

RECORD OF PROCEEDINGS

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

January 19, 2012

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

ATTENDEES Directors present: Alyssa Kasaris, Scott Lamond, Adam Perez, Susan Romani, and Steve Wasiecko. Others present: Pat Mulhern, Luis Tovar, Susan Sprinkle, Steve Christensen, and Laurie Tatlock, Mulhern MRE, Inc; Tim Beaton, Moses, Wittemyer, Harrison, and Woodruff, P.C.

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 reviewed the agenda and proposed adding an executive session after the reports and adding a ratification of the payments made to the Board members for their attendance at the November and December board meetings. Upon motion duly made, seconded and unanimously carried, the revised agenda was adopted.

CONSENT AGENDA The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from the regular meeting held December 15, 2012, approval of checks numbered 17052 through 17080, with the exception of voided check number 17063, authorization to pay \$97.49 to Xcel Energy on January 20, 2012, ratification of the Director fee payments paid on December 21, 2011, and authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated January 13, 2012. Upon motion duly made, seconded and unanimously carried the Consent Agenda was approved.

ACTION ITEMS The following Action Items were reviewed by the Board for discussion, approval or direction:

- A. The Board considered the district contracting with Point and Pay to pay the transaction fee when customers pay their utility bills with credit cards. This would greatly reduce the cost per transaction and would provide customers with another payment option. The fee would be \$1.50 each transaction. Upon motion duly made, seconded and unanimously carried, the Board approved absorbing the transaction fee.
- B. Upon motion duly made, seconded, and unanimously carried, the Board approved expenditure of \$10,000 for 2012 Douglas County Water Resource Authority membership fees.
- C. Upon motion duly made, seconded, and unanimously

carried the Board authorized expenditure of \$18,040 for C&L Water Solutions to build a booster pump station emergency bypass system at the Crown Point Pump Station.

D. Upon motion duly made, seconded, and unanimously carried, the Board ratified expenditure of \$2,300 to repair the booster pump station jockey pump.

E. Upon motion duly made, seconded, and unanimously carried, the Board ratified expenditure of \$2,661 to cover the extra cost for replacing the piping material for Well DD-1.

F. Upon motion duly made, seconded, and unanimously carried, the Board ratified expenditure of \$883.62 for an emergency repair to the cooling system at Well D4-A.

G. The Board considered a proposal from Hughes & Stuart to continue the District's Public Outreach and Education Program for the first quarter of 2012 for a fee not to exceed \$1,875 a month. Upon motion duly made, seconded, and unanimously carried the Board approved the above described services.

BUSINESS

Pat Mulhern updated the Board on the meeting held at the CDPHE regarding the selenium issues at the JWPP. He reported that the CDPHE seemed committed to work with the District on solutions to the selenium discharge problem. He also discussed the status of the JWPP Micro-Filtration conversion project. ACWWA continues with the design of the conversion which should be complete and out to bid in February. No Board action was required.

Finally he discussed a proposed apartment development on the northeast corner of E-470 and Chambers Road and options for providing water and sewer service to the property. The Board directed Mr. Mulhern to continue to work with the property owner on these options.

REPORTS

Manager's Report: Pat Mulhern reviewed the January Manager's Report with the Board. The Board discussed the utility billing and the option to upgrade the District's billing capability through its existing software provider, Caselle, by potentially licensing its use with the Inverness Water and Sanitation District ("Inverness"). The Board directed staff to negotiate an arrangement with Inverness and bring a specific proposal back to the Board for consideration. Mulhern MRE also requested consideration of Cottonwood, under the terms of its software license with Caselle, allowing another small district to utilize its software for a fee. Upon motion duly made, seconded and unanimously carried the Board approved allowing use of the Cottonwood Caselle license by the Forest Hills Metropolitan District for a fee to be negotiated. Director Kasaris requested that staff ask ACWWA to provide 2011 financials with actual JWPP and WWTP expenses as soon as possible.

Financial Report: Steve Christensen reviewed the District financial statements for the period ending December 31, 2011. No Board action was required.

Legal Report: Tim Beaton reviewed January legal counsel report with the Board.

EXECUTIVE SESSION

Upon motion duly made, seconded and unanimously carried the Board moved into an executive session pursuant to C.R.S. 26-4-402(4)(b) to receive legal advice with respect to ACWWA's letter of potential termination of the wastewater service agreement with Cottonwood. The session was not recorded.

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

The Board directed staff and legal counsel to prepare a response to ACWWA's letter.


DIRECTOR ITEMS

Adam Perez advised the Board that he now has a class on Thursday evening and will be late for the next 3 meetings, i.e. February, March and April. The Board advised Director Perez, given the fact that this would occur on a temporary basis during this class, that his being late for these meetings was acceptable and that the Board would manage the agenda so that he was present for key Board discussions and decisions.

