
RECORD OF PROCEEDINGS

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

HELD: July 11, 2007

13031 E Caley Ave
Centennial, CO 80111

ATTENDANCE:

Present were Directors: Hap Henderson, Rod Bockenfeld, Pat Mulhern, Linda Lehrer, Jim Dyer and Alan Leak. Also in attendance were: Gary Atkin, Jennie Achee, Will Koger, Barbara Townsley, Molly Trujillo, and Legal Counsel Rick Kron of Grimshaw & Harring. Guests: Roger Hartman, THC Utility Management Specialists; Simon Heart and Ed Carter, MWH, Lou Hertado, Chapparral Metropolitan District.

CALL TO ORDER:

Director Hap Henderson called the meeting to order at 9:10 a.m. in the Arapahoe conference room of the Arapahoe County Water and Wastewater Authority office at 13031 E Caley Ave Centennial, CO 80111. Will Koger led the Pledge of Allegiance.

ADOPTION OF THE AGENDA:

A motion was made by Director Leak and seconded by Director Henderson to adopt the agenda. The motion passed 5 to 0.

PUBLIC FORUM:

Ms. Achee introduced ACWWA's new IT Manager, Arnie Reil.

Director Bockenfeld arrived at 9:11.

Director Henderson referred to a letter from Glenn Sandler of Dove Valley Business Park, that acknowledged work well done by Mr. Gary Atkin and Mr. Bart Giles on the interceptor line project. The Board congratulated both members of the ACWWA staff.

CONSENT AGENDA:

Mr. Kron stated that a few changes have been made to the June 13, 2007 minutes and minor changes to the wording of the document called "ACWWA Policy for Billing Customers for Catastrophic Water Usage". A new version of the documents were distributed at the Board meeting. A motion was made by Director Mulhern and seconded by Director Dyer to approve the consent agenda subject to the changes mentioned. The motion passed 6 to 0. The consent agenda consists of the following items:

1. Approval of Meetings Minutes for June 13, 2007.
2. Approve Payment Requests for June 2007.
3. Approve Finance Committee Recommendations:
 - A. Approve a Change to the Penalty Fee for Unauthorized Use of Water from a Fire Hydrant to \$1,000 per Offense.
 - B. Approve New Procedure Regarding Unusually High Water Usage by ACWWA Customers.
 - C. Approve Certain Changes to Procedures on adoption of Revisions to ACWWA Rules and Regulations.
4. Approve PDAC Committee Recommendations:
 - A. Approve Lima Ridge Professional Center Non-potable Line Extension Agreement.
 - B. Approve Professional Services Agreement with Nolte Associates, Inc. for Chapparal Easements, Project A-132.

GENERAL BUSINESS ACTION ITEMS:

Item No. 5 – Extension to Antelope Property Owners for Sale of Water to ACWWA

Ms. Achee addressed the Board. She referred to a letter that went to all the Antelope homeowners regarding the sale of their water rights. Antelope homeowners are requesting a six-month extension on the offer due to difficulties in completing the paperwork. A motion was made by Director Dyer and seconded by Director Bockenfeld to grant all Antelope homeowners a six-month extension until December 31, 2007, providing that the homeowner provides documentation, including a letter to the lender, showing that they have been attempting to secure their water rights for conveyance before June 30, 2007. The motion passed 6 to 0.

Item No. 6 – Amendment to the IGA with Aurora for Interim Sewer Service to Corner Star

Ms. Molly Trujillo addressed the Board. Corner Star Development will require

temporary use of ACWWA's sewer infrastructure and treatment of the wastewater. The IGA outlines the terms for surcharge fees and rates, metering flow, use of return flows, treatment capacity and a timeline for ACWWA's temporary treatment of the Corner Star wastewater flows. Discussion took place between the Board and Ms. Trujillo regarding the details of the usage, rates, etc. A motion was made by Director Mulhern and seconded by Director Bockenfeld to approve the IGA with the City of Aurora for Interim Sewer Service to Corner Star. The motion passed 6 to 0.

Item No. 7 – Aurora Design-Build Interconnect Project

The discussion was deferred.

