
RECORD OF PROCEEDINGS

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

HELD: April 12, 2023

13031 E. Caley Ave.
Centennial, CO 80111

ATTENDANCE:

Present either in person or via Zoom were Directors: Doyle Tinkey, Brad Cromer, Geri Santos-Rach, Derek Killebrew, Jeff Baker, and Perry Deeds. Directors Jessica Campbell-Swanson and Tom Wood were absent and excused. Also in attendance either in person or via Zoom, were Steve Witter, Matt Vigil, Bill Veydovec, Kevin McBrien, Patty Pratt, Sandor Rebek, Sam Waxlax, Ed Trujillo, and Legal Counsel Ron Fano and Robin Nolan. The guest in attendance was Matt Marino, of RubinBrown.

CALL TO ORDER:

Director Tinkey called the meeting to order at 9:00 a.m. The Pledge of Allegiance was recited.

ADOPTION OF THE AGENDA:

Director Santos-Rach made a motion to adopt the agenda as presented. The motion was seconded by Baker and passed 6 to 0.

PUBLIC FORUM

No one came forward to address the Board.

ITEM No. 1 – HEARING

Director Santos-Rach made a motion to open the public hearing regarding the proposed ACWWA 2023 Budget and Rates. The motion was seconded by Director Cromer and passed unanimously 6 to 0. No one from the public was in attendance to address the Board. A motion to close the public hearing was made by Director Santos-Rach. The motion was seconded by Director Cromer and passed unanimously 6 to 0.

CONSENT AGENDA

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

The Consent Agenda consisted of the following:

2. Request for Approval of Minutes of the Board of Directors of the Arapahoe County Water and Wastewater Authority - from March 8, 2023
3. Request for Approval of Minutes of the Board of Directors of the Arapahoe County Water and Wastewater Authority – Special Meeting March 22, 2023
4. Request for Approval of Minutes of the Board of Directors of the Arapahoe County Water and Wastewater Authority – Special Meeting April 5, 2023
5. Request for Approval of Payment Register for March 2023
6. Request for Approval of Additional Funds for the Elkhorn Ranch Arapahoe Well A3 Project
7. Request for Approval of Regarding Award of Project to Guildner to Complete the 2023 Collection System Jetting and TV Inspection Program
8. Request for Approval Regarding Award of Task Order to Mott Macdonald to Complete the Lone Tree Creek Water Reuse Facility (LTCWRF) Biological Nutrient Removal (BNR) Reactor No. 1 Diffuser System Replacement Project
9. Request for Approval Regarding Award of Task Order to Carollo to Complete the Lone Tree Creek Water Reuse Facility (LTCWRF) Electrical and Control System Master Plan Project
10. Request for Approval Regarding the Award of Task Order to Carollo to Complete the AWT Filter Media Pilot Study

GENERAL BUSINESS ACTION ITEMS

ITEM No. 11 – Discussion and Possible Action Regarding the 2022 Audited Financial Statements

Mr. Vigil introduced Matt Marino, RubinBrown, who presented the draft Financial Statements as of December 31, 2022. Mr. Marino reported that the audit is still in draft form because he was awaiting a couple of attorney letters to come back in, but anticipates presenting an unmodified, clean opinion. Mr. Marino briefly went through the highlights of the audit and then thanked staff, particularly Matt Vigil for having everything ready prior to the auditors' on-site work, being easy to work with and most importantly for moving ACWWA forward by introducing new accounting processes and software, ensuring accuracy in reporting. Mr. Marino opened the discussion up for questions. There being none, Director Cromer then made a motion to accept the Audited Financial Statements, subject to very minor revisions and review. The motion was seconded by Director Baker and passed unanimously 6 to 0. Mr. Witter also wanted to thank Directors Cromer and Wood for their assistance in the audit process.

ITEM No. 12 – Discussion and Possible Action Regarding Modification to ACWWA’s Rules and Regulations and Miscellaneous Fees and Charges Regarding Annual Backflow Testing

Mr. Veydovec gave a brief history of the program and the problems with the current deadline and testing fees as set forth in ACWWA’s Rules and Regulations. Mr. Veydovec explained that this rule change and fee increase only affect ACWWA’s commercial customers and that the fee increase will be an incentive for commercial customers to have the testing completed by outside vendors rather than relying on ACWWA staff. After a brief discussion, Director Tinkey moved to approve the recommended revisions to ACWWA’s Rules and Regulations and Miscellaneous Fees and Charges related to annual backflow testing. The motion was seconded by Director Santos-Rach and passed unanimously 6 to 0.

