
RECORD OF PROCEEDINGS

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

HELD: February 10, 2010

13031 E. Caley Ave.
Centennial, CO 80111

ATTENDANCE:

Present were Directors: Ralph Henderson, Doyle Tinkey, Ray Wells, Jim Dyer, Alan Leak, and Rod Bockenfeld. Also in attendance were: Gary Atkin, Jennie Achee, Arnie Reil, Jeff Brooks, Martin Stegmiller, Patrick Reed, Steve Witter, Patty Pratt, Carol Bauman, Barbara Townsley and Legal Counsel Rick Kron. Guests in attendance were: Mark Beebe, Arber Associates; Pat Mulhern, Cottonwood Water and Sanitation District (CWSD) and Inverness Water and Sanitation District (IWSD); John McCarty and Roxie Jones, Southeast Metro Stormwater Authority (SEMSWA); Bill Becker, Adams County Economic Development; and Linda Lehrer, Sierra Consulting.

CALL TO ORDER:

Director Henderson called the meeting to order at 9:00 a.m. in the Arapahoe Conference Room of the Arapahoe County Water and Wastewater Authority (ACWWA) office at 13031 E. Caley Ave., Centennial, CO 80111. Director Tinkey led the Pledge of Allegiance.

ADOPTION OF THE AGENDA:

A motion was made by Director Bockenfeld and seconded by Director Leak to approve the Agenda as presented. With no discussion needed, Director Henderson called for a vote. The motion passed 6 to 0.

PUBLIC FORUM

Mr. Becker made a presentation to the Board regarding membership in the Adams County Economic Development (ACED). ACED is a public-private, non-profit 501(c)(6) organization. There are various levels of membership. The Board directed Mr. Atkin to research the feasibility of membership and then make a recommendation to the Board at the March meeting.

CONSENT AGENDA

A motion was made by Director Tinkey and seconded by Director Dyer to approve the Consent Agenda. The motion passed 6 to 0. The consent agenda consists of the following items:

1. Approval of Meeting Minutes for January 13 and January 21, 2010
2. Approve Payment Requests for January 2010
3. Approve Recommendations from PDAC Committee:
 - A. Approve JWPP Change Order #8 and Release of Retainage.
 - B. Approve Contract for Coating on Floc Tank.
 - C. Approve Sunborne Reimbursement Agreement
4. Approve Legal Recommendations:
 - A. Ratification of Action Items from January 13, 2010.
 - E. Amendment to the 2009 Bond Resolution Recommended by Bond Counsel.

GENERAL BUSINESS ACTION ITEMS:

Item No. 5 – Discussion and Possible Action Regarding Nominations for ACWWA officers for 2010.

Director Leak reported that the Nominating Committee recommends the following slate of officers for 2010: President: Jim Dyer; 1st Vice President: Doyle Tinkey; 2nd Vice President: Hap Henderson; Treasurer: Rod Bockenfeld; Assistant Secretary: Alan Leak; and Assistant Secretary: Ray Wells.

The Nominating Committee also recommended that a new committee be formed, the ACWWA Flow Committee, which will serve to guide ACWWA as the Flow Project progresses. The Nominating Committee recommended that Director Tinkey and Director Henderson serve on this committee.

Director Leak made a motion for the Board to approve the proposed slate of officers for 2010 as well as the ACWWA Flow Committee. The motion was seconded by Director Bockenfeld and passed 6 to 0. At the recommendation of the Nominating Committee, Director Henderson continued as President for the remainder of this meeting.

Item No. 6 – Information Update and Annual Report Presented by John McCarty of SEMSWA.

John McCarty of the Southeast Metro Stormwater Authority (SEMSWA) addressed the Board. Mr. McCarty presented SEMSWA's annual report and indicated that the written version would be forthcoming.

Item No. 7 – Discussion and Possible Action Regarding House Bill 10-1159.

Director Dyer reported that House Bill 10-1159 was defeated on second reading. This bill would have restricted the flow of water from one basin to another.

Item No. 8 – Discussion and Possible Action Regarding Amendment to the Arber and Associates Contract for Professional Services Relating to the JWPP.

