
RECORD OF PROCEEDINGS

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

HELD: May 12, 2010

13031 E. Caley Ave.
Centennial, CO 80111

ATTENDANCE:

Present were Directors: Jim Dyer, Ralph Henderson, Ray Wells, Doyle Tinkey, Alan Leak and Steven Hunt. Also in attendance were: Gary Atkin, Arnie Reil, Jeff Brooks, Patrick Reed, Steve Witter, Martin Stegmiller, Patty Pratt, Jennie Achee, Carol Bauman, Barbara Townsley and Legal Counsel Rick Kron. Guests in attendance were: John McCarty, Southeast Metro Stormwater Authority (SEMSWA); and Linda Lehrer, Sierra Consulting.

CALL TO ORDER:

Director Dyer 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.

Assistant General Manager, Jennie Achee, conducted the swearing-in ceremony for Steven Hunt, the newest Director of ACWWA.

ADOPTION OF THE AGENDA:

Mr. Reil explained that Consent Agenda Item G, the approval of the Happy Canyon Wells Vault Equipment and Meter Installation had been changed from the information provided in the package given to the Directors. In the expediency of time, the Board was polled and unanimously approved the additional cost of \$16,000 over the original amount recommended by the PDAC Committee. A motion was made by Director Leak and seconded by Director Tinkey to approve the Agenda as modified. With no discussion needed, Director Dyer called for a vote. The motion passed 6 to 0.

Director Henderson arrived at 9:05 a.m.

PUBLIC FORUM

No one came forward to address the Board.

CONSENT AGENDA

Director Leak reported that the Agreement as listed under Item 3.E. is still in draft form and would be voted on in the substantial form and content as presented. A motion was made by Director Leak and seconded by Director Wells to approve the Consent Agenda with the modification to Item G as previously mentioned by Mr. Reil. The motion passed 7 to 0. The consent agenda consists of the following items:

1. Approval of Meeting Minutes for April 14, 2010
2. Approve Payment Requests for April 2010
3. Approve Recommendations from PDAC Committee:
 - A. Approve JWPP Change Order No. 11.
 - B. Approve Antonoff Well No. 1 Electrical Project.
 - C. Approve Modification to Rules and Regulations for Water Service Responsibility.
 - D. Approve Design Consultant Selection for Non-potable Project.
 - E. Approve Agreement and Easement for Caley Gravity Sewer Main Project.
 - F. Approve Alluvial Wells Monitoring Upgrades Project.
 - G. Approve Happy Canyon Wells Vault Equipment and Meter Installation.
4. Approve Employee Handbook Update.

GENERAL BUSINESS ACTION ITEMS:

Item No. 5 – Discussion and Possible Action Regarding Changes to Employee Retirement Plan as Required by the IRS.

Mr. Atkin reported that the proposed Resolution 2010-01, regarding the Employees' Retirement plan encompasses definition changes as required by the Internal Revenue Service. Attorney Kathleen Odle recommends approval of the proposed changes. A motion to adopt Resolution 2010-01 was made by Director Dyer and seconded by Director Henderson. Motion passed 7 to 0.

Item No. 6 – Discussion and Update by Staff and Consultants Regarding the Master Plan Update and ACWWA Service Areas.

Mr. Witter presented several maps of the current ACWWA service area and the surrounding areas, which display current and potential future planning for the area's water/sewer needs. Mr. Witter stated that no formal action from the Board was needed, but that this was an ongoing process and input regarding possibilities for future services is being solicited from the Board. The Board of Directors discussed the various parcels and potential for future service. Mr. Lorenz indicated that a Master Plan technical workshop has been scheduled for May 19, 2010, and that any Board member who wants to attend is welcome. Mr. Atkin asked that any Board member interested in attending to inform staff so that, if necessary, the meeting notice can be posted.

Item No. 7 – Discussion and Possible Action Regarding the ACWWA Flow Project.

Mr. Witter reported that staff is finalizing all easements and licenses in ACWWA's name in anticipation of the closing tomorrow. Attorney Kron indicated it would be best to make motions, seconds and votes on each of the easements and licenses separately. A motion to approve the Escrow Agreement – Deep Brine Well was made by Director Tinkey, seconded by Director Henderson and passed 6 to 1. A motion to approve the Escrow Agreement – RO Treatment Plant Easement was made by Director Henderson, seconded by Director Tinkey and passed 6 to 1. A motion to approve the License Agreement for the E-470 Public Highway Authority Permit No. 029118 was made by Director Henderson, seconded by Director Tinkey and passed 6 to 1. A motion to approve the Easement Deeds for the Northern Pipeline, the ECCV Pump Stations, the ECCV RO Plant, and the Deep Well for Brine Injection was made by Director Henderson, seconded by Director Tinkey and approved 6 to 1. A motion to assign Director Dyer as the prime signatory and General Manager Atkin as the secondary signatory of the above-referenced documents at the closing was made by Director Tinkey, seconded by Director Henderson and approved 6 to 1. Director Hunt cast a “no” vote on each of the preceding items.

