

RECORD OF PROCEEDINGS

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

April 20, 2017

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

**ATTENDEES** Directors present: Bill Thomas, Adam Perez, and Steve Wasiecko. Others present: Randy Warren, Luis Tovar, Pat Mulhern, and Kelly Conover, Mulhern MRE, Inc.; Alison Gorsevski, Moses, Wittemyer, Harrison, and Woodruff, P.C.; Melanie Goetz, Hughes & Stuart. Upon motion duly made, and seconded, the Board unanimously excused Director Kasaris.

**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** The Board considered the proposed agenda. Upon motion duly made by Director Perez, seconded by Director Thomas and upon vote, the Board unanimously approved the agenda.

**CONSENT AGENDA** The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from the regular meeting held March 16, 2017, approval of checks numbered 19556 through 19602 listed on the check register provided in the Board packet, authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated April 17, 2017. Upon motion duly made by Director Thomas, seconded by Director Perez and upon vote, the Board unanimously approved the Consent Agenda.

**DIRECTOR ITEMS** Director Wasiecko discussed the trash collection issue suggesting a legislative appeal to have a Water and Sanitation District be able to provide the trash services if approved by voters. Pat Mulhern suggested bringing the suggestion to the Special District Association to see if they are able to help. The Board also asked staff to look into the required process of converting to a Metropolitan District to provide the trash service in addition to water and sanitation services.

**PUBLIC COMMENT**  
There was no public present.

**CONSIDER SECOND AMENDMENT TO THE CHAMBERS PIPELINE LEASE AGREEMENT**  
Luis Tovar reviewed the amendment to the Chambers Pipeline Lease with ACWWA. The Amendment would extend the current lease that expires on October 22, 2017 through May 1, 2019.

Pat Mulhern reviewed a meeting with staff and ACWWA. ACWWA and Cottonwood discussed the potential of shared use of the line for effluent supply. ACWWA is completing a water supply plan that could include use of the line.

Upon motion duly made by Director Perez, seconded by Director Thomas and upon vote, the Board unanimously approved the Amendment.

#### **JWPP RECONVERSION PROJECT UPDATE**

Pat Mulhern updated the Board on the recent bid process and result. CH2M was the only proposal provided on April 11, 2017. Staff has reviewed the proposal and recently met with the project team and ACWWA staff to understand the proposal. As part of the construction they need to develop operating costs which involves observation of the current plant and a 10 year capital plan. They propose to take the design to an 80% level to knock out some of their contingency to better price the project. The cost of bidding separate bid packages for all the different services totaled \$332,000. Staff is concerned about spending the funds until they are able to provide a Guaranteed Maximum Price (GMP). If the GMP is larger than expected, the project overall could not be feasible. Currently, costs estimated are well above the originally thought. CH2M would like to provide some value engineering. In the current approvals, there is \$30,000 remaining on the contract and CH2M suggested they use that \$30,000 as an internal engineering evaluation to trim costs where possible to bring costs more in line with the initial estimate before the May 18<sup>th</sup> meeting. The contract award would be delayed until the May meeting.

Upon motion duly made by Director Wasiecko, seconded by Director Thomas, and upon vote, the Board unanimously approved the change in the scope of work to reallocate previously appropriated funds to cover value engineering.

CH2M also proposed testing the RO membranes that have been in storage to confirm viability of the units for a cost of \$30,000 in order to know a capital cost upfront if these are in need of replacement, which costs about \$750,000.

Upon further Board discussion, upon motion duly made by Director Thomas, seconded by Director Perez and upon vote, the Board approved spending up to \$30,000 in testing of the RO membranes for performance standards.

Pat discussed the negotiations of the Design Build Agreement and the Independent Contractor Operation Agreement. There were changes proposed by CH2M and a meeting is scheduled for next week to discuss with legal staff between the District and CH2M.

#### **CONSIDER CORRECTIVE QUITCLALIM DEED WITH C&J LAND INVESTMENTS**

Allison Gorsevski and Randy Warren reviewed the need for the Corrective Quit Claim; there was a grammatical error that was noted and requires a correction.

Upon motion duly made by Director Thomas, seconded by Director Perez, and upon vote, the Board unanimously approved the Corrective Quit Claim Deed.

### **CONSIDER AFFIDAVIT AND QUITCLAIM DEED WITH C&J LAND INVESTMENTS**

Allison Gorsevski recommended that this item be delayed for consideration until legal counsel is able to confirm any District interest in the land in question.

### **MANAGER'S REPORT**

Luis Tovar reviewed the April Manager's Report with the Board. Luis noticed a possible red-tailed hawk nesting in a tree on the BTS property. If in fact this bird is nesting, it may delay construction due to the constraints of the NEPA requirements. Staff has asked ERO to verify they are in fact nesting and provide constraints.

Luis discussed his interaction with Mr. Jake Jacobs regarding his request for reimbursement of service repairs that he relates to the valve exercising related to the preparation of Ice Pigging. Luis also spoke with the plumber who noted that he needed to go into the wall to find a legitimate piece of piping to replace the damaged valve. Following Board discussion, Director Wasiecko recommended that staff prepare a check in the amount of \$200 accompanied by a letter stating the District's position; that they are willing to cover a portion of the costs of the replacement but cannot be held liable for equipment that doesn't meet standards.

Upon motion duly made by Director Thomas, seconded by Director Perez and upon vote, unanimously approved. Staff will draft a letter and provide a \$200 check from the District as discussed.

### **ACTION ITEMS**

- A. WISE Local Connection – Am West** Change order – cost to upgrade a flange fitting to accommodate the pressure rating at the tie-in to the WISE pipeline for **\$4,401**.
- B. WISE Water Dechloramination** – A completed bid was received by Edge Contracting at **\$1,050** above estimated cost approved at the previous meeting (\$16,000).
- C. WISE Water Dechloramination** – Inverness Properties cost for modifications to each well house for installation and storage of the chemicals needed for **\$3,780**.
- D. District House Entrance** – Additional landscape rock along the District House entrance drive to improve appearance for **\$2,931** by Baird Grounds Maintenance.
- E. Well D-2 Landscaping** – landscape improvements at Well D-11 for **\$2,340** by Baird Ground Maintenance.

Upon motion duly made by Director Thomas, seconded by Director Perez, and upon vote, the Board unanimously approved the above expenditures in the amount of **\$14,502** action items A-E.

## REPORTS

**Hughes & Stuart** – Melanie Goetz reviewed public relations with the Board and provided a draft of the Consumer Confidence Report for distribution. Staff directed management to handle the legal posting for the open board position as appropriate for Director Romani's seat. The Board would like a Resolution of the Board at the May meeting in recognition of Director Romani's service to the District.

**Legal Report** – Allison Gorsevski reviewed the legal report and discussed reaching a stipulation in the Parker Water case.

**Financial Report** – Randy Warren reviewed the financial statements provided in the Board packet. There was no Board discussion.

**ADJOURNMENT** Upon motion duly made, seconded and unanimously carried the meeting was adjourned at 8:05pm. The next regular meeting is scheduled for May 18, 2017, beginning at 6:30p.m. to be held at 8334 Sandreed Circle, Parker, CO 80134

Date: May 18, 2017  
READ AND APPROVED BY THE BOARD:

  
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