
RECORD OF PROCEEDINGS

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

HELD: February 13, 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 Suzanne Mueller, and Legal Counsel Rick Kron of Grimshaw & Harring. Guests: Shannon Carter, Arapahoe County; Bill Valdez, DLR Architect Group; Robert Olislagers, Centennial Airport; John Hendrick, Centennial Water and Sanitation District; Scott Tucker, Southeast Metro Stormwater Authority; Dave Berwanger, DAB Engineering;.

CALL TO ORDER:

Director Hap Henderson called the meeting to order at 9:07 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. Shannon Carter led the Pledge of Allegiance.

ADOPTION OF THE AGENDA:

Director Henderson moved Item No. 12 – Expansion of the Arapahoe County Justice Complex up on the agenda to be discussed after the Consent Agenda items. A motion was made by Director Dyer and seconded by Director Mackenzie to adopt the agenda as amended. The motion passed 9 to 0.

PUBLIC FORUM:

Mr. Martin Stegmiller addressed the Board regarding ACWWA's Safety Record stating the Authority has gone 1,000 days with no lost time or injury on the job.

CONSENT AGENDA:

Director Leak stated he would not be voting on consent agenda Item No. 5A due to a potential conflict of interest. A motion was made by Director Bockenfeld and seconded by Director Lehrer to approve consent agenda Items 1-4 and Item 5b and 5c. The motion passed 9 to 0. A motion was made by Director Dyer and seconded by Director Henderson to approve Item 5a. The motion passed 8 to 0 with Director Leak abstaining. The consent agenda consists of the following items:

1. Approval of Meeting Minutes for January 9, and January 31, 2008
2. Approve Payment Requests for January 2008.
3. Approve Recommendations from the Finance Committee:
 - A. The purchase of an Operations/Construction Unit.
 - B. Amendment to the Appendix A Regarding Construction Meter Charges and Penalties.
 - C. Revision to the Policy Addressing Temporary Water Service.
4. Approve Recommendations from the Water Committee:
 - A. Amendment to the DCWRA Establishing Contract Regarding Adding Members.
 - B. Joint Resolution of the SMWSA Regarding Mutual Assistance.
 - C. Revised Agreement and Establishing Contract for the CCPWA.
5. Approve Recommendations from PDACC:
 - A. Approve addition of WRC to the short list to provide engineering services.
 - B. Approval of the Water Facilities Improvement Agreement.
 - C. Approve change order for Lone Tree Creek Water Facility Expansion, P-23.

Item No. 12 – Expansion of the Arapahoe County Justice Complex

Mr. Gary Atkin gave an overview of the proposed expansion at the Arapahoe County Justice Complex. Mr. Shannon Carter from Arapahoe County addressed the Board explaining why the justice complex needs to be expanded. Mr. Bill Valdez from DLR Architect Group also addressed the Board regarding the 5,000 square foot temporary office building that will be built later this year. Discussion took place regarding the 3” tap that would be needed for the temporary office building. Director Mulhern expressed concern about the size of the meter stating it sounded too big for the size of the building. Discussion among the Board and Mr. Carter took place regarding renewable water.

Director Leak expressed concern about how ACWWA currently determines the appropriate water use for areas in the district. He suggested the water committee review this and possibly create a policy or a plan for dealing with these issues in the future. Mr. Carter stated that the County is looking into ways to reduce water demand in some areas to allow for an increase in other areas of the district. He

also stated that the County is working on conservation measures. Additional discussion took place regarding the expansion among the Board members and Mr. Carter. It was noted that this item is for information only, no action would be necessary at this time but this item will be back before the Board at a later date.

GENERAL BUSINESS ACTION ITEMS

Item No. 6 – Aquifer Storage and Recovery

Mr. John Hendrick, Manager of Centennial Water and Sanitation District (CWSD) gave a presentation to the Board regarding the use of Aquifer Storage and Recovery (ASR). He explained in great detail how the process works and how CWSD has used ASR. Discussion among the Board and Mr. Hendrick took place regarding ground water levels and ground water vs. surface water storage.

Item No. 7 – SEMSWA – WWE Stormwater Phasing Report Update

Mr. Scott Tucker, acting Director for SEMSWA, addressed the Board regarding the five-year Capital Improvement Plan that he will review with the SEMSWA Board later today which includes money for Pond W-4. Mr. Tucker explained how Pond W-4 will be funded with the help of ACWWA and Arapahoe County. Mr. Tucker also reviewed tentative plans for when ponds D-1, D-2 and Pond W-5 will be started.

Mr. Dave Berwanger addressed the Board regarding D-1 and D-2 expressing concern about them starting in late 2008 and 2009. Discussion among the Board and Mr. Berwanger took place regarding Dove Valley and working with the County, the City of Centennial and SEMSWA if a development comes in before the completion of D-1 and D-2.

