The motion passed 7 to 0.


Approved: June 13, 2007

ARAPAHOE COUNTY WATER AND
WASTEWATER AUTHORITY



President

ATTEST:



Secretary