
RECORD OF PROCEEDINGS

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

HELD: February 14, 2018

13031 E. Caley Ave.
Centennial, CO 80111

ATTENDANCE:

Present were Directors: Ken Beard, Doyle Tinkey, Geri Santos-Rach, Tom Wood, Nancy Sharpe, and Jeff Baker. Director Cromer was absent, and excused. Also in attendance were Steve Witter, Kate McRae, Kevin McBrien, Martin Stegmiller, Emily Lowell, Patty Pratt, Rhonda Ruiter, and Legal Counsel, Ron Fano. The guests in attendance were Alan Leak, Respec; Pat Mulhern and Randy Warren, representing Cottonwood Water and Sanitation District and Inverness Water and Sanitation District; Sarah Foster, CH2M; Jeff Vogel, Vogel & Associates; and Walter Sharp, Sharper Energy Technologies.

CALL TO ORDER:

Director Beard called the meeting to order at 9:04 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. The Pledge of Allegiance was recited.

ADOPTION OF THE AGENDA:

Director Tinkey made a motion to Adopt the Agenda as presented. The motion was seconded by Director Baker and passed 6 to 0.

PUBLIC FORUM

No one came forward to address the Board.

CONSENT AGENDA:

Director Tinkey made a motion to approve the Consent Agenda as presented. The motion was seconded by Director Sharpe and passed 6 to 0. The Consent Agenda consisted of the following:

1. Request for Approval of Minutes of the Board of Directors of the Arapahoe County Water and Wastewater Authority - from January 10, 2018
2. Request for Approval of Payment Register

3. Request for Approval of the ACWWA 2018 Vehicle Purchase Program
4. Request for Approval to Waive the Requirement of a Financial Guarantee for the Cherry Creek School District's Career and Innovation Project
5. Request for Approval to Purchase New Groundwater Monitoring Wells at Chambers Reservoir

GENERAL BUSINESS ACTION ITEMS

ITEM No. 6 – Discussion and Possible Action to Approve the IGA for the Operation and Maintenance of the Pretreatment Facilities at the Arapahoe County Justice Center

Mr. Witter gave a brief review of the negotiations that have taken place between ACWWA staff and Arapahoe County staff for the development of an IGA related to the operations and maintenance of the Arapahoe County Justice Center Pre-treatment facility. After discussion, Director Beard moved to approve the draft Intergovernmental Agreement for Operation and Maintenance of Justice Center Wastewater Pretreatment Facilities essentially as to form, pending final review by General Manager and legal counsel. The motion was seconded by Director Santos-Rach and passed 6 to 0. The Board then inquired as to when payments for cost reimbursement will begin and whether there will be any retroactive payments. Mr. Witter explained that there will not be any retroactive payments and that billing and payments for time and expenditures since January 1, 2018 will begin the first quarter after the IGA has been signed by both parties.

ITEM No. 7 – Discussion and Possible Action Regarding East Cherry Creek Valley Water and Sanitation District's Northern Water Plant Expansion Project – Phase 2

Mr. McBrien gave an update of the Northern Water Treatment Plant Expansion Project Phase 2, including negotiating an IGA regarding funding of this project. Final costs will be forthcoming after the Guaranteed Maximum Price (GMP) for the booster pump station is finalized. The project is on schedule with the booster pump project to be completed in mid-2019. The Board encouraged engineering oversight on this project and Mr. McBrien assured the Board that the oversight is occurring via staff and consultants.

To accommodate visitors at this meeting, the Chair changed the order of items on the Agenda.

ITEM 9 – Discussion and Possible Action Regarding the Prosper Development

Mr. Witter gave a brief history of this proposed project and introduced Jeff Vogel to address the Board regarding progress of this project. Mr. Vogel presented a brief update of the progress, stating that the final development plan has been approved and that construction of the wastewater treatment plant will commence in August 2018. The developer is moving towards the development of the final plat.

FIRST EXECUTIVE SESSION

At 9:22 a.m., a motion was made by Director Sharpe and seconded by Director Baker to enter into the First Executive Session, pursuant to §24-6-402(4)(e) C.R.S., to develop

negotiating positions, strategy, or instruct negotiators regarding the Prosper Development. Motion passed 6 to 0. The following people were present in the Executive Session: Ken Beard, Doyle Tinkey, Geri Santos-Rach, Nancy Sharpe, Tom Wood, and Jeff Baker. Also in attendance were: Steve Witter, Kevin McBrien, Emily Lowell, Kate McRae, Patty Pratt, Alan Leak, Respec, and Legal Counsel, Ron Fano. (Executive Sessions recordings are retained for 90 days.)

At 10:13 a.m., a motion to adjourn the First Executive Session was made by Director Baker. The motion seconded by Director Sharpe. Motion passed 6 to 0.

Mr. McBrien invited members of the public to return to the meeting.

ITEM No. 8 – Discussion and Possible Action Regarding Chambers Reservoir

Mr. Witter gave a brief status report, updating the Board regarding settlement negotiations and other matters relating to the Reservoir. Mr. Witter indicated there were no decisions that needed to be made during this meeting.

ITEM No 10 – Discussion and Possible Action to Approve Funding for the Design Portion of the JWPP Reconversion Project

Mr. Witter presented the Board with some background information and offered Mr. Mulhern and Ms. Foster an opportunity to answer any questions the Board had.