Item No. 8 – Agreement for Professional Services with Mulhern MRE, Inc

Mr. Arnie Reil gave the Board an overview of the upcoming projects, many related to P-15 – the Joint Water Purification Plant (JWPP), noting that ACWWA has asked Mulhern MRE, Inc to help out with some of the projects. It was noted that Director Mulhern would abstain from any discussion or vote regarding this matter due to a potential conflict of interest. With regard to looping a water line between Antelope and Chapparal, Director Lehrer asked ACWWA staff to provide a map of the project area. Director Bockenfeld asked if this project work had gone out to bid. Mr. Reil stated it had not since Mulhern, MRE, Inc is on the ACWWA shortlist of approved companies. Director Leak commented that he believed the costs were very reasonable. A motion was made by Director Tinkey

and seconded by Director Dyer to approve the agreement with Mulhern MRE, Inc work on the JWPP. The motion passed 8 to 0 with Director Mulhern abstaining.

Item No. 9 – Revised Scope of the Operation Expense Audit

Mr. Atkin informed the Board that CH2M Hill is having a difficult time evaluating procedures for treatment processes that will change because of the new wastewater plant coming on line soon. He noted there is no change in the dollar amount of their contract just in the scope of the work they will perform. The Board gave Mr. Atkin approval to move forward with the change in the scope of work CH2M Hill is performing on the Operational Expense Audit.

INFORMATION ITEMS AND REPORTS

Item No. 10 – Chapparal Pump Station Design Error

EXECUTIVE SESSION

A motion was made by Director Henderson and seconded by Director Lehrer to move into Executive Session for legal advice and to develop negotiating positions regarding the Chapparal Pump Station at 10:40 a.m. pursuant to Section 24-6-402(4) (E) C.R.S. The motion passed 9 to 0. (Executive session meetings are recorded and retained for 90 days.)

Director Miller left the meeting by phone at 10:42 a.m. during Executive Session.

The Executive Session ended at 10:56 a.m.

Director Bockenfeld left the meeting at 10:56 a.m.

Break took place at 10:56 a.m., the meeting resumed at 11:07 a.m.

Item No. 11 – Backflow Program

Mr. Stegmiller addressed the Board regarding the Backflow Program that was implemented in 2007 and why it is necessary. Mr. Atkin also informed the Board that the \$65 backflow inspection fee covers ACWWA's cost for testing the backflow devices. It was noted that the backflow program only pertains to commercial customers.

Item No. 13 – General Managers Report

Mr. Atkin informed the Board that ACWWA is having a second Open House on Tuesday February 19th from 12-7 p.m. Director Henderson asked for Board participation if possible. Mr. Atkin also informed the Board that he had been appointed as the president of the Cherry Creek Water Project Authority for 2008.

- A) Cherry Creek Alluvial Modeling Project – Mr. Koger informed the Board that the modeling project is behind schedule at this point but completion is now anticipated for August 2008.
- B) South Metro Water Supply Authority (SMWSA) – Mr. Koger informed the Board that the last SMWSA meeting was another good session. SMWSA has approved contracts for more detailed review of water supply options.
- C) Colorado Water Conservation Board (CWCB) Grant – Mr. Koger informed the Board that CWCB has received our request for a \$22,350 grant. Brief discussion among the Board took place regarding the Arapahoe County's conservation requirements with respect to landscaping.

Item No. 14 – Cherry Creek Basin Discharge Requirements

Mr. Koger addressed the Board regarding a presentation that was given to the Cherry Creek Basin Authority by Dr. Bill Lewis regarding the effectiveness of phosphorus removal. Discussion took place among the Board regarding the amount of money that is spent every year for phosphorus removal and what would potentially need to happen to change the control regulation.

Item No. 15 – Arbitrage Compliance

Ms. Jennie Achee informed the Board that the calculations for Series 2003 A and C bonds have been completed and no money is due to the IRS.

Item No. 16 – Financial Report

Ms. Achee informed the Board that due to the Audit there are no December Financial Statements. The Board can expect them after the Audit is finished.

Item No. 17 – Legal Report

- A) Motel 6 Agreement – Ms. Achee informed the Board that the IGA with Castlewood has been finished but is not signed. Castlewood has concerns about the payback schedule.

- B) Mr. Rick Kron informed the Board about House Bill 1259. Discussion among the Board took place regarding the Bill. Mr. Atkin was directed to draft a letter about the bill. Mr. Atkin noted that there are other avenues that can be pursued regarding this issue as well.

Director Dyer left meeting at 11:38 p.m.

- C) Mr. Kron requested the Board members turn in their conflict of interest disclosure statements for the 2008 year.


Mr. Atkin informed the Board that PDACC will have a guest speaker regarding ground sourced heating and cooling for those Board members that would like to attend. Staff will send out an email about the meeting.

ADJOURNMENT:

A motion was made by Director Tinkey and seconded by Director Lehrer to adjourn the meeting at 11:48 a.m. The motion passed 8 to 0.

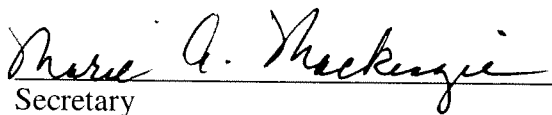
Approved: March 12, 2008

ARAPAHOE COUNTY WATER AND
WASTEWATER AUTHORITY



President

ATTEST:



Secretary