Mr. Reed explained that even though this project is close to the completion of important milestones, there are numerous reasons for the Amendment, including additional work by Arber for obtaining building permits, City approval, etc. Mr. Beebe reported that the project should see substantial completion in early May, but that it may go into June. Mr. Atkin explained that this Amendment is contingent on approval by the Cottonwood Water and Sanitation District's approval. After a brief discussion, Director Tinkey made a motion to approve this Amendment. . The motion was seconded by Director Leak and passed 6 to 0.

Item No. 9 – Discussion and Possible Action Regarding a Contract with Arber and Associates for Design of Bypass Line.

Mr. Reed explained that this work is for the construction of a Concentrate Bypass Line, which would allow concentrate to discharge to an existing sanitary sewer near the Concentrate Blend Vault and is necessary to meet the discharge permit, in particular the ability to pass the Whole Effluent Toxicity test. Mr. Beebe stated that this work was not part of the original contract, but is necessary. Mr. Atkin explained that this Amendment is contingent on approval by the Cottonwood Water and Sanitation District's approval. After a brief discussion, Director Leak made a motion to approve this Amendment. The motion was seconded by Director Tinkey and passed 6 to 0.

Director Henderson asked that ACWWA share its information concerning the various challenges faced during the construction of the RO plant with the East Cherry Creek Valley District, in conjunction with construction of ECCV's RO plant and the ACWWA Flow Project.

Item No. 10 – Discussion and Possible Action Regarding a Contract Modification with Scott Contracting for the Concentrate Bypass Line.

Mr. Reed explained construction of this line is necessary for the concentrate discharge from the JWPP that is currently limited by the availability of reuse water from the Lone Tree Creek Water Reuse Facility. ACWWA reviewed four proposals, with Scott contracting being the lowest. Mr. Atkin explained that this contract modification is contingent on approval by the Cottonwood Water and Sanitation District's approval. Director Wells made a motion to approve the contract modification with Scott Contracting for the concentrate bypass line. The motion was seconded by Director Dyer and passed 6 to 0.

Director Wells requested a summary of all change orders that have been approved regarding the construction of the JWPP.

Item No. 11 – Discussion and Possible Action Regarding the Award of a contract to Total Site Utilities for the Valley Country Club Vault Project.

Mr. Stegmiller explained that this work will allow flexibility within the system, providing constant pressure regulation to the Valley Country Club system, which currently has much higher pressures than needed. Mr. Reed reported that four proposals were received and even though the Total Site Utilities bid was \$6,000 higher than the lowest bid received, staff recommends that awarding the bid to this company is in the best interests of ACWWA. Attorney Kron verified that ACWWA is required to make its decisions when awarding bids to those which are in the best interest of ACWWA. Director Dyer made a motion to approve the selection of Total Site Utilities for the Valley Country Club Vault Project. The motion was seconded by Director Tinkey and passed 6 to 0.

Item No. 12 – Discussion and Possible Action Regarding the Award of a Contract to Blanco, Inc. for a Non-potable Piping Project.

Mr. Brooks reported that CIP 81 is a non-potable water main project along East Broncos Parkway that was designed by Wright Water Engineers, Inc. Bids were accepted from seven contractors and AUI was read as the apparent low bidder but has since asked to remove its bid due to a miscalculation which would result in great economic loss to AUI. Wright Water Engineers recommends Blanco, Inc. be granted this award. Mr. Brooks explained that ACWWA has been able to realign the location of the pipeline but has experienced many delays in obtaining easements. Because of the realignment and after extensive discussion, on motion duly made by Director Dyer, seconded by Director Tinkey and passed 6 to 0, the Board directed staff to request Blanco, Inc. to revisit their proposed contract for the work to see if it could be modified and to have ACWWA's PDAC Committee review and approve the contract if the cost is less than the amount of the Blanco, Inc. bid, otherwise, the matter must return to the Board for decision.

Item No. 13 – Discussion and Possible Action Regarding the Integrated Master Plan Project.

Mr. Witter reported that three firms presented proposals to complete the work for the 2010 Integrated Water and Wastewater Management Plan. Due to an essential tie in the results of the evaluation, PDAC was asked to further evaluate the proposals and directed staff to pursue a final scope of work with the team of Wright Water Engineers, Inc./Arber and Associates. Mr. Witter explained that this Master Plan Project is critical to the success of the ACWWA Flow Project. After further discussion, Mr. Witter requested in the interest of time, that the Board authorize staff to negotiate/approve the scope and fee and then poll the board members to obtain provisional approval before the next board meeting in March. Mr. Kron indicated that at the March board meeting, the decision could be ratified or pulled. Director Dyer moved to authorize staff to negotiate/approve the scope and fee for the Integrated Water and Wastewater Master and Management Plan

to Wright Water Engineers, Inc./Arber and Associates and then follow-up with a poll of each board member. Director Leak seconded the motion and passed 6 to 0.