ADJOURNMENT Upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting scheduled for March 15, 2012 beginning at 6:30 p.m.

Date: February 16, 2012

READ AND APPROVED BY THE BOARD:



Adam Perez, Secretary

RECORD OF PROCEEDINGS

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

HELD: February 16, 2012 at 6:30 pm.

at

8334 Sandreed Circle

Parker, CO 80112

ATTENDEES

Directors present: Alysa Kasaris, Scott Lamond, Adam Perez, Susan Romani, Steve Wasiecko. Others present: Pat Mulhern, Laurie Tatlock, Luis Tovar, and Steve Christensen; Mulhern MRE, Inc., and Tim Beaton, Moses, Wittemyer, Harrison and Woodruff, P.C.

**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.

AGENDA

The Board reviewed the agenda. Tim Beaton asked that the Board consider adding an Executive Session after the JWPP conversion discussion. Upon motion duly made, seconded and unanimously carried, the revised agenda was adopted.

CONSENT AGENDA

The Board considered the Consent Agenda. The Board requested that check numbers 17085 17086, payable to ACWWA, be removed from the Consent Agenda. The revised Consent Agenda included approval of the minutes from January 19, 2012, approval of checks numbered 10781 -10784 and checks numbered 17087-17117 with the exception of voided check numbered 17114, ratification of the \$91.84 payment to Xcel Energy on February 21, 2012 and authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated February 9, 2012. Director Lamond asked to add language in the minutes clarifying that the District, not the Board, would absorb credit card transaction fees. Subject to the corrections in the minutes, upon motion duly made, seconded and unanimously carried, the Consent Agenda was approved.

ACTION ITEMS

The following Action Items were reviewed by the Board for ratification and approval. The Board considered A. Authorizing expenditure of up to \$1,500 for preventative maintenance on the

meter at Well D3. B. Ratification of the expenditure of \$250 to repair the heating unit for the Well D11 well house and C. Authorizing expenditure of \$1,472.87 for the SPWRAP annual membership. Upon motion duly made, seconded and unanimously carried, the Board approved action items A, B, and C.

BUSINESS

Pat Mulhern briefed the Board ACWWA's contractor choice for the JWPP conversion and on the recent discussions with Mike Vickers and his proposed development at Chambers Road and E-470. No board action was required.

**EXECUTIVE
SESSION**

Upon motion duly made, seconded and unanimously carried, the Board moved into an executive session pursuant to C.R.S. 26-4-402(4)(b) to receive legal advice with respect to the ACCWA Wastewater Treatment service and issues related to the Joint Water Purification Plant. The session was not recorded.

The Board then reconvened.

The Board directed staff to hire a litigation attorney. Subject to the advice of the litigation attorney, upon motion duly made, seconded and unanimously carried the Board approved payment of ACWWA invoice #299 in the amount of \$104,996.39 and authorized payment of \$29,169.10 to ACWWA for 2011 JWPP "true up" expenses.

REPORTS

Manager's Report - Pat Mulhern reviewed the February Managers Report with the Board. The Cottonwood Metropolitan District has inquired about base fee charges on their irrigation accounts during non-irrigating months. The Board directed staff to advise the Cottonwood Metro District's manager that base fees are now charged for twelve months on irrigation accounts.

Legal Report - Tim Beaton reviewed the legal report dated February 9, 2012 with the Board. No Board action was required.

**DIRECTOR'S
ITEMS**

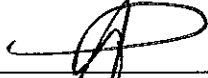
None

ADJOURNMENT

There being no further business to come before the Board and upon motion duly made, seconded and unanimously carried the meeting continued to Thursday, February 23, 2012 at 7:00 p.m. The next regular meeting is scheduled for March 15, 2012 at 6:30 p.m.

Date: March 15, 2012

READ AND APPROVED BY THE BOARD:

A handwritten signature in black ink, appearing to be 'AP', written over a horizontal line.

Adam Perez, Secretary

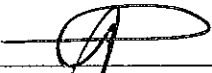
RECORD OF PROCEEDINGS

MINUTES OF THE BOARD OF DIRECTORS OF
THE COTTONWOOD WATER AND SANITATION DISTRICT

Continued From: February 16, 2012
To: February 23, 2012 at 7:00 pm
at
8334 Sandreed Circle
Parker, CO 80112

CANCELLED The attorney, Charles Norton was not available. The meeting was cancelled. The next regular meeting is scheduled for March 15, 2012 at 6:30 p.m.

