

RECORD OF PROCEEDINGS

**MINUTES OF THE BOARD OF DIRECTORS OF
THE COTTONWOOD WATER & SANITATION DISTRICT**

April 21, 2011

at 6:30 p.m. at 8334 Sandreed Circle, Parker, Colorado

ATTENDEES Directors present: Susan Romani, Alyssa Kasaris and Steve Wasiecko,
Others present: Pat Mulhern, Luis Tovar, and Kelly Conover, Mulhern
MRE, Inc.; Timothy Beaton; Moses, Wittemyer, Harrison & Woodruff.
Upon motion duly made, seconded and unanimously, the Board excused
the absence of Director Lamond.

CONFLICT OF INTEREST Upon motion duly made, seconded and unanimously carried, the
statements for the Directors filed with the State of Colorado, Division of
Local Governments were ratified.

THE AGENDA An amended check register was provided for the Board to include in the
consent agenda. Upon motion duly made, seconded and duly made, the
amended agenda was approved.

PUBLIC FORUM Karl Herrmann advised the Board that he was interested in the Board
position vacated by Cindy OnkinGlimm

CONSENT AGENDA The Board considered the Consent Agenda. The Consent Agenda
included approval of the minutes from the regular meeting held March 17,
2011, approval of the amended check register showing checks numbered
16739 through 16781, and approval of disconnects. Legal counsel
provided amended minutes to reflect grammatical changes to the
documentation of the executive session. Upon motion duly made,
seconded and unanimously carried, the Board approved the consent
agenda as presented.

ACTION ITEMS The following Action Items were reviewed by the Board for approval:

1. Retainer for Arber Associates to assist in JWPP alternatives not to exceed \$15,000
2. Landscaping and Snow removal contract with Colorado Green Grass in the amount of \$776.67 monthly and on a time and materials basis respectively
3. Ratification of Sanitary Sewer Manhole roots removal for \$1,200
4. Attendance or sponsorship of the CFWE Colorado River Basin Tour

Pat Mulhern discussed a possibility of retaining Arber for services related to the JWPP. However, he suggested holding off on approval pending a response from a letter drafted to ACWWA by Pat and legal counsel related to the RFP for consulting services. Director Kasaris suggested

incorporating ideas on solving the selenium concerns from the mining community.

Upon motion duly made, seconded and unanimously carried the Board approved the action items with the exception of Arber Associates alternatives for \$15,000.

Upon motion duly made seconded and unanimously carried, the Board approved the expenditure of \$375 to pay for Susan Romani to attend the River Basin Tour.

BUSINESS

Director Kasaris briefed the Board regarding the discussions held at the PDAC and ACWWA meetings. She spoke at the ACWWA Board Meeting and stressed to the ACWWA Board that Cottonwood did not support the elimination of the Reverse Osmosis process and would like to explore alternative solutions. She noted that both CW and ACWWA have made significant public statements advocating the RO plant and feels that ACWWA is focused on cost not the health and safety of our residents.

Discussion of the PDAC meeting was moved to the May agenda when all of the Board members could be present.

ITEM A. **Financial Report:** There was no financial report due to bi-monthly reporting.

ITEM B. **Manager's Report:** Pat Mulhern reviewed the manager's report with the Board. Based on their 2011 budget, ACWWA is invoicing the District \$110,000 a month for JWPP operations. Pat advised that since the plant is now operating, ACWWA should update and provide backup for their charges based on actual expenses. Cottonwood will continue to pay \$74,050 a month until ACWWA submits details of actual expenses. The JWPP is now being run 7 days a week and with use of alluvial wells, we anticipate IREA costs will decrease. Staff will meet with Cottonwood's operators to review the use of deep wells so that the District does not incur demand charges. Pat also discussed the WISE project. No Board action was required.

ITEM C. **Legal Report:** Tim Beaton reviewed the legal report with the Board. He reminded the Board of the open Board position that needs to be filled. The Board directed staff to set a deadline of April 30th for the submittal of letters of interest and resumes.

Tim also reviewed the Compark IGA with ACWWA. He proposed having a more detailed discussion at the May meeting. Pat Mulhern noted that excluding this property from the District may be preferable to a double taxation with the ACWWA PID.

Finally, Tim noted that the Substitute Water Supply Plan with ACWWA had been filed with State and was accepted.

**DIRECTOR
ITEMS**

Director Kasaris reviewed the report from Hughes and Stuart. They requested to extend the rewards program to the end of 2011. Melanie would like to send an email blast to the District residents to ask them to join us on FaceBook. Director Kasaris is also asking the Board for topics of discussion to put on website or FaceBook; (links, pictures, discussion items).

Director Wasiecko discussed his progress on the trash issue. He will get with the Cottonwood Metropolitan District Board to present his proposal when his schedule permits.

Pat Mulhern suggested that the late fee proposal be addressed at the public informational meeting. He suggested a flat late fee of \$5 fee per tap equivalent. Director Wasiecko suggested a 1% fee charge on anything over 30 days past due. His preference being for a cash return rather than a 'punishment' to the account. Tim Beaton said there may be a state statute to cap late charges.

**EXECUTIVE
SESSION**

The Board moved into executive session for a conference with the District attorney for the purpose of receiving legal advice on specific legal questions under C.R.S. 24-6-402(4)(b), relating to the operation and infrastructure of the JWPP and related ACWWA issues. The session was not recorded per legal counsels advice.

Upon motion duly made, seconded and unanimously carried, the Board moved out of executive session.

The Board directed staff to move forward with the Governmental Immunity Notice regarding the termination of the AOP at the JWPP, the proposed letter to Rick Kron, the proposed letter to ACWWA PID, and the proposed letter from Pat to Gary regarding the RFP.

ADJOURNMENT Upon motion duly made, seconded and unanimously carried, the meeting was adjourned. The next scheduled meeting will be May 19, 2011 at 6:30 pm at 8334 Sandreed Circle, Parker, CO. The Public Information meeting is scheduled for Monday, May 9, 2011, to be held at the JWPP at 8051 South Jordan Road at 7:00 pm.

Date: 6-17-11

READ AND APPROVED BY THE BOARD:



Steve Wasiecko, Vice President of the Board