ITEM No. 13 – Discussion and Possible Action Regarding Vermilion Creek Inclusion

Mr. McBrien gave a background of the proposed development, located adjacent to the ACWWA service area along the west side of Parker Road, surrounded on the north by Broncos Parkway and Tagawa Gardens, and on the south by the 17-Mile House property. The owner/developer has filed a petition for inclusion into the Arapahoe County Water and Wastewater Public Improvement District (ACWWPID). Mr. McBrien stated that ACWWA’s Letter of Recommendation for Inclusion was drafted and ready to be signed if ACWWA’s Board approves the inclusion request. The Arapahoe County Board of County Commissioners (BOCC) will hear/consider this request on April 25, 2023. Mr. McBrien went on further to state that the owner/developer is requesting ACWWA enter into an Agreement for Dedication and Purchase of Water Rights, whereby the owner/developer would sell to ACWWA certain senior tributary water rights. After discussion, Director Tinkey made a motion to approve the execution of ACWWA’s Letter of Recommendation for Inclusion of Vermilion Creek Development Property into ACWWPID. The motion was seconded by Director Cromer and passed unanimously 6 to 0.

Director Baker then felt he needed to disclose that he had been approached and had previous discussions in his position as County Commissioner with a lobbyist on behalf of the owner/developer regarding this project. Mr. Fano stated that Director Baker did not need to recuse himself from voting on these motions.

Director Cromer then made a motion to approve the Agreement for Dedication and purchase of Water Rights, contingent upon the BOCC/ACWWPID approving the inclusion request. This motion was seconded by Director Santos-Rach and passed unanimously 6 to 0.

The Board directed staff to ensure that ACWWA’s policy is consistent regarding the conveyance of water rights as it relates to tap fees.

ITEM No. 14 – Discussion and Possible Action Regarding the Purchase of Additional South Platte Storage

Mr. Rebek presented a brief history of the ACWWA Flow Project and stressed the importance of the additional storage capacity in the United #3 Reservoir. Mr. Rebek explained that the 2009 Intergovernmental Agreement between ACWWA, East Cherry Creek Valley Water and Sanitation District and United Water and Sanitation District set out the terms for ACWWA to purchase 500 additional acre feet of storage in United #3 Reservoir for a purchase price of \$1,900,000. After a brief discussion, Director Tinkey made a motion to approve the acquisition of 500-acre feet of additional storage in United #3 Reservoir, pending final legal review. The motion was seconded by Director Baker and passed unanimously 6 to 0.

ITEM No. 15 – Update Regarding Possible New ACWWA Headquarters Building (Possible Executive Session)

EXECUTIVE SESSION

At 9:49 a.m., a motion was made by Director Santos-Rach and seconded by Director Baker to enter into Executive Session, pursuant to §24-6-402(4)(a) to discuss a potential purchase of real property; and (e) to develop negotiating positions, strategy, or instruct negotiators regarding the same. The motion passed unanimously 6 to 0.

The following people were present either in person or via Zoom in the Executive Session: Doyle Tinkey, Brad Cromer, Geri Santos-Rach, Perry Deeds, Jeff Baker, and Derek Killebrew. Also in attendance were Steve Witter, Matt Vigil, Bill Veydovec, Ed Trujillo, Patty Pratt, and legal counsel Ron Fano and Robin Nolan. (Executive Session meetings are recorded and retained for 90 days.)

At 10:11 a.m., a motion to adjourn the Executive Session was made by Director Tinkey. The motion was seconded by Director Baker. The motion passed unanimously 6 to 0.

Director Cromer then re-opened the meeting to the public.

In Open Session, Director Baker made a motion to direct staff to terminate the purchase and sale agreement for the Revere Parkway property. The motion was seconded by Director Santos-Rach and passed unanimously 6 to 0.

Director Santos-Rach made a motion to ratify the previous straw poll vote, taken by email, authorizing proceeding with a Letter of Intent on the Tucson Way property. The motion was seconded by Director Baker and passed unanimously 6 to 0.

Director Baker made a motion to approve the revised terms of the Letter of Intent on the Tucson Way property and to authorize staff to proceed with entering a purchase and sale agreement on that property, including the request to access/modify the outside of the building prior to taking possession, to be brought back to the Board for final approval. The motion was seconded by Director Santo-Rach and passed unanimously 6 to 0.