Date: March 15, 2012
READ AND APPROVED BY THE BOARD:



Adam Pérez, Secretary

RECORD OF PROCEEDINGS

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

HELD: March 5, 2012 at 7:00 pm
at
8334 Sandreed Circle
Parker, CO 80112

ATTENDEES Directors present: Alysa Kasaris, Scott Lamond, Adam Perez, Susan Romani, Steve Wasiecko. Others present: Pat Mulhern, Laurie Tatlock, Luis Tovar; Mulhern MRE, Inc., Tim Beaton, Moses, Wittemyer, Harrison and Woodruff, P.C., and Charles Norton, Norton, Smith and Keane, P.C.

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.

AGENDA The Board reviewed the agenda. Pat Mulhern asked that the Board consider a proposal to repair an effluent line damaged by IREA contractors. Upon motion duly made, seconded and unanimously carried, the revised agenda was adopted.

BUSINESS Pat Mulhern explained that an IREA contractor damaged the effluent line and an estimate for repairs in the amount of \$14,434 by C&L Water Solutions was the lowest cost estimate. The Board asked that staff pursue the appropriate claims with the operator, contractor and insurance company. Upon motion duly made, seconded and unanimously carried, the Board authorized expenditure of \$14,434 for C&L Water Solutions to complete effluent line repairs.

EXECUTIVE SESSION Upon motion duly made, seconded and unanimously carried, the Board moved into an executive session pursuant to C.R.S. 26-4-402(4)(b) to receive legal advice with respect to the ACCWA Wastewater Treatment service and issues related to the Joint Water Purification Plant. The session was not recorded.

The Board then reconvened.

Upon motion duly made by Director Wasiecko, seconded by

Director Kasaris and, upon vote, unanimously carried, the Board determined that that Pat Mulhern acted within the scope of his authority and consistent with the intent of the Board when sending a letter to the CDPHE on February 28, 2012, regarding the application for conversion of the JWPP to microfiltration, and that the Board supports his having sent such letter, and to authorize Pat Mulhern to have continued communications with the CDPHE on such matters.

Upon motion duly made by Director Romani, seconded by Director Wasiecko and, upon vote, unanimously carried, the Board confirmed its understanding that Mulhern MRE, Inc. is authorized as Manager of the District to communicate the District's position related to the Joint Water Purification Plant, wastewater service from ACWWA, and contracts with ACWWA and/or the Arapahoe County Water and Wastewater Public Improvement District, and to communicate the District's position on such matters to third parties.

Upon motion duly made by Director Perez, seconded by Director Wasiecko and, upon vote, unanimously carried, the Board authorized Charles Norton to proceed with research of legal issues related to potential claims against ACWWA and/or the Arapahoe County Water and Wastewater Public Improvement District, per the discussion in executive session.

Upon motion duly made by Director Kasaris, seconded by Director Wasiecko and, upon vote, unanimously carried, the Board authorized Charles Norton, in coordination with the District's general counsel and District's Manager, to prepare and distribute notice of claim, notice of position, and/or demand letters to ACWWA and/or the Arapahoe County Water and Wastewater Public Improvement District. Upon motion duly made by Director Kasaris, seconded by Director Wasiecko and, upon vote, unanimously carried, the Board directed staff to concurrently prepare a letter from the Cottonwood Board of Directors to the ACWWA Board of Directors and PID Board of Directors to meet to discuss JWPP and WWTP matters.

**DIRECTOR'S
ITEMS**

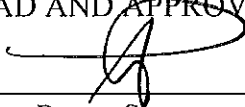
None

ADJOURNMENT

There being no further business to come before the Board and upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for March 15, 2012 at 6:30 p.m. A special meeting to review legal

claims will be held on Monday, March 26, 2012 at 7:00 p.m.

Date: March 15, 2012
READ AND APPROVED BY THE BOARD:



Adam Perez, Secretary

RECORD OF PROCEEDINGS

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

HELD: March 15, 2012 at 6:30 pm.
at
8334 Sandreed Circle
Parker, CO 80112

ATTENDEES Directors present: Alyssa Kasaris, Scott Lamond, Adam Perez, Susan Romani, and Steve Wasiecko. Others present: Pat Mulhern, Laurie Tatlock, Luis Tovar, Mulhern MRE, Inc.; Susan Sprinkle, and Steve Christensen, Inverness Properties, LLC;, and Carolyn Steffl, Moses, Wittemyer, Harrison and Woodruff, P.C., Mike Vickers; MPV Compark Management, Linda Lehrer and Geri Santos-Rach, ACWWA Board members.

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.

AGENDA The Board reviewed the agenda. Upon motion duly made, seconded and unanimously carried, the agenda was adopted.

CONSENT AGENDA The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from February 16, 2012, February 23, 2012, and March 5, 2012, approval of checks numbered 17121 through 17153, ratification of the \$100.72 payment to Xcel Energy on March 16, 2012, ratification of the payment of Director fees on February 17, 2012, and authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated March 8, 2012. Director Kasaris asked for clarification on the payables list and regarding collections. Upon motion duly made, seconded and unanimously carried, the Consent Agenda was approved.

