
RECORD OF PROCEEDINGS

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

HELD: November 14, 2007

13031 E Caley Ave
Centennial, CO 80111

ATTENDANCE:

Present were Directors: Hap Henderson, Marie Mackenzie, Doyle Tinkey, Pat Mulhern, Linda Lehrer, Alan Leak, Rod Bockenfeld, Jim Dyer and Bart Miller by phone. Also in attendance were: Gary Atkin, Jennie Achee, Will Koger, Martin Stegmiller, Arnie Reil, Barbara Townsley, Bart Giles, and Legal Counsel Rick Kron of Grimshaw & Harring. Guests: Mark Beebe, Richard P. Arber Associates; Charles Campbell, Robert Studer, Kurt Schlegel, ACWWA Customers.

CALL TO ORDER:

Director Hap Henderson called the meeting to order at 9:04 a.m. in the Arapahoe conference room of the Arapahoe County Water and Wastewater Authority office at 13031 E Caley Ave, Centennial, CO 80111. Mr. Gary Atkin led the Pledge of Allegiance.

ADOPTION OF THE AGENDA:

A motion was made by Director Lehrer and seconded by Director Tinkey to adopt the agenda. The motion passed 7 to 0.

PUBLIC FORUM:

No discussion took place in public forum.

CONSENT AGENDA:

Director Leak noted that a correction needed to be made on the meeting minutes of October 10, 2007. He did not attend the meeting and did not make a motion.

Director Mackenzie arrived at 9:06.

Director Dyer arrived at 9:09

A motion was made by Director Henderson and seconded by Director Miller to approve the consent agenda with the changes mentioned. The motion passed 9 to 0. The consent agenda consists of the following items:

1. Approval of Meeting Minutes for October 10, 2007
2. Approve payment requests for October, 2007
3. Approve PDAC Committee recommendations:
 - A. Approve Contract with Glacier Contractors for Oxidation Ditch Removal
 - B. Approve Line Extension and Oversizing Policy Revision
 - C. Approve Professional Services Agreement with Curtis Wells
 - D. Approve Well Construction Agreement with Layne Western Company
 - E. Approve Easement Acquisition Agreement with Pegasus Realty
 - F. Approve Easement Vacation for Castlewood Filing #5
4. Approve Finance Committee Recommendations:
 - A. Approve Request for Proposals for Cost of Service Analysis
 - B. Approve Request to PID Board for Project Payment Modification

PUBLIC HEARING

Ms. Achee gave a budget presentation to the Board and then answered questions from the Board.

Mr. Studer, Mr. Campbell, and Mr. Schlegel addressed the Board regarding the rates and fees increase. The Board answered questions and concerns.

Director Miller left at 9:54

GENERAL BUSINESS ACTION ITEMS

Item No. 5 – Amendment to the Professional Services Agreement with Arber Associates to Provide Construction Services for the Joint Water Purification Project

Mr. Koger addressed the Board. Based on PDACC recommendation, staff is requesting that the Board approve the Professional Services Agreement with Richard P. Arber Associates to provide construction administration and supplementation inspection services for the Joint Water Purification Plant. Mr. Beebe addressed the Board and discussed the project. Director Mulhern recused himself. A motion was made by Director Tinkey and seconded by Director Leak to approve the Amendment to the Professional Services Agreement with Arber Associates to provide construction services for the JWPP. The motion passed 7 to 0 with Director Mulhern abstaining.

Item No. 6 – ACWWA 2008 Budget and Associated Rates and Fees

The Board discussed the concern regarding the rates and fees increase, conservation, and communication with ACWWA customers along with possible solutions. These issues are being worked on presently and will be continue to be discussed at a later date. A motion was made by Director Lehrer and seconded by Director Henderson to adopt the 2008 proposed rates and fees and the 2008 proposed budget and resolution 2007-06 that appropriates sums of money to the various funds in the amounts and for the purposes set forth. The motion passed 7 to 1.

Item No. 7 – Completion of the Purchase of Western Water Assets

Mr. Atkin explained to the Board that the Finance Committee is recommending final payment be made on December 31, 2007, purchasing all of ACWWA's options. Director Mulhern recused himself. A motion was made by Director Leak and seconded by Director Mackenzie to approve the final payment effective December 31, 2007. The motion passed 7 to 0 with Director Mulhern abstaining.

Item No. 8 – Operations Expense Audit

Mr. Atkin stated that the operations expense audit was addressed in the Finance Committee meeting in October. Therefore, Director Lehrer led a discussion with the Board and staff regarding this topic. Information will be gathered and brought back to future Board meetings.

