
RECORD OF PROCEEDINGS

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

HELD: January 14, 2009

13031 E Caley Ave
Centennial, CO 80111

ATTENDANCE:

Present were Directors: Hap Henderson, Alan Leak, Doyle Tinkey, Pat Mulhern, Linda Lehrer, Rod Bockenfeld, and Jim Dyer. Also in attendance were: Gary Atkin, Jennie Achee, Martin Stegmiller, Arnie Reil, Steve Witter, Matt Langridge, Barbara Townsley and Legal Counsel Rick Kron of Grimshaw & Harring. Guests: Susan Saint Vincent, Cherry Creek Project Water Authority; John McCarty, Southeast Metro Stormwater Authority; Jim Harrington, Public Financial Associates.

CALL TO ORDER:

Director 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. Ms. Saint Vincent led the Pledge of Allegiance.

ADOPTION OF THE AGENDA:

A motion was made by Director Dyer and seconded by Director Lehrer to adopt the agenda with #4 removed. The motion passed 6 to 0.

PUBLIC FORUM:

Mr. McCarty gave an update on the construction for Pond W-4 and thanked the board members who attended the groundbreaking ceremony last month. Mr. Atkin recognized Mr. McCarty for the work he is doing on moving projects forward.

Director Mulhern arrived at 9:08.

CONSENT AGENDA:

A motion was made by Director Lehrer and seconded by Director Bockenfeld to approve the consent agenda. The motion passed 7 to 0. The consent agenda consists of the following items:

1. Approval of Meeting Minutes for December 10, 2008.
2. Approve payment requests for December 2008.
3. Approve Recommendations from PDACC:
 - A. Approve Broncos NP Line Extension
 - B. Approve Loyd 2 Well Re-equipping Proposal
 - C. Approve Chapparal A-1 Well Cleaning Proposal

GENERAL BUSINESS ACTION ITEMS

Item No. 4 – Biosolids: Removed from the agenda. PDACC will discuss this matter later this month.

Item No. 5 – Discussion and Selection of ACWWA Officers for 2009

Director Tinkey and Director Leak were selected to make recommendations for the 2009 ACWWA Officers and report to the full board in February.

Item No. 6 – Discussion and Action Regarding ACWWA Committee Assignments

Director Lehrer requested to be on the Personnel Committee. Director Dyer offered to be added to the Water Committee, but will continue to sit on the PDAC Committee. The committees will stay as assigned in 2008 with the exception of the above mentioned additions. A motion was made by Director Bockenfeld and seconded by Director Leak to approve committee assignments with the additions to Personnel and Water Committees. The motion passed 7 to 0.

Item No. 7 – Discussion and Action Regarding ACWWA's Designated Notice Posting Places for 2009

Director Bockenfeld suggested rather than publishing legal notices in the Aurora Centennial, to publish in the Villager. A motion was made by Director Dyer and seconded by Director Bockenfeld to continue posting notices in the locations designated, but that legal notices will be published in the Villager. The motion passed 7 to 0. Editor's note: the designated posting locations in the board packet were: ACWWA: 13031 East Caley Avenue, Centennial, CO, front window; Arapahoe County: Clerk and Recorder's Office, 5334 Prince Street, Littleton, CO; The Publics Works and Development Building, 10730 East Briarwood Avenue, Centennial, CO.

Item No. 8 – Update Regarding ACWWA Investment Strategy

Mr. Harrington addressed the board. He discussed options regarding ACWWA's investments. He also shared the exciting news of ACWWA's recent bond rating upgrade to an AA- by Standard & Poor's.

Item No. 9 – Presentation of the Cherry Creek Project Water Authority

Ms. Saint Vincent gave an informative presentation of the projects that CCPWA is working on. She explained the impact these projects have on ACWWA and answered questions from the board members. Mr. Atkin referred to a Request for Proposal #049-08 from the Douglas County Government regarding the sale of water rights. A motion was made by Director Henderson and seconded by Director Dyer to approve project participation for the CCPWA purchase of Douglas County water rights up to 41%. The motion passed 7 to 0.