CHAMBERS ROAD DEVELOPMENT Mike Vickers presented a proposal for a multi-family housing development at Chambers Road and E-470. He asked the Board to consider cooperation by allowing him to create an overlay District over his properties to fund the infrastructure necessary for development. He asked if the Cottonwood Water and Sanitation

District ("Cottonwood") would consider loaning some of the tap fee income from the development to the District for construction of water and sanitation infrastructure with a 10-year pay back from the District. While Mr. Vickers recognizes that this is not a normal procedure, he offered that it would benefit Cottonwood by opening a new area to development. He said that he would put together a specific proposal if the District was open to considering it. The Board indicated a willingness to consider this, and suggested that Mr. Vickers continue developing the specific proposal. The presentation was informational only, and no Board action was required.

ACTION ITEMS

The following Action Items were reviewed by the Board for ratification and approval. The Board considered (1.1.) Ratify expenditure of an extra \$6,332.50 at the Booster Pump Station for the permanent bypass due to a field change caused by the connecting pipe size encountered during the excavation. (1.2) Approval of a \$4,211.22 expenditure for Excell Pump to set up a pump and motor to be used as a temporary bypass while the new bypass at the Crown Point Pump Station is constructed. In the future, it will be available whenever the booster station is disabled. (1.3) Approve expenditure of \$1,060.89 to replace two faulty valves at the Booster Pump Station. (2.0) Ratify expenditure of \$550 for temporary site stabilization of the area impacted by the Chambers Road effluent line break. Upon motion duly made by Director Wasiecko, seconded by Director Kasaris, and unanimously carried, the Board approved action items (1.1), (1.2), (1.3), and (2).

BUSINESS

Pat Mulhern briefed the Board on the status of the Joint Water Purification Plant ("JWPP") conversion to microfiltration, noting that Dave Akers from the Colorado Department of Public Health and Environment ("CDPHE") had called and he anticipated the CDPHE response soon.

The Board discussed the status of wastewater treatment services. Staff has consulted with Aurora, Parker and Stonegate as alternatives, should an agreement with Arapahoe County Water and Wastewater Authority ("ACWWA") not be continued. Cottonwood Board members will attend the Stonegate board meeting on March 21, 2012 and requested that staff post and publish notice of this as a special meeting.

Director Wasiecko advised that he would advocate having the respective Board of Directors meet to establish working relationships, but the managers and attorneys need to negotiate and

resolve issues. Given that ACWWA Board members, Linda Lehrer and Geri Santos-Rach, were in attendance, the Board expressed its frustration that ACWWA has not treated Cottonwood as a partner and has not given serious consideration to the issues raised by Cottonwood. The Board expressed that they really do not understand ACWWA's position on many of these issues invited ACWWA staff and Board members to explain their position so that solutions can be developed.

Pat Mulhern updated the Board on the activities of the Cherry Creek Project Water Authority and on the status of the Chambers Road effluent pipeline claim.

REPORTS

Manager's Report - Pat Mulhern reviewed the March Managers Report with the Board. Upon motion duly made, seconded and unanimously carried the Board extended the Hughes & Stuart public relations services contract for an additional three (3) months.

Financial Report -- Steve Christensen reviewed the financial statements with the Board for the period ending February 29, 2012. No Board action was required.

Legal Report - Tim Beaton reviewed the legal report dated March 8, 2012 with the Board. No Board action was required.

**DIRECTOR'S
ITEMS**

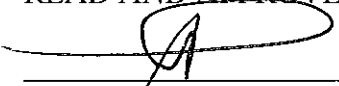
None

ADJOURNMENT

There being no further business to come before the Board and upon motion duly made, seconded and unanimously carried the meeting was adjourned The next meeting is scheduled for March 26, 2012 at 7:00 p.m.

Date: April 19, 2012

READ AND APPROVED BY THE BOARD:



Adam Perez, Secretary

RECORD OF PROCEEDINGS

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

HELD: March 26, 2012 at 7:00 pm.
at
8334 Sandreed Circle
Parker, CO 80112

ATTENDEES Directors present: Alyssa Kasaris, Scott Lamond, Adam Perez, Susan Romani, and Steve Wasiecko. Others present: Pat Mulhern, Laurie Tatlock, and Luis Tovar, Mulhern MRE, Inc., Tim Beaton, Moses, Wittemyer, Harrison and Woodruff, P.C., and Charles Norton, Norton, Smith and Keane, P.C.

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.

AGENDA The Board reviewed the agenda. Upon motion duly made, seconded and unanimously carried, the agenda was adopted.

CORA POLICY The Board considered adoption of Open Record Act policy and adoption of fees for Open Records Act requests. Upon motion duly made, seconded and unanimously carried, the attached Open Records Act policy was approved. The Board requested that staff post the policy on the District's website.

