
RECORD OF PROCEEDINGS

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

HELD: January 9, 2008

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, and Barbara Townsley, and Legal Counsel Russ Dykstra of Grimshaw & Harring. Guests: Roger Hartman, THC Utility Management Specialists; Jed Lugod, Southeast Metro Stormwater Authority; Dave Berwanger, DAB Engineering; Wayne Lorenz, Wright Water Engineers.

CALL TO ORDER:

Director Hap Henderson called the meeting to order at 9:09 a.m. in the Arapahoe conference room of the Arapahoe County Water and Wastewater Authority office at 13031 E Caley Ave, Centennial, CO 80111. Ms. Linda Lehrer led the Pledge of Allegiance.

ADOPTION OF THE AGENDA:

A motion was made by Director Leak and seconded by Director Tinkey to adopt the agenda. The motion passed 8 to 0.

PUBLIC FORUM:

No discussion took place in public forum.

CONSENT AGENDA:

A motion was made by Director Tinkey and seconded by Director Mackenzie to approve the consent agenda. The motion passed 8 to 0. The consent agenda consists of the following items:

1. Approval of Meeting Minutes for December 12 and December 21, 2007
2. Approve payment requests for December 2007

GENERAL BUSINESS ACTION ITEMS

Item No. 3 – Appointment of ACWWA Officers

Director Mackenzie explained to the Board that the Nominating Committee would like to reappoint the officers for their current positions. The President of the Board, Director Henderson, was recognized for the great work he has done throughout the past year. A motion was made by Director Leak and seconded by Director Mackenzie to waive the ACWWA rule of a one year term limit for board office appointments for 2008. The motion passed 8 to 0. A motion was made by Director Mackenzie and seconded by Director Lehrer to adopt the proposed officers for the 2008 year as presented in the Board packet. Director Dyer will sit on the Pension Board.

Item No. 4 – Stormwater Projects

Mr. Atkin addressed the Board. He started his discussion with a handout pertaining to emails between him and SEMSWA staff. He had a question as to how the ACWWA Board members feel about continuing to support the formation of SEMSWA and mentioned that ACWWA does have some obligation through the agreement. He had other questions for the Board regarding ACWWA taking the lead role while the ponds are being developed. Mr. Atkin reflected on each agency, with SEMSWA being a regulatory agency and ACWWA's future being development. He believes there is a solution, but stated there needs to be resolution on how the agencies co-exist. Director Henderson pointed out that all parties involved are waiting for the report from Wright Water Engineering. When the report is received, more decisions can be made. Mr. Atkin discussed the possibility, after receiving the WWE report, that a policy adoption will be needed due to the phasing. Director Mulhern discussed the regional detention program and believes it should be a high priority for SEMSWA.

Director Bockenfeld arrived at 9:35.

Director Miller left at 9:40

Mr. Berwanger discussed with the Board some details regarding development of Pond W-4. Mr. Lugod addressed the Board. He stated that to him, it is irrelevant which agency leads these projects. If ACWWA is the lead, he will give full support to Mr. Atkin and he will need the same support if SEMSWA is the lead. Mr. Lugod sees funding for construction as the issue. Mr. Lorenz went over some of the information that will be presented in his report.

Director Leak suggested assigning the PDAC Committee to review the report received by Wright Water Engineers and report back to the full Board as to their

recommendation on a phased development approach. The task was assigned to PDAC per Director Henderson. In conversation with Mr. Lugod, Director Dyer stated that the attorney for SEMSWA already determined that phasing is not an approach that will work and questioned why the attorney is making conclusions without the benefits of a study. Mr. Lugod does believe that the phasing approach is an option. Director Dyer feels that the ACWWA Board should be aware of the attorney's conclusion while making their decision on the report. Mr. Lugod stated while the SEMSWA staff and the attorney were trying to come to a solution, the attorney came to the conclusion that phasing would not work due to internal discussions. Not being an engineer, Director Dyer does not feel that the attorney is the appropriate person to make this determination. Director Dyer also mentioned that he does not believe the attorney had Board approval to take the action that he did, which is a great concern to Director Dyer. Mr. Lugod stated that going forward, he will now take charge of the negotiation with Mr. Atkin and he will be the lead. Mr. Krisor will only review legal matters and he will not get involved in any technical issues, per Mr. Lugod.

