
RECORD OF PROCEEDINGS

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

HELD: August 14, 2019

13031 E. Caley Ave.
Centennial, CO 80111

ATTENDANCE:

Present were Directors: Ken Beard, Doyle Tinkey, Tom Wood, Geri Santos-Rach, Nancy Sharpe, Jeff Baker, and Brad Cromer. Also in attendance were Steve Witter, Kate McRae, Emily Lowell, Martin Stegmiller, Kevin McBrien, Patty Pratt, Sandor Rebek, Michael Morianti, and Legal Counsel Ron Fano. The guest in attendance was Alan Leak, Respec.

CALL TO ORDER:

Director Beard 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. The Pledge of Allegiance was recited.

ADOPTION OF THE AGENDA:

Director Beard reported that the Agenda would need to be modified by adding a discussion item regarding a FRICO matter after Item No. 9 while renumbering the remaining discussion items. Director Baker made a motion to adopt the Agenda as modified. The motion was seconded by Director Cromer and passed 7 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 Baker and passed 7 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 10, 2019
2. Request for Approval of Payment Register
3. Request for Approval for the 2019 Sewer Maintenance Project Phase II

4. Request for Approval of Brown and Caldwell Second Half 2019 Budget
5. Request for Approval of Funding for Lone Tree Creek Water Reuse Facility (LTCWRF) Design for Third Clarifier
6. Request for Approval of Change in the Upper Cherry Creek Water Users Association (UCWWA) ACWWA Representative

GENERAL BUSINESS ACTION ITEMS

ITEM No. 7 – Update Regarding the Timing and Sizing of the 2009 Bond Refunding

Ms. McRae reported that based on current market conditions, ACWWA will realize net present value saving of \$17.7 million over the term of the bonds when the 2009 bonds are refunded. Director Cromer stated that the Finance Committee concurred with the recommendation to refund the 2009 bonds. The refunding will take place later in 2019.

ITEM No. 8 – Status and Update of Lift Station Failure

Mr. Witter gave a status of the work that had been done and is currently being done in the area in and around the Valley Country Club Lift Station; that on August 9, 2019, ACWWA facilitated a conference call between numerous affected homeowners and the insurance claims adjustor; and that work on the proposed redesign of the lift station has begun. Ms. McRae reported on what costs of cleanup will be covered by insurance and the possibility of a subrogation claim. Mr. Stegmiller reported that ACWWA has agreements in place with several other water districts and agencies so that when emergencies like this occur, there is mutual backup. Director Tinkey expressed his appreciation for all the work completed by staff as well as that of the General Manager regarding this event.

ITEM No. 9 – Discussion and Presentation Regarding 2019 CIP Projects

Ms. Lowell reviewed each of the 2019 CIP Projects and the status thereof as follows: South Platte Storage Reservoir; Water/Wastewater Master Plan; Chambers Reservoir Reconstruction; Lone Tree Creek Water Reuse Facility (LTCWRF) Filter Unit Analysis; Northern Water Treatment Plant Expansion; Northern Booster Pump Stations Expansions; ACWWA Connecting Main Phase 2C; LTCWRF Third Clarifier; Water Rights Adjudication; Family Sports Center – Conversion to Reg 84; Joint Water Purification Plant (JWPP) RO Conversion; Chloramine Conversion Design; Elkhorn Arapahoe Well #2; Waterbury Lift Station Rehabilitation; Smith 1 & 2 Well Site Improvements; Valley Country Club Lift Station Improvements; Cherry Creek Project Water Authority Water Development; and Water Meter Transmitter Upgrades. Ms. Lowell also gave a brief review of those 2019 projects which are on hold or are not moving forward as follows: Mixing System for IMG Storage Tank; Chambers Pump Station Design; Generator Natural Gas Conversion; and SCADA Upgrades for Field.

ITEM No. 10 – Discussion of Farmers Reservoir & Irrigation Company (FRICO) Matter

Ms. Lowell explained that no formal authorization would be needed from the Board, simply a concurrence regarding the path forward. Ms. Lowell gave a brief background on the

history and relationship between EAU (ECCV, ACWWA and United) and FRICO. ACWWA's water rights adjudication attorney has advised that it might be beneficial to negotiate with FRICO prior to EAU's upcoming trials, by using a renowned facilitator. This would require the time of two of ACWWA's directors to attend the discussions, which will be scheduled between mid-December 2019 and late January 2020. Ms. Lowell reported that ACWWA's water rights attorneys will attend the October ACWWA Board meeting to further discuss the situation. Directors Wood and Sharpe both volunteered to attend these discussions on behalf of ACWWA. Director Beard then made a motion to appoint Directors Wood and Sharpe to be representatives in the FRICO discussions. The motion was seconded by Director Cromer and passed 7 to 0.

ITEM No. 11 – Discussion and Possible Action Regarding Chambers Reservoir and Contingency Budget Authorization

Mr. McBrien reported that as it relates to the reconstruction of Chamber Reservoir, staff is requesting authorization of a contingency amount of ten percent of the previously approved construction contract up to \$323,770 for approved construction changes outside the original Phase I contract. Mr. McBrien gave a status of the work to date and the work yet to be completed. After a brief discussion, Director Sharpe moved to approve up to a ten percent contingency budget of \$323,770 for approved construction changes outside the original Phase I construction contract for Chamber Reservoir reconstruction. The motion was seconded by Director Wood and passed 7 to 0.

EXECUTIVE SESSION

At 10:13 a.m., a motion was made by Director Beard and seconded by Director Sharpe to enter into an Executive Session, pursuant to §24-6-402(4)(e) to develop negotiating positions, strategy, or instruct negotiators regarding Chambers Reservoir. Motion passed 7 to 0. The following people were present in the Executive Session: Ken Beard, Doyle Tinkey, Geri Santos-Rach, Tom Wood, Nancy Sharpe, Brad Cromer, and Jeff Baker. Also in attendance were: Steve Witter, Kate McRae, Emily Lowell, Kevin McBrien, Patty Pratt, and consultant Alan Leak, Respec. Attorney Ron Fano left the room. (Executive Session recordings are retained for 90 days.)

At 10:27 a.m., a motion to adjourn the Executive Session was made by Director Sharpe. The motion was seconded by Director Santos-Rach. The motion passed 7 to 0.

Mr. Witter invited members of the public to return to the meeting. Attorney Ron Fano returned to the meeting.

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

Mr. Witter explained that all the matters covered in his General Manager's Report had already been covered earlier in the meeting. Staff answered a few questions regarding the JWPP. Mr. Witter and Mr. McBrien both addressed questions regarding the issue of sidewalk staining in the Ladera neighborhood.

Directors Sharpe and Baker then briefly spoke about the proposed expansion of the existing Arapahoe County detention facility and courthouse, explaining that Arapahoe County had purchased land immediately west of the existing facility. The need for such and proposed costs were also discussed.

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

ITEM No. 9 – Staff Updates

- A. Development Report – No report necessary at this time.
- B. Monthly Financial Statements – No report necessary at this time.
- 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.

ADJOURNMENT

At 11:06 a.m. Director Tinkey made a motion to adjourn the meeting. The motion was seconded by Director Sharpe and passed 7 to 0.

Approved: 9-11- 2019.

ARAPAHOE COUNTY WATER AND
WASTEWATER AUTHORITY



Ken Beard, President

ATTEST:



Geri Santos-Rach, Secretary