DISCUSSION The Board, staff and legal counsel discussed the status of the Joint Water Purification Plant ("JWPP") conversion to microfiltration and the status of wastewater treatment services.

EXECUTIVE SESSION Upon motion duly made, seconded and unanimously carried, the Board moved into an executive session pursuant to C.R.S. 26-4-402(4)(b) to receive legal advice related to wastewater treatment services, issues related to the JWPP, agreements with Arapahoe County Water and Wastewater Authority ("ACWWA"), and other ACWWA related issues and disputes. The session was not recorded.

The Board then reconvened.

The Board directed staff and legal counsel to finalize and deliver a demand for mediation letter to the ACWWA, the Arapahoe County Water and Wastewater Public Improvement District through their attorneys.

**PAYMENT
APPROVAL**

The Board considered payment of ACWWA invoice #303, dated March 14, 2012. Pat Mulhern advised that the amount that ACWWA had billed for JWPP administrative expenses was in dispute and recommended paying \$10,600.00 of the \$22,861.16 invoiced. Upon motion duly made, seconded and unanimously carried the Board approved payment of ACWWA invoice #303 in the amount of \$52,152.82 for operation of the JWPP for February, 2012.

**DIRECTOR'S
ITEMS**

None

ADJOURNMENT

There being no further business to come before the Board and upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for April 19, 2012 at 6:30 p.m.

Date: April 19, 2012
READ AND APPROVED BY THE BOARD:



Adam Perez, Secretary

RECORD OF PROCEEDINGS

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

HELD: April 19, 2012 at 6:30 pm.

at

8334 Sandreed Circle
Parker, CO 80112

ATTENDEES Directors present: Alyssa Kasaris, Scott Lamond, Adam Perez, Susan Romani, and Steve Wasiecko. Others present: Pat Mulhern, Laurie Tatlock, Luis Tovar, Mulhern MRE, Inc.; Susan Sprinkle, and Steve Christensen, Inverness Properties, LLC; Tim Beaton, Moses, Wittemyer, Harrison and Woodruff, P.C.; and Melanie Goetz, Hughes & Stuart Marketing Strategies.

**CONFLICT
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.

AGENDA The Board reviewed the agenda. Upon motion duly made, seconded and unanimously carried, the agenda was adopted.

CONSENT AGENDA The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from March 15, 2012, and March 26, 2012, approval of checks numbered 17155 through 17165, and checks numbered 17167 through 17189, ratification of the \$64.60 payment to Xcel Energy on April 17, 2012, and authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated April 13, 2012. Tim Beaton suggested some corrections to the March 15, 2012 minutes. Subject to correcting the minutes as noted, upon motion made by Director Wasiecko, seconded by Director Romani, and unanimously carried, the Consent Agenda was approved.

**PUBLIC RELATIONS/MEDIA AND COMMUNITY
OUTREACH** Melanie Goetz reviewed a draft newsletter that will be inserted in the bills sent in May. The Board directed that legal counsel is to review and comment and staff will finalize.

ACTION ITEMS The following Action Items were reviewed by the Board for ratification and approval. The Board considered a Resolution to

authorize application to make absolute or for a finding of reasonable diligence for the District's Cherry Creek Exchange Conditional Water Rights.

Other Action Items included: (A) Approval of a \$1,805 expenditure to repair two (2) manholes that have I & I problems. (B) Approve expenditure of up to \$900.00 to inspect and evaluate the lift station power generator. (C) Ratify expenditure of \$1,050 for a 20-foot piece of 18" pipe that was purchased as back up, but not needed during the Chambers Road effluent line repair. Upon motion duly made by Director Wasiecko, seconded by Director Romani, and unanimously carried, the Board approved the Resolution to authorize application to make absolute or for a finding of reasonable diligence for the District's Cherry Creek Exchange Conditional Water Rights and action items (A), (B), and (C).

BUSINESS

Pat Mulhern briefed the Board on the status of the Joint Water Purification Plant ("JWPP") conversion to microfiltration and on the status of the effluent pipeline claim on Chambers Road.

REPORTS

Manager's Report - Pat Mulhern reviewed the April Manager's Report with the Board.

Legal Report - Tim Beaton reviewed the legal report dated April 13, 2012 with the Board. No Board action was required.

EXECUTIVE SESSION

Upon motion duly made, seconded and unanimously carried, the Board moved into an executive session pursuant to C.R.S. 26-4-402(4)(b) for the purpose of receiving legal advice related to wastewater treatment services, issues related to the JWPP, agreements with Arapahoe County Water and Wastewater Authority ("ACWWA"), and other ACWWA related issues and disputes. The session was not recorded.


