
RECORD OF PROCEEDINGS

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

HELD: July 10, 2019

13031 E. Caley Ave.
Centennial, CO 80111

ATTENDANCE:

Present were Directors: Doyle Tinkey, Tom Wood, Geri Santos-Rach, Nancy Sharpe, Jeff Baker, and Brad Cromer. Director Ken Beard was absent and excused. Also in attendance were Steve Witter, Kate McRae, Emily Lowell, Martin Stegmiller, Kevin McBrien, Patty Pratt, Sandor Rebek, and Legal Counsel Lisa Mayers. Guests in attendance included Alan Leak, Respec, and several residents from the Orchards neighborhood.

CALL TO ORDER:

Director Tinkey called the meeting to order at 9:01 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 Santos-Rach led the Pledge of Allegiance.

ADOPTION OF THE AGENDA:

Director Tinkey reported that in order to accommodate all of the Orchards homeowners in attendance, the Agenda would need to be modified by moving Item No. 4 – Discussion Regarding the Sewer Line Break/VCC Lift Station Failure and Homeowner Impacts to the first item of discussion. Director Sharpe made a motion to Adopt the Agenda as modified. The motion was seconded by Director Baker and passed 5 to 0.

PUBLIC FORUM

No one came forward to address the Board.

CONSENT AGENDA:

Director Sharpe made a motion to approve the Consent Agenda as presented. The motion was seconded by Director Wood and passed 5 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 June 12, 2019

2. Request for Approval of Payment Register
3. Request for Ratification of Arapahoe Well VFD

GENERAL BUSINESS ACTION ITEMS

ITEM No. 4 – Discussion Regarding the Sewer Line Break/VCC Lift Station Failure and Homeowner Impacts

Discussion of this item was temporarily postponed while those in attendance awaited the arrival of the insurance property adjuster, who was scheduled to speak.

ITEM No. 5 – Discussion and Possible Action Regarding the Selection of Underwriters for 2019 Bond Refunding

Ms. McRae reported on the advantages of ACWWA refunding the 2009 revenue bonds in 2019, with the current low interest rates, allowing ACWWA to realize substantial interest cost savings over the remaining term of the bonds. Ms. McRae explained that an underwriter/team of underwriters would need to be retained to accomplish this. After reviewing proposals from ten underwriting firms, staff and ACWWA's municipal advisor recommended George K. Baum & Company and Key Bank Capital Markets. After a brief discussion, Director Wood moved to direct staff to retain the underwriting team of George K. Baum & Company and Key Bank Capital Markets to assist with the refunding of the 2009 revenue bonds. The motion was seconded by Director Baker and passed 5 to 0.

ITEM No. 7 – General Manager's Report to the Board of Directors

Mr. Witter gave a brief review of the various matters in the General Manager's Report, including an update on the JWPP; the Elkhorn A2 Well and Control Vault Project; the Chambers Reservoir; and Water Restrictions in the Elkhorn Subdivision. Director Tinkey asked for an update on the Aurora RV Storage Development Project and Mr. Witter reported he had nothing new to report.

ITEM No. 8 – Committee Updates – No report necessary at this time.

ITEM No. 9 – Staff Updates

- A. Development Report – Mr. McBrien reported that ACWWA has sold 156 taps year-to-date and are on track to meet the 2019 goal. Mr. Witter reported that staff is working with the developers of the Randy Ross Tennis Center regarding easements. Director Sharpe offered to help with this matter, if necessary.
- B. Monthly Financial Statements – Ms. McRae reported that the financials are on target.
- C. Legal Report – No report necessary at this time.

ITEM No. 10 – Informational Updates

- A. Water Informational Dashboard – No report necessary at this time.
- B. Customer Service and Website Activity – No report necessary at this time.

- C. Investments – No report necessary at this time.
- D. Billing Activities – No report necessary at this time.

The Board took a short break while awaiting the arrival of the property adjuster.

ITEM No. 4 – Discussion Regarding the Sewer Line Break/VCC Lift Station Failure and Homeowner Impacts

Director Tinkey explained that during this meeting, the Board would have the property adjuster address the homeowners, answer any questions the homeowners may have and then staff would give a presentation on the technical aspects of the failure. Nella Rosales of TriStar Insurance reported that after investigation and negotiation, the Special District Association group insurance pool agreed to cover all affected homeowner's claims relating to the lift station failure and subsequent flooding. Ms. Rosales reported that Dennis Mango would be the liability adjuster assigned to process the homeowner's claims and that the homeowners should work directly with him. After a lengthy question and answer session, Director Santos-Rach recognized and thanked staff for all their hard work during this event. Director Sharpe apologized on behalf of the Board to the homeowners for the inconvenience this event caused.

Ms. Lowell gave a presentation on the technical aspects of the lift station failure and the abnormal spike in wastewater flow seen at the lift station prior to the failure. Staff then fielded more questions from various homeowners.

ITEM No. 6 – Discussion and Possible Action Regarding the Cherry Creek Project Water Authority

EXECUTIVE SESSION

At 10:42 a.m., a motion was made by Director Santos-Rach and seconded by Director Wood to enter into an Executive Session, pursuant to §24-6-402(4)(b) to consult or receive legal advice from the attorney regarding the Cherry Creek Project Water Authority. The motion passed 5 to 0. The following people were present in the Executive Session: Doyle Tinkey, Geri Santos-Rach, Tom Wood, Nancy Sharpe and Jeff Baker. Also in attendance were: Steve Witter, Kate McRae, Emily Lowell, Kevin McBrien, Sandor Rebek, Patty Pratt, consultant Alan Leak, Respec, and Legal Counsel, Lisa Mayers. At the direction of Ms. Mayers, the Executive Session was not recorded.

At 10:48 a.m., a motion to adjourn the Executive Session was made by Director Tinkey. The motion was seconded by Director Wood. The motion passed 5 to 0.

Ms. Pratt invited members of the public to return to the meeting.

At 10:48 a.m., Director Cromer joined the meeting.

In Open Session, Director Tinkey directed staff to proceed with negotiations with the town of Castle Rock as discussed in Executive Session.

ADJOURNMENT

At 10:49 a.m. Director Cromer made a motion to adjourn the meeting. The motion was seconded by Director Wood and passed 6 to 0.

Approved: 8-14- 2019.

ARAPAHOE COUNTY WATER AND
WASTEWATER AUTHORITY



Doyle Tinkey, Vice President

ATTEST:



Geri Santos-Rach, Secretary



SpencerFane®

LISA K. MAYERS
DIRECT DIAL: (303) 839-3993
lmayers@spencerfane.com

File No. 5113777-4

July 11, 2019

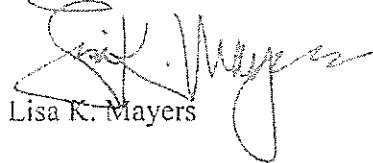
Arapahoe County Water and
Wastewater Authority
Attn: Patty Pratt
13031 E. Caley Avenue
Centennial, CO 80111

Re: Opinion Concerning Executive Session Held July 10, 2019

Members of the Board:

In my opinion, the executive session concerning the potential sale of ACWWA's interest in the Cherry Creek Project Water Authority to Castle Rock that occurred during the Board meeting that I personally attended on July 10, 2019 was properly announced and was a privileged attorney-client communication. Therefore, no record or electronic recording of this executive session was required pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S.

Very truly yours,


Lisa K. Mayers

DN 3108830 1