Item No. 5 – Cost of Service Proposal

Mr. Hartman addressed the Board. He discussed several reasons for his suggestion of having the cost of service analysis done. Proposals were received by three firms and two firms were interviewed. He and the staff are recommending that ACWWA enter into an agreement with Red Oak Consulting. A series of workshops will be done in the future with staff, a representative from ACWWA's contract service areas, and a representative from the Finance Committee will be requested. A motion was made by Director Lehrer and Director Bockenfeld to authorize Red Oak Consulting to do the cost of service analysis and have it signed by Mr. Atkin when it is in final form. The motion passed 8 to 0.

Item No. 6 – Professional Services Agreement with Merrick and Company

Ms. Achee suggested using Merrick & Company for different types of engineering services and gave information pertaining to those services. Some changes in the agreement are being made by legal counsel at this time. Mr. Atkin stated that presently, ACWWA is investigating if the most economical choice is to replace internal staff or hire an outside consultant as needed. When Merrick work orders are done, Ms. Achee stated that they will be brought to PDAC for information purposes. A motion was made by Director Leak and seconded by Director Dyer to approve the agreement with Merrick and Company after legal counsel makes the appropriate limit of liability language. The motion passed 8 to 0.

Item No. 7 – Agreement for Professional Services with Wright Water Engineers

Ms. Achee addressed the Board regarding the Wright Water Engineers Agreement with the Board. Director Leak requested a copy of the scope of work. Mr. Lorenz talked to the Board about phosphorus credits, which the Board discussed. A motion was made by Director Dyer and seconded by Director Mackenzie to approve the Agreement for Professional Services with Wright Water Engineers be subject to the PDAC Committee reviewing the scope of work. The motion passed 8 to 0.

Item No. 8 - Professional Services Agreement with Grimshaw and Harring

Following discussion by Ms. Achee, Director Henderson and Mr. Atkin recognized the Grimshaw and Harring staff for the excellent work done. A motion was made by Director Henderson and seconded by Director Lehrer to engage Grimshaw and Harring as general counsel for the 2008 year.

INFORMATION ITEMS AND REPORTS

Item No. 10 – General Managers Report

1. Cherry Creek Project Authority – Mr. Koger stated that ACWWA made a final payment and is now fully vested in its portions of this purchase. The group is now in the process of establishing goals for 2008.
2. Update on South Metro Water Supply Authority – Mr. Koger reviewed what the Authority was currently working on.
3. Update on CWCB Grant Proposal – Mr. Koger stated that the application should be done by the end of January.
4. Duperon Bar Screen at Detention Center – Mr. Stegmiller is planning a ribbon cutting ceremony in the near future at the detention center. Director Henderson would like a review on this project to go to the paper. Invited guests will include the Sheriff.

Item No. 11 – Financial Report

Per Ms. Achee, the pre-audit went very well. The auditors will be back the in February for the final audit.

Item No 9 – Chapparal Pump Station Design Error

EXECUTIVE SESSION

A motion was made by Director Henderson and seconded by Director Tinkey to move into Executive Session for legal advise and to develop negotiating positions regarding the Chapparal Pump Station at 10:56 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 11:08 a.m.

A motion was made by Director Tinkey and Director Henderson to send to HDR the Chapparral Pump Station letter dated January 7, 2008 as presented. The motion passed 8 to 0.

EXECUTIVE SESSION

A motion was made by Director Tinkey and seconded by Director Lehrer to move into Executive Session for personnel matters 11:10 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.)

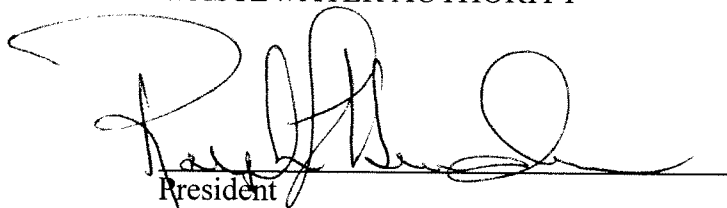
The Executive Session ended at 11:22 a.m.

ADJOURNMENT:

A motion was made by Director Lehrer and seconded by Director Mackenzie to adjourn the meeting at 11:23. The motion passed 8 to 0.

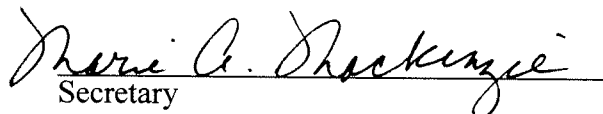
Approved: February 13, 2008

ARAPAHOE COUNTY WATER AND
WASTEWATER AUTHORITY



President

ATTEST:



Secretary