Item No. 10 – Discussion and Action Regarding Professional Legal Services by Grimshaw & Harring for 2009

The rate schedule for legal counsel was presented to the board along with the scope of retainer services. A motion was made by Director Bockenfeld and seconded by Director Leak to approve Grimshaw & Harring, P.C. as general legal counsel for ACWWA for 2009. The motion passed 7 to 0.

Item No. 11 – Discussion and Action regarding an Amendment to the 2006 Option Agreement with Spring Valley Ranch Metro District

Mr. Atkin updated the board regarding the Second Amendment to Option Agreement with Spring Valley Ranch Metropolitan District. This amendment will extend the date for exercise of the option by 18 months. A motion was made by Director Dyer and seconded by Director Bockenfeld to approve the Second Amendment to Option Agreement for Spring Valley Ranch Metropolitan District with the "Option Expiration Date" of May 1, 2012. The motion passed 7 to 0.

Item No. 12 – Discussion and Action Regarding an Agreement with Sierra Consulting, LLC for Professional Public Relations Services

Director Lehrer stated that she would not take part in the discussion and recused herself from a vote, if taken, due to a potential conflict of interest. She would however, answer any questions asked of her by the board. After discussion regarding this agreement, the board decided that there was not an immediate need for these services from a consultant.

Item No. 13 – Ratification of Action Regarding Party Status for Cherry Creek Reservoir Control Regulation Rulemaking

Mr. Atkin explained to the board the problems pertaining to the phosphorus loading regulations and the pending proposal before the Colorado Water Quality Control Commission. A motion was made by Director Dyer and seconded by Director Henderson to ratify ACWWA's party status in the rulemaking hearing before the Colorado Water Quality Control Commission regarding site specific revisions to water quality standards for the Cherry Creek Reservoir. The motion passed 7 to 0. A motion was made by Director Dyer and seconded by Director Henderson to give the general manager and legal counsel authority to strategize and proceed to advocate going forward with concentration based regulations. The motion passed 7 to 0.

Item No. 14 – Discussion Regarding Differential Potable/Non-potable Rates

Director Henderson discussed with the other board members the importance of this issue. After several opinions were given, an ad-hoc committee was formed to come up with a pilot program that can be reviewed by the entire board next month. The members of the committee consist of Director Tinkey, Director Leak and Director Lehrer.

Item No. 15 – General Managers Report:

- A. Update on Happy Canyon Alluvial Wells- Mr. Reil stated that three wells were recently drilled and the water was tested. No issues were found with the water quality and volumes are good. .
- B. Update on Vermilion Creek Project – Mr. Atkin let the board know that this project is on hold indefinitely.
- C. Motel 6 Lift Station – Per Ms. Achee, progress has been made on the project and should be finalized soon.
- D. Office Security Review – Mr. Langridge gave a presentation on a possible remodeling of the administration building.
- E. Cottonwood and Inverness Agreements – Mr. Atkin advised the board that the agreements are under review at this time.

Director Mulhern left the meeting at 11:54

EXECUTIVE SESSION

A motion was made by Director Henderson and seconded by Director Lehrer to move into Executive Session to consult or receive advice from legal counsel on specific legal questions and to instruct negotiators regarding the Chapparral Pump Station pursuant to Section 24-6-402(4) (B) (E) and to develop negotiating positions, strategy, or instruct negotiators regarding the Cherry Creek Alluvial

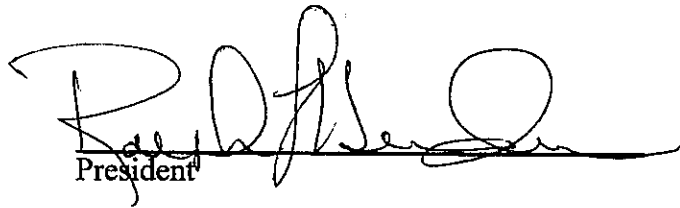
Modeling Group pursuant to Section 24-6-402(4) (E) C.R.S. at 11:57 a.m. The motion passed 6 to 0. (Executive session meetings are recorded and retained for 90 days.)

ADJOURNMENT:

A motion was made by Director Tinkey and seconded by Director Dyer to adjourn the meeting at 12:11 a.m. The motion passed 6 to 0.

Approved: February 11, 2009

ARAPAHOE COUNTY WATER AND
WASTEWATER AUTHORITY



President

ATTEST:



Secretary