INFORMATION ITEMS AND REPORTS

Item No. 8 – General Manager Report.

- A. Update on South Metro Water Supply Authority Activity – Mr. Witter reported that SMWSA is looking to purchase additional space in the ECCV Northern Line. ACWWA is not a part of this effort. A draft of the WISE IGA was circulated; ACWWA currently has reserved 1,000 acre feet in the project, but this amount is not binding. Staff reviewed the IGA and provided comments. The final IGA will be available and voted on by the end of the year. Completion of ACWWA's Master Plan will help staff to determine if the 1,000 acre feet is needed. Phase I of the ASR study has been completed. Phase II has been on hold until grant funding becomes available.
- B. Cherry Creek Project Water Authority – Mr. Witter reported that the Master Plan will assist with determining whether storage in the Walker Pit is necessary. ACWWA is still negotiating buying Grange ground water from Douglas County. ACWWA is hoping to close on the deal by the end of this month.
- C. Chaparral Pump Station Update – Discussion deferred to Executive Session.
- D. Update on ACWWA Flow Project – Mr. Witter reported that staff is currently working on the IGA for the Chambers Reservoir.

Mr. Atkin reported that he and representatives from neighboring water suppliers met with Congressman Mike Coffman to discuss issues such as acquiring water from the Flaming Gorge. Congressman Coffman pledged his support for local water issues while he is in Washington, D.C.

Item No. 9 – PDAC Information Update:

A. Lone Tree Creek Water Reuse Facility Failure Analysis Project. – Mr. Letourneau reported that staff worked with Tetra Tech to produce a Failure Analysis study of the Lone Tree Creek Water Reuse Facility. This study was conducted due to a valve failure in 2007. The results of this study provide staff with the tools to mitigate the possibilities of future failures and solutions to any failure that may occur. The study can also be used as a training tool for new operators. The study appears to be the first of its kind in the industry. The Board directed Attorney Kron to look into obtaining a copyright of the study. Staff hopes to engage Tetra Tech to conduct a similar study for the Joint Water Purification Plant.

B. Joint Water Purification Plan Construction and Budget. – Mr. Reed reported that start-up of the JWPP is scheduled for June 10, 2010. Staff is waiting for approval of the Substitute Water Supply Plan from the Colorado Department of Public Health and Environment. Mr. Atkin reminded the Board that the Ribbon Cutting Ceremony is scheduled for Friday, June 18, 2010, 10:00 a.m. Mr. Reed reviewed the budget and reported that the overall project is only 3.4% over budget, which is considered very good for the industry.

C. New Chapparral Pump Station Construction Update. – Mr. Reed reported that construction is on hold, waiting for the skid to arrive from Canada. Due to the delay in obtaining the permits, it is anticipated that the project will be completed by October 4, 2010, approximately one week beyond the original completion date.

EXECUTIVE SESSION

At 10:44 a.m., a motion was made by Director Henderson and seconded by Director Dyer to adjourn to Executive Session, pursuant to Section 24-6-402(4)(b), C.R.S. to consult or receive advice from the attorney on specific legal questions and Section 24-6-402(4)(e), C.R.S. to develop negotiating positions, strategy or instruct negotiators concerning the Chapparral Pump Station litigation and the Elbert County customer, the Lavenhar Living Trust litigation. The motion passed 7 to 0. (Executive Session meetings are recorded and retained for 90 days.)

There was a five minute break.

At 11:40 a.m., a motion to adjourn the Executive Session was made by Director Dyer and seconded by Director Hunt. Motion passed 7 to 0.

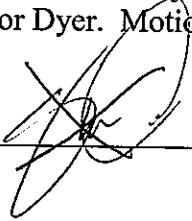
Item No. 7 – Financial Report – No report needed.

Item No. 8 – Legal Report – No report needed.

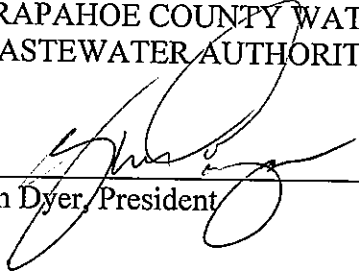
Mr. Atkin reported to the Board that staff has responded to Inverness Water and Sanitation District (IWSD) regarding the rate fee structure. ACWWA's rate consultant will have a counter-proposal to Inverness within the month, concerning the procedure by which the amount is determined. The Board directed staff to reconvene the IWSD Rate Committee within the next thirty days, to further discuss the matter.

ADJOURNMENT

Following discussion, there being no further business to come before the Board, at 11:55 a.m., a motion to adjourn the meeting was made by Director Tinkey and seconded by Director Dyer. Motion passed 7 to 0.


Approved:  6-9-2010.

ARAPAHOE COUNTY WATER AND
WASTEWATER AUTHORITY



Jim Dyer, President

ATTEST:



Secretary