The Board then reconvened. The Board directed staff to review ACWWA Board meeting minutes for action taken regarding AOP and water softening when the JWPP is temporarily converted from RO to the Microfiltration process.

DIRECTOR'S ITEMS

Director Kasaris requested that the Board discuss attendance at PDAC meetings at the next Board meeting. Staff was directed to add this as an agenda item.

CONTINUATION There being no further business to come before the Board and upon motion duly made, seconded and unanimously carried the meeting was continued to a telephone conference that will be held on Tuesday, April 24, 2012, beginning at 7:30 a.m. The next regular meeting is scheduled for May 17, 2012 at 6:30 p.m.

Date: May 17, 2012
READ AND APPROVED BY THE BOARD:



Adam Perez, Secretary

RECORD OF PROCEEDINGS

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

CONTINUED FROM: Thursday, April 19, 2012

TO: a telephone conference, held Tuesday, April 24, 2012 at 7:30 a.m. at
2 Inverness Drive East, Suite 200
Englewood, CO 80112

ATTENDEES Directors present: Alyssa Kasaris, Scott Lamond, Adam Perez, Susan Romani, and Steve Wasiecko. Others present: Pat Mulhern, Laurie Tatlock, and Luis Tovar, Mulhern MRE, Inc., Tim Beaton and Carolyn Steffyl Moses, Wittemyer, Harrison and Woodruff, P.C., and Charles Norton, Norton, Smith and Keane, P.C.

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.

AGENDA The Board reviewed the agenda. Upon motion duly made, seconded and unanimously carried, the agenda was adopted.

EXECUTIVE SESSION Upon motion duly made, seconded and unanimously carried, the Board moved into an executive session pursuant to C.R.S. 26-4-402(4)(b) and (e) for the purposes of receiving legal advice related to wastewater treatment services, issues related to the JWPP, agreements with Arapahoe County Water and Wastewater Authority ("ACWWA"), and other ACWWA related issues and disputes. The session was not recorded.


The Board then reconvened.

The Board directed legal counsel to finalize and deliver the response letter to ACWWA, through their attorneys.

DIRECTOR'S ITEMS None

ADJOURNMENT There being no further business to come before the Board and upon motion duly made, seconded and unanimously carried the meeting was adjourned The next regular meeting is scheduled for May 17, 2012 at 6:30 p.m.

Date: May 17, 2012
READ AND APPROVED BY THE BOARD:



Adam Perez, Secretary

RECORD OF PROCEEDINGS

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

HELD: May 17, 2012 at 6:30 pm.

at

8334 Sandreed Circle
Parker, CO 80112

ATTENDEES Directors present: Alyssa Kasaris, Scott Lamond, Adam Perez, Susan Romani, and Steve Wasiecko. Others present: Pat Mulhern, Laurie Tatlock, Luis Tovar, Mulhern MRE, Inc.; Susan Sprinkle, and Steve Christensen, Inverness Properties, LLC; Carolyn Steffl, Moses, Wittemyer, Harrison and Woodruff, P.C.; Linda Lehrer, Arapahoe County Water and Wastewater Authority, Board Member and Rick Nielsen, Cottonwood Resident living at 16907 Blue Mist Circle.

CONFLICT 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.

OATHS OF OFFICE The Oaths of Office for Board Members Scott Lamond, Steve Wasiecko and Adam Perez were administered by Laurie Tatlock, a notary in the State of Colorado.

ELECTION OF OFFICERS The following slate of officers was nominated for election. President, Scott Lamond; Treasurer, Steve Wasiecko; Secretary, Adam Perez; Assistant Secretary, Susan Romani; Assistant Secretary, Alyssa Kasaris. Upon motion duly made, seconded and unanimously carried, the slate of officers listed above was elected.

INDEMNIFICATION RESOLUTION The Board considered an Indemnification Resolution drafted by legal counsel. Upon motion made by Director Wasiecko, seconded by Director Kasaris and, upon vote, unanimously carried the Indemnification Resolution was approved.

AGENDA The Board reviewed the agenda. Upon motion made by Director Kasaris, seconded by Director Wasiecko and, upon vote, unanimously carried, the agenda was adopted.

CONSENT AGENDA

The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from April 19, 2012, and April 24, 2012, approval of checks numbered 17190 through 17215, and checks numbered 17218 through 17233, ratification of the director fee payments made on April 24, 2012, ratification of the \$44.12 payment to Xcel Energy on May 17, 2012, and authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated May 14, 2012. Upon motion made by Director Romani, seconded by Director Wasiecko, and unanimously carried, the Consent Agenda was approved.

ACTION ITEMS

The following Action Items were reviewed by the Board for ratification and approval.