Item No. 8 – Waiver of Certain Terms Under the Chapparral Emergency Intertie Agreement

Mr. Atkin stated that during the week of June 25th Chapparral Metropolitan District experienced the loss of one of their Chapparral wells and was in need of additional water supply on a temporary basis. The conditions under which ACWWA would provide water to Chapparral was discussed. Mr. Lou Hertado, President of Chapparral Metropolitan District, addressed the Board. He went over the status of the repair of the well and the water needs of Chapparral. A motion was made by Director Dyer and seconded by Director Bockenfeld to make the changes in the IGA between ACWWA and the Chapparral Metropolitan District as presented in the Board packet. The motion passed 6 to 0.

INFORMATION ITEMS AND REPORTS

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

Item No. 9 – Update on Asset Management Project

Mr. Atkin told the Board that staff has been working with MWH on ACWWA's asset management program. The first two phases of the program are complete. Mr. Simon Heart and Mr. Ed Carter of MWH were introduced. Mr. Heart gave a presentation of the asset management program and discussed the future of the program with the Board. Mr. Hartman participated in the conversation regarding future costs and policy determination.

Item No. 10 – ACWWA's Billing System and the Irvine Ranch Model

Ms. Achee stated that after review from the Finance Committee and Water Committee she is recommending that ACWWA stay with the current billing software and rate structure. These recommendations were discussed by Mr. Hartman. Water conservation was discussed by the Board and Mr. Hartman. It

was decided that the "Irvine Ranch" model is not a good fit for ACWWA and will not be pursued at this time.

Item No. 11 – ACWWA's Policy and Procedures for Actions Involving Eminent Domain

Mr. Atkin stated that several Board members suggested that a policy be put together regarding eminent domain for ACWWA. He would like to assign the task of reviewing a formal procedure for the eminent domain process to one of the standing committees or form an ad hoc committee. Mr. Kron stated that legal counsel has a procedural outline for eminent domain. Legal counsel will bring a document regarding eminent domain to the next Board meeting for review.

Item No. 12 – MOU with Aurora for Lift Station Backup

Ms. Trujillo explained the memorandum of understanding with the City of Aurora for lift station backup to the Board. An agreement would be negotiated with Aurora if the Board concurs. Director Henderson stated that the agreement is something that is needed.

Item No. 13 – General Manager Report

A. Update on ACWWA Agreement with Cottonwood

Mr. Atkin and Mr. Kron have been in negotiations with Cottonwood regarding two agreements and will bring the proposed finished document back to the Board in the future.

B. Update on Chambers Road Reservoir

Mr. Koger went over the cost of purchasing the site and told the Board that other sites were being considered.

C. Update on Cherry Creek Hydraulic Modeling

Mr. Koger stated that the first meeting of the managers group was held recently. Consultants have completed task one. They are now working on the task of defining the model parameters.

D. Update on Joint Water Purification Plant

Mr. Koger informed the Board that staff is going to meet directly with the EPA regarding the change of test species for toxicity and also with Basin Authority regarding the phosphorus discharge issue.

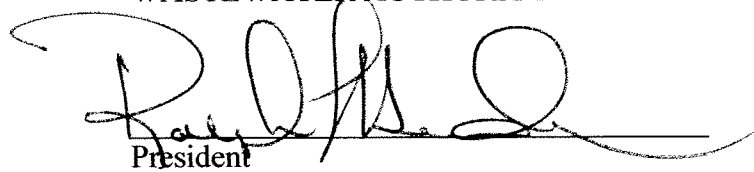
Director Bockenfeld and Director Leak left the meeting at 11:30 a.m.

ADJOURNMENT:

The meeting adjourned at 11:30 a.m.

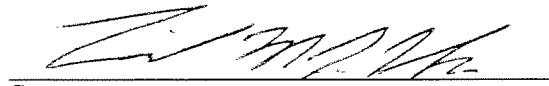
Approved: September 12, 2007

ARAPAHOE COUNTY WATER AND
WASTEWATER AUTHORITY



President

ATTEST:



Secretary