
RECORD OF PROCEEDINGS

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

HELD: August 8, 2018

13031 E. Caley Ave.
Centennial, CO 80111

ATTENDANCE:

Present were Directors: Doyle Tinkey, Geri Santos-Rach, Tom Wood, Jeff Baker, and Brad Cromer. Director Nancy Sharpe attended the meeting via telephone. Director Ken Beard was absent and excused. Also in attendance were Steve Witter, Kate McRae, Martin Stegmiller, Kevin McBrien, Emily Lowell, Patty Pratt, Michael Morianti, Anastasia Farberov, Rhonda Ruitter, Ed Trujillo, and Legal Counsel, Rick Kron. The guests in attendance were Alan Leak, Respec; Pat Mulhern, representing Cottonwood Water and Sanitation District and Inverness Water and Sanitation District, Randy Warren, representing Mulhern MRE.

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 the Agenda would need to be modified by changing the order in which the General Business Action Items are addressed, moving the discussion of Item No. 6 to the end of the meeting. Director Baker then made a motion to Adopt the Agenda as modified. The motion was seconded by Director Wood and passed 6 to 0.

PUBLIC FORUM

No one came forward to address the Board.

CONSENT AGENDA:

Director Cromer asked that the Minutes from the July 11, 2018 Board of Directors Meeting be changed to clarify the motion he made regarding the JWPP as follows:

In Open Session, Director Cromer reported that the Board discussed and considered the proposal from CWSD as outlined by CWSD's

letter and Mr. Mulhern's comments and the December 2014 Amendment where ACWWA negotiated a \$1.5M cap on its portion of any RO reconversion costs; and the Board had developed a hybrid proposal. Director Cromer made a motion for ACWWA to proceed with the proposal as set forth in CWSD's letter of July 9, 2018, with the BTS proposal to convert the JWPP back to RO with an estimated total cost of \$9,663,712, however with ACWWA's share being \$1.5M and ACWWA agreeing to advance the \$2,330,230 to CWSD under the terms of Section 9.3(e) of the IGA Amendment, by analogy, to finance that portion of the costs to be repaid by CWSD to ACWWA with ACWWA being open to some type of forgiveness of that financed amount depending on the success of the operation of the BTS system, after three years of operations. The motion was seconded by Director Beard. With no further discussion needed, Director Beard called for a vote. The motion passed 7 to 0.

The remaining Directors concurred with the suggested changes and staff indicated that the Minutes would be changed to reflect the suggestion. Director Santos-Rach then made a motion to approve the Consent Agenda as modified. The motion was seconded by Director Cromer 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 July 11, 2018
2. Request for Approval of Payment Register
3. Request for Approval of ACWWA Flow Connecting Main Change Order – Phase 2B
4. Request for Approval Regarding a Proposed Option Agreement regarding the Hunt Water Rights

GENERAL BUSINESS ACTION ITEMS

ITEM No. 5 – Discussion and Possible Action on a Resolution 2018-01, Adopting Protections for Consumer Data Privacy Policy

Mr. Kron reported that the Colorado State Legislature recently passed the Protections for Consumer Data Privacy Act, H.B. 18-1128 ("Act"), which requires governmental entities such as ACWWA to develop a written policy for the destruction and proper disposal for paper and electronic documents that contain personal identifying information, to maintain reasonable security procedures for personal identifying information, and to notify Colorado residents following a security breach; and to comply with the Act. To comply with this Act, Mr. Kron and staff recommended that the Board adopt Resolution 2018-01, adopting the protections for consumer data privacy policy. After a brief discussion, Director Cromer moved to approve Resolution 2018-01 by the Board of Directors of Arapahoe County Water and Wastewater Authority. The motion was seconded by Director Wood and passed 6 to 0.

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

Mr. Witter reported on the following items: Watering Restrictions/Water Supply, Engineering Manager Update, Change in Southeast Metro Stormwater Authority Representation, Arapahoe County Justice Center Facility Update, Arapahoe County Eastern Service Center, Elkhorn Subdivision HOA Meeting, Elkhorn Well Design Update, Water Conservation Program – Slow the Flow Update, Hunt Water Rights – Financing, and ACWWA’s Summer Art Contest.

ITEM No. 8 – Committee Updates

No report necessary at this time.

ITEM No. 9 – Staff Updates

- A. Development Report – Mr. Witter reported that tap sales continue to be strong.
- B. Monthly Financial Statements – Ms. McRae reported that ACWWA continues to do well financially, ahead of the budget, primarily due to strong tap sales.
- C. Legal Report – Mr. Kron reported that ACWWA’s Motion for Summary Judgment that was filed in the Valley Country Club (VCC) case was granted. VCC has the option to appeal. The Board asked staff to work with legal counsel to research whether ACWWA would be required to continue to supply water in the same volumes if a portion of the golf course is reconfigured outside of ACWWA’s service area.

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.

FIRST EXECUTIVE SESSION

ITEM No. 6 – Discussion and Possible Action Regarding the JWPP

Mr. Witter reported that ACWWA’s staff and legal counsel had been working diligently with staff and legal counsel from Cottonwood Water and Sanitation District (CWSD) regarding two different agreements ensuring all parties interests are addressed and protected. CWSD has a board meeting scheduled for tonight. Mr. Witter reported that there is an expiration for the prices quoted by Jacobs, so a decision is necessary. At the invitation of the Board, Mr. Mulhern expressed appreciation on behalf of the CWSD Board.

At 9:38 a.m., a motion was made by Director Santos-Rach and seconded by Director Wood to enter into the First Executive Session, pursuant to §24-6-402(4)(e) to develop negotiating positions, strategy, or instruct negotiators regarding the JWPP agreements, the

Second Amendment and the Jacobs contract. Motion passed 6 to 0. The following people were present in the Executive Session: Doyle Tinkey, Geri Santos-Rach, Tom Wood, Jeff Baker, and Brad Cromer. Director Nancy Sharpe attended the First Executive Session via telephone. Also in attendance were: Steve Witter, Kate McRae, Kevin McBrien, Patty Pratt, Michael Morianti, Emily Lowell, Alan Leak, Respec, and Legal Counsel, Rick Kron. (Executive Sessions recordings are retained for 90 days.)

The telephone call patching Director Sharpe into the discussion was inadvertently dropped at 10:38. Two attempts were made by ACWWA staff to reconnect the call. The call was reconnected at 10:50 a.m.

At 11:07 a.m., a motion to adjourn the First Executive Session was made by Director Wood. The motion seconded by Director Baker. Motion passed 6 to 0.

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

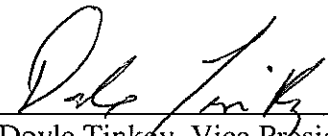
In Open Session, Director Wood moved to approve, contingent on final review of the General Manager and Legal Counsel, the Independent Contractor Agreement for Operation and Maintenance of the JWPP, the Second Amendment to Agreement for Operations and Maintenance of, and Improvements to, the Joint Water Purification Plant, and authorize its execution on behalf of ACWWA. The motion was seconded by Director Cromer. With no further discussion necessary, Director Tinkey called for a vote. The Motion passed 6 to 0.

ADJOURNMENT

At 11:09 p.m. Director Tinkey made a motion to adjourn the meeting. The motion was seconded by Director Wood and passed 6 to 0.


Approved: 9-14- 2018.

ARAPAHOE COUNTY WATER AND
WASTEWATER AUTHORITY



Doyle Tinkey, Vice President

ATTEST:



Geri Santos-Rach, Secretary