Action Items included: (A) Approval of a \$250 donation for the 4th Annual Parker Task Force Golf Tournament. This expense was approved since proceeds are used to make payments on delinquent utility account when warranted, and Cottonwood has been a benefactor in the past. (B) Ratify expenditure of \$2,600 to fix the 36" valve outside the Crown Point Booster Station allowing isolation of the station for the new meter installation. (C) Authorize expenditure of \$20,852 for a new well pump and repairs at Well DD-4. (D) Approve expenditure of up to \$12,200 for Cherry Creek Alluvial Project Modeling. Upon motion duly made by Director Wasiecko, seconded by Director Romani, and unanimously carried, the Board action items (A), (B), (C) and (D) were approved.

BUSINESS

Pat Mulhern briefed the Board on the status of the Joint Water Purification Plant ("JWPP") conversion to microfiltration. The Board will hold a public hearing to consider a rate increase at the June regular board meeting. The Board directed staff and legal counsel to file a claim with IREA and its contractor for the damaged effluent pipeline on Chambers Road. The Board requested that staff prepare a calendar of PDAC meetings, assigning Board members to attend on a rotating schedule. Director Perez volunteered to attend the May meeting.

REPORTS

Manager's Report - Pat Mulhern reviewed the May Manager's Report with the Board.

Financial Report -- Steve Christensen reviewed the District's financial statements for the period ending March 31, 2012 with the Board. No Board action was required.

Legal Report - Tim Beaton reviewed the legal report dated May 10, 2012 with the Board. No Board action was required.

**PUBLIC
COMMENT**

Rick Nielsen asked for an update on the status of the ACWWA JWPP and Wastewater Treatment Agreements and for an update on Parker Water and Sanitation District's diversions to the Rueter Hess Reservoir. Pat Mulhern briefed the Board and Mr. Nielson on these matters.

**EXECUTIVE
SESSION**

Upon motion duly made, seconded and unanimously carried, the Board moved into an executive session pursuant to C.R.S. 26-4-402(4)(b) for the purpose of receiving legal advice related to wastewater treatment services, issues related to the JWPP, agreements with Arapahoe County Water and Wastewater Authority ("ACWWA"), and other ACWWA related issues and disputes. The session was not recorded.

The Board then reconvened. The Board directed staff and legal counsel to finalize and send the letters reviewed in executive session regarding these matters.

**DIRECTOR'S
ITEMS**

Director Wasiecko asked if he and the other Board members could get a schedule of ACWWA Board meetings.

**EXECUTIVE
SESSION**

Upon motion duly made, seconded and unanimously carried, the Board moved into an executive session pursuant to C.R.S. 26-4-402(4) (b) and (e) for the purpose of determining positions relative to the WISE pipeline negotiations and to receive legal advice related to WISE. The session was not recorded.

ADJOURNMENT

There being no further business to come before the Board and upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for June 21, 2012 at 6:30 p.m.

Date: 6/21/12
READ AND APPROVED BY THE BOARD:



Adam Perez, Secretary

RECORD OF PROCEEDINGS

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

HELD: June 21, 2012 at 6:30 pm.

at

8334 Sandreed Circle
Parker, CO 80112

ATTENDEES

Directors present: Alyssa Kasaris, Scott Lamond, Adam Perez, and Steve Wasiecko. Others present: Pat Mulhern, Laurie Tatlock, Luis Tovar, Mulhern MRE, Inc.; Susan Sprinkle, and Steve Christensen, Inverness Properties, LLC; Tim Beaton, Moses, Wittemyer, Harrison and Woodruff, P.C.; Charles Norton, Norton, Smith & Keane, P.C.; Gary Atkin, Arapahoe County Water and Wastewater Authority, Manager; and Geri Santos-Rach, Arapahoe County Water and Wastewater, Board Member.

Upon motion duly made, seconded and unanimously carried the Board excused the absence of Susan Romani.

**CONFLICT
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.

AGENDA

The Board reviewed the agenda. The Board noted that Gary Atkin, Manager of the Arapahoe Water and Wastewater Authority wished to address them and asked that this be added to the agenda. Upon motion made by Director Kasaris, seconded by Director Perez and, upon vote, unanimously carried, the amended agenda was adopted.

CONSENT AGENDA

The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from May 17, 2012, approval of checks numbered 17234 through 17274, ratification of the \$37.81 payment to Xcel Energy on June 18, 2012, and authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated May 14, 2012. Upon motion made by Director Kasaris, seconded by Director Perez, and unanimously carried, the Consent Agenda was approved.

ACWWA

Gary Atkin addressed the Board regarding the June 15th letter from Doyle Tinkey, ACWWA Board President (copy attached). He asked if the Cottonwood Board would consider and approve a

resolution for the payment ACWWA sewer tap fees in the amount of \$133,741.87 and directing Cottonwood staff to begin good faith negotiations with ACWWA concerning ACWWA's use of the Chambers pipeline. The Board advised Mr. Atkin that they would discuss this request in Executive Session.