Item No. 14 – Discussion and Update on Water Conservation Program Development.

Mr. Witter reported on the ACWWA 2010 Water Conservation Program. At the direction of the Water Committee, staff developed goals based on funding/staffing levels. Ms. Pratt presented the Pilot Rebate Program that is part of the Program which will reimburse ACWWA customers a fixed amount when they purchase a high efficiency washing machine and/or rain sensor. Staff also plans to enhance education and communication as well as develop a baseline regarding water usage. After discussion, Director Henderson moved to approve ACWWA's 2010 Water Conservation Program which will be evaluated at the end of the calendar year. Motion was seconded by Director Leak and passed 6 to 0.

INFORMATION ITEMS AND REPORTS

Item No. 15 – General Manager Report.

Mr. Beebe presented an American Consulting Engineers Council award to Martin Stegmiller for the design and construction of the Lone Tree Creek Water Reuse Facility.

- A. Update on South Metro Water Supply Authority Activity – Mr. Atkin reported that The WISE partnership held a breakfast meeting to discuss the program and that a proposed deal is expected in July 2010.
- B. Update on Cherry Creek Alluvial Modeling Group – Mr. Atkin indicated that work is continuing on drafting the Second Amendment to the Agreement.
- C. Cherry Creek Project Water Authority – Mr. Witter reported the purchase of the Grange water rights was moving forward and they should have a draft agreement by the end of the month. The group also still working on plans for the Walker Pit but has put on hold any spending for the project. The Master Plan will assist in determining how and when this project will move forward.
- D. Chaparral Pump Station Update – Mr. Reil reported that the project is about four months behind due to various delays. Substantial completion of construction should be in August.
- E. Update on ACWWA Flow Project – Mr. Atkin reported that ACWWA has purchased 1,602 acre feet of water to date at a cost of about \$35M. A Memorandum of Understanding (MOU) will be considered later in this meeting, between ACWWA and the ACWWPID, regarding transfer of title to water rights. Completion of water acquisition should take 15 months, based on the contract.

Item No. 16 – Financial Report – Discussion deferred to Executive Session.

Item No. 17 – Legal Report

A. Discussion and Possible Action Regarding an MOU Between ACWWA and the ACWWPID

Mr. Kron reported that a MOU between ACWWA and the ACWWPID has been drafted, which transfers ownership of water rights to the ACWWPID from ACWWA, in the amount of \$51.5M, to be completed within the first two quarters of 2010. Water Counsel Zilis requested that the MOU include language stating that ACWWA will handle the adjudication of all water rights. After discussion, Director Henderson moved to approve the proposed draft including the language that ACWWA will handle the adjudication of all water rights. The motion was seconded by Director Leak and passed 6 to 0.

EXECUTIVE SESSION

At 11:35 a.m., a motion was made by Director Henderson and seconded by Director Bockenfeld to adjourn to Executive Session, pursuant to Section 24-6-402(4)(a), C.R.S. concerning the transfer of real property and pursuant to Section 24-6-402(4)(e), C.R.S. to develop negotiating positions, strategy or instruct negotiators and concerning the Elkhorn water rights. The motion passed 6 to 0. (Executive Session meetings are recorded and retained for 90 days.)


At 11:58 a.m., a motion to adjourn the Executive Session was made by Director Henderson and seconded by Director Tinkey. Motion passed 6 to 0.

ADJOURNMENT

Following discussion, there being no further business to come before the Board, at 12:00 p.m., a motion to adjourn the meeting was made by Director Bockenfeld and seconded by Director Henderson. Motion passed 6 to 0.

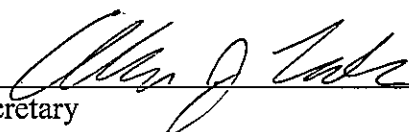
Approved: 3-10- 2010.

ARAPAHOE COUNTY WATER AND
WASTEWATER AUTHORITY



Ralph L. Henderson, President

ATTEST:



Secretary