Item No. 9 – Water Service Agreement with Windmill Creek Enterprises

Mr. Koger addressed the Board concerning a Water Service Agreement with Concrete Express. Because of issues with the original agreement, a new agreement has been drafted. The Water Committee recommends approval of the agreement. A motion was made by Director Dyer and seconded by Director Lehrer to approve the Water Service Agreement with Windmill Creek Enterprises. The motion passed 8 to 0.

Item No. 10 – Title Review for Douglas County Water Rights

Mr. Koger addressed the Board. He requested action by the Board regarding a proposal for legal counsel and consulting support to perfect title to and adjudicate groundwater rights for Douglas County parcels. After being reviewed by the

Water Committee, they are recommending approval of the proposal. A motion was made by Director Henderson and seconded by Director Mackenzie to approve the Title Review for Douglas County Water Rights. The motion passed 8 to 0.

Item No. 11 – Tap Fee Variance Request

Mr. Giles reviewed a developer's request for a variance request for tap fees and a separate irrigation meter with the Board along with the Water Committees recommendations. Legal counsel will draft the agreement with the mentioned recommendations. A motion was made by Director Mulhern and seconded by Director Leak to approve the Water Committee recommendations, in addition to the contract language, that proposes substantial penalties for violation to be generated by legal counsel and recorded with the property. The motion passed 7 to 1.

Item No. 12 – Special Board Meeting to Review JWPP Construction Bids

Staff requested a special Board meeting to review JWPP construction bids. All Board members agree that email would be the most convenient way for the meeting to take place.

Item No. 13 – Annual Performance Evaluation for the General Manager

EXECUTIVE SESSION

A motion was made by Director Henderson and seconded by Director Bockenfeld to move into Executive Session to discuss personnel matters relating to the General Manager's evaluation at 11:31 a.m. pursuant to Section 24-6-402(4) (F) C.R.S. The motion passed 8 to 0. (Executive session meetings are recorded and retained for 90 days.)

The Executive Session ended at 11:38 a.m.

A motion was made by Director Dyer and seconded by Director Mackenzie to adopt the Personnel Committee recommendations regarding personnel matters. The motion passed 8 to 0.

INFORMATION ITEMS AND REPORTS

Item No. 14 – Chapparal Pump Station Design Error

Mr. Atkin updated the Board regarding the status of the Chapparal Pump Station issue. Staff will continue to work with HDR to resolve the problem.

Item No. 15 – Colorado CoWARN Program

Mr. Stegmiller explained to the Board the purpose of the CoWarn Program and ACWWA's involvement.

Item No. 16 – Intergovernmental Agreement with Castlewood Regarding Motel 6

The Finance Committee has reviewed the situation with Motel 6 and made a recommendation per Mr. Atkin. Director Henderson approved staff to submit IGA to Castlewood for their review.

Item No. 17 – Water Shortage Fee Reserve Account

Ms. Achee spoke about the water shortage fee reserve account. The Finance Committee made a recommendation concerning the fee which was explained to the Board.

EXECUTIVE SESSION

A motion was made by Director Henderson and seconded by Director Lehrer to move into Executive Session to receive legal advice and develop negotiating positions concerning the Rexel/Bosco litigation and settlement 11:52 a.m. pursuant to Section 24-6-402(4) (B) Section 24-6-402(4) (E) C.R.S. The motion passed 7 to 0 (Director Bockenfeld was out of the room when the motion was made.) (Executive session meetings are recorded and retained for 90 days.)

The Executive Session ended at 11:57 a.m.

A motion was made by Director Henderson and seconded by Director Dyer to approve the Rexel/Bosco settlement agreement as discussed in Executive Session. The motion passed 8 to 0.

Item No. 18C – Arapahoe Aquifer Well on State Parks Property

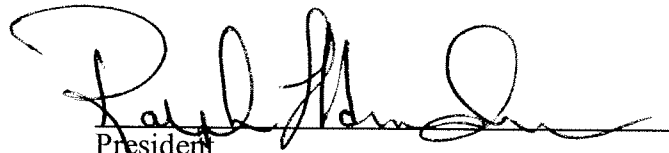
Mr. Atkin gave an update on the negotiations of the well drilling in State Parks.

ADJOURNMENT:

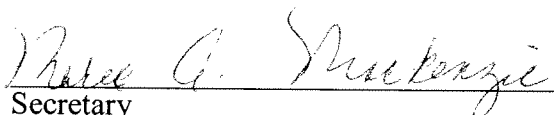
A motion was made by Director Henderson and seconded by Director Tinkey to adjourn the meeting at 11:59. The motion passed 8 to 0.

Approved: DEC 12, 2007

ARAPAHOE COUNTY WATER AND
WASTEWATER AUTHORITY


President

ATTEST:


Secretary