ITEM No. 16 – Discussion Regarding ACWWA’s Water Resources Supply Outlook for 2023

Mr. Rebek gave an update on ACWWA’s water resources supply outlook for 2023, stating that the snowpack conditions look strong for 2023. Mr. Rebek stated that staff’s projected water demands will primarily be met with water received via the ACWWA Flow Project, followed by treated water from the Joint Water Purification Plant, and capped with water from ACWWA’s deep groundwater wells. ACWWA is preparing for the summer irrigation season by increasing the amount of water received from the ACWWA Flow Project, with more capacity available, if needed. ACWWA staff have backup equipment for all supply wells, including pumps, motors, etc. Currently, within ACWWA’s main service area, there are no restrictions regarding lawn irrigation beyond the voluntary 3-day per week schedule. Mr. Rebek reported that the Elkhorn area will begin a mandatory 3-day per week watering schedule and staff will monitor well levels to determine if additional restrictions are necessary. The Elkhorn Arapahoe 3 well will be online for Summer 2024. Mr. Rebek reported that Chambers reservoir, which is currently storing 880 acre-feet of water, will supply the existing raw water irrigation system and if staff encounters any problems with the water from the reservoir, the raw water irrigation supply can be met solely with our current wells. After discussion regarding water conservation, the Board directed staff to begin discussions with the City of Centennial and Arapahoe County regarding water use planning and the potential for communication with State of Colorado legislators. Director Baker mentioned that the Arapahoe County Board of County Commissioners will be working with state legislators and if there is anything in particular, he can communicate, he will be more than happy to assist.

REPORTS

ITEM No. 17 – General Manager’s Report to the Board of Directors

Mr. Witter reported that the Directors dinner, which took place on Wednesday, March 22, 2023, was a success and thanked those directors and staff who attended.

Director Deeds left the meeting at 10:35 a.m.

Mr. Veydovec reported that the EPA issued the draft maximum contaminant levels (MCL) regarding both PFOA and PFOS, individually at 4.0PPT (parts per trillion). The EPA is currently in the public comment period, but it is most likely where the MCL will end up. Mr. Veydovec stated there are some nuances regarding monitoring, where if your results are less than the MCL, then you will have reduced monitoring and if your results are higher than the MCL, there will be further compliance measures and deadlines that will need to be met. Mr. Veydovec anticipates that wastewater will also soon be subject to these MCLs, so staff is beginning to determine how best to control that. The three proven methods for removing PFOA and PFOS are reverse osmosis, activated carbon, and iron exchange.

Director Baker left the meeting at 10:49 a.m.

Mr. Witter pointed out the new staff shirts with the ACWWA logo and mentioned if any of the Directors would like one, staff can arrange that. The Board directed staff to bring some samples of the clothing that is available to the next meeting.

ITEM No. 18 – Financial and Administration Report

Mr. Vigil reported that ACWWA continues to see increased interest income as well as tap sales.

ITEM No. 19 – Legal Report –Mr. Fano reported that the second day of mediation regarding the JWPP dispute is currently scheduled for June 29, 2023, while still attempting to get both sides of the dispute to talk about a report funded by Cottonwood Water and Sanitation District regarding the potential to treat phosphorus.

Mr. Fano reported that the Valley Country Club (VCC) Lift Station litigation has been set for a three-day trial, beginning August 14, 2023. Legal Counsel Nicole Black has reported that settlement discussions are continuing.

Mr. Fano reported a new legal issue for ACWWA concerning a Notice of Claim Letter from a subcontractor who worked on the Chamber Reservoir pump station. Mr. Fano reported that the dispute is between the subcontractor and the contractor who are in negotiations to resolve the matter. Mr. Fano stated that ACWWA is named as a party simply because we own the property, and that the lien is on the bond that the contractor puts up. Mr. Fano anticipated that this will be resolved between the contractor and the subcontractor without any further payments from ACWWA.

ITEM No. 20 – Updates – No further report needed at this time.

ADJOURNMENT

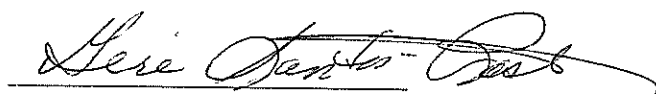
At 10:55 a.m., the meeting was adjourned.

Approved: 5/10/ 2023.

ARAPAHOE COUNTY WATER AND
WASTEWATER AUTHORITY


Doyle Tinkey, President

ATTEST:


Geri Santos-Rach, Secretary

04/12/23

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