SECOND EXECUTIVE SESSION

At 10:26 a.m., a motion was made by Director Beard and seconded by Director Baker to enter into the Second Executive Session, pursuant to §24-6-402(4)(b) C.R.S., to consult or receive advice from the attorney on specific legal questions and strategy concerning the JWPP Reconversion Project, and specifically the request for funding for the design portion of the Project. Motion passed 6 to 0. The following people were present in the Executive Session: Ken Beard, Doyle Tinkey, Geri Santos-Rach, Nancy Sharpe, Tom Wood, and Jeff Baker. Also in attendance were: Steve Witter, Kevin McBrien, Kate McRae, Emily Lowell, Patty Pratt, Alan Leak, Respec, and Legal Counsel, Ron Fano. At the direction of Mr. Fano, the Second Executive Session was not recorded.

At 10:57 a.m., a motion to adjourn the Second Executive Session was made by Director Beard. The motion seconded by Director Santos-Rach. Motion passed 6 to 0.

Mr. McBrien invited members of the public to return to the meeting.

In Open Session, Director Baker made a motion, requesting a roll call vote, to direct staff to continue to participate and be involved in the current project with Cottonwood Water and Sanitation District and CH2M (now Jacobs), and that staff would follow our direction given during the Executive Session. The motion was seconded by Director Beard. Roll call vote as follows:

Jeff Baker – yes
Tom Wood – yes
Doyle Tinkey – no
Ken Beard – yes
Geri Santos-Rach – yes
Nancy Sharpe – no

Motion passed 4 to 2.

Director Baker then modified his motion, requesting a roll call vote, to authorize payment of \$187,500 for completion of design work to CH2M (Jacobs), and to direct staff to continue to participate and be involved in the project. The revised motion was seconded by Director Wood. Roll Call vote as follows:

Jeff Baker – yes
Tom Wood – yes
Doyle Tinkey – no
Ken Beard – yes
Geri Santos-Rach – yes
Nancy Sharpe – no

Motion passed 4 to 2.

Director Beard then stated the overall dissatisfaction of the Board with the process and the failure of CH2M (Jacobs) to adequately consult with ACWWA or to present other possible options or proposed solutions. Director Beard stated his expectation that this would be rectified going forward.

INFORMATION ITEMS AND REPORTS

ITEM No. 11 – General Manager’s Report to the Board of Directors

- Mr. Witter reported that ACWWA closed on the sale of the portion of the Hunt Water Rights and related easements that were being negotiated in February.
- Mr. Witter thanked the Board Members who attended the technical meeting regarding the reconversion of the JWPP.
- Mr. Witter reported five ACWWA staff members recently completed the American Water Works Association (Rocky Mountain Section) Supervisory Leadership Certificate Program; and that two of ACWWA’s Water Technicians recently passed various CDPHE certification exams this year.
- Director Baker complimented staff on how the electronic board packet is assembled, reporting the links make the information easily accessible.

ITEM No. 12 – Committee Updates

No report necessary at this time.

ITEM No. 13 – Staff Updates

- A. Development Report – Mr. Witter reported that January was another very good month for tap sales.
- B. Monthly Financial Statements – Ms. McRae gave a brief review of the report that was provided in the Board packet. Ms. McRae reported that the audit will be conducted beginning February 20, 2018 and it will continue for approximately two weeks.
- C. Legal Report – Mr. Faro reported that he had nothing new to report. He informed the Board that his office is still awaiting a ruling from the Court regarding the Valley Country Club matter.

ITEM No. 14 – Informational Updates

- A. Water Informational Dashboard – Mr. Witter reported that even with the most recent snowfall, it continues to be a very dry winter.
- B. Customer Service and Website Activity – No report necessary at this time.
- C. Financial Report
 - i. Investments – No report necessary at this time.
 - ii. Billing Activities – No report necessary at this time.

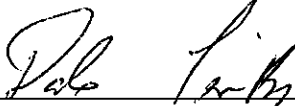
Director Wood reported that he participated in a ride-along with Ed Trujillo, ACWWA’s Construction/Inspections Supervisor. Mr. Wood stated the ride-along was very informative and helpful in understanding that aspect of ACWWA.

ADJOURNMENT

At 11:20 a.m. Director Tinkey made a motion to adjourn the meeting. The motion was seconded by Director Beard and passed 6 to 0.


Approved: _____ 3-14-_____ 2018.

ARAPAHOE COUNTY WATER AND
WASTEWATER AUTHORITY

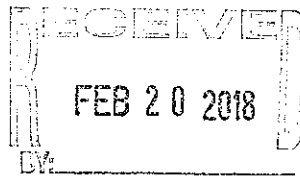


~~Ken Beard, President~~
Doyle Tinkey, Vice President

ATTEST:



Geri Santos-Rach, Secretary



SpencerFane™

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File No. 5113777-4

February 15, 2018

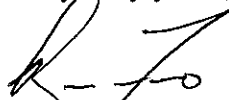
Arapahoe County Water and
Wastewater Authority
Attn: Patty Pratt
13031 E. Caley Avenue
Centennial, CO 80111

Re: Opinion Concerning the Second Executive Session Held February 14, 2018

Members of the Board:

In my opinion, the second executive session (concerning funding for the design portion of the JWPP) that occurred during the Board meeting that I personally attended on February 14, 2018 was properly announced and was a privileged attorney-client communication. Therefore, no record or electronic recording of the second executive session was required pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S.

Very truly yours,



Ronald L. Fano

RLF/nmh

DN 2897445.1