PUBLIC HEARING

RATE INCREASE Upon motion duly made, seconded and unanimously carried the Board convened a Public Hearing for the proposed rate increase. No members of the public were present. Upon motion duly made, seconded and unanimously carried, the public hearing was closed. Pat Mulhern discussed the projects, costs and calculations considered in the 7% water and wastewater rate increase that staff was recommending. The Board discussed that the rate increase was originally projected for the JWPP reverse osmosis treatment costs. However, now the JWPP was being converted to microfiltration and treatment costs would be lower. The Board agreed to increase rates and hold the extra funds in reserves for a JWPP conversion back to reverse osmosis treatment and/or the purchase of renewable water supplies. Upon motion duly made, seconded and unanimously carried, the Board approved a 7% increase in water and wastewater fees, beginning with July consumption, billed in August.

BUSINESS

The Board discussed whether or not Cottonwood would take water from the JWPP with only microfiltration treatment. The Board directed staff to draft a letter to ACWWA stipulating the conditions that would be required for Cottonwood to receive these water deliveries.

Pat Mulhern explained that Stonegate was forming a Committee to explore regionalization opportunities and had asked if Cottonwood had an interest in participation. The Board concurred that they would be interested.

REPORTS

Manager's Report – not reviewed

Legal Report – not reviewed

PUBLIC COMMENT

None

EXECUTIVE SESSION

Upon motion duly made, seconded and unanimously carried, the Board moved into an executive session pursuant to C.R.S. 26-4-402(4)(b) for the purpose of receiving legal advice related to

wastewater treatment services, issues related to the JWPP, agreements with Arapahoe County Water and Wastewater Authority ("ACWWA"), and other ACWWA related issues and disputes. The session was not recorded.

The Board then reconvened. The Board directed that staff advise ACWWA that \$133,741.87 will be placed in escrow, and that Cottonwood will agree to the temporary use of the Chambers pipeline. Staff and legal counsel will request that ACWWA rescind their moratorium on new tap connections.

**DIRECTOR'S
ITEMS**

None

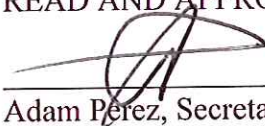
ADJOURNMENT

There being no further business to come before the Board and upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for July 19, 2012 at 6:30 p.m.

Date:

8/16/2012

READ AND APPROVED BY THE BOARD:



Adam Pérez, Secretary



June 15, 2012

Scott Lamond, President
Cottonwood Water and Sanitation District
c/o Mulhern MRE, Inc.
2 Inverness Drive East, Suite 200
Englewood, CO 80112

Re: Future Sewer Taps and Chambers Pipeline Project

Dear President Lamond:

The ACWWA Board wishes to bring two significant matters to your attention.

First, you are aware that the Agreements between ACWWA and Cottonwood require that Cottonwood pay 80% of the ACWWA sewer tap fee to ACWWA and the Agreements also say that ACWWA will not honor any Cottonwood prepaid sewer taps except those paid for under the Agreements. Cottonwood warranted that it would not authorize and would prevent any connection to its wastewater collection system for which the ACWWA 80% tap fee was not paid and that Cottonwood would report any new tap connection to the Cottonwood wastewater collection system to ACWWA within five (5) days. ACWWA understands that Cottonwood has collected sewer tap fees which were neither reported to nor paid over to ACWWA and that connections were made but not reported, all of which occurred before the Water And Wastewater Operations Integration Agreement expired.

Given that Cottonwood is unwilling to abide by its obligations, be advised that no further sewer taps or connections to the Cottonwood collection system will be honored by ACWWA or the sewage treated by ACWWA. Cottonwood must stop issuing such taps.

By a copy of this letter, I will be informing the Douglas County Commissioners and the Parker Town Council that they should not issue building permits based upon the assumption that any new properties will receive sewer service from ACWWA.

Second, on a separate but equally significant matter, ACWWA recently attempted to arrange a meeting with Pat Mulhern to discuss the Chambers Pipeline project which is of significance to both of our entities. Mr. Mulhern refused to have such a meeting, indicating that no discussions would occur "until mediation".

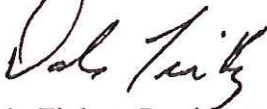
ARAPAHOE COUNTY WATER AND WASTEWATER AUTHORITY

13031 E. Caley Avenue | Centennial, CO 80111 | Phone 303 790 4830 | Fax 303 790 9364 | www.arapahoewater.org

Scott Lamond, President
June 15, 2012
Page Two

Not proceeding with the Chambers Pipeline project only hurts both of our entities and our constituents. The Chambers Pipeline project is a smart business project. It is unfortunate that something which is clearly of benefit is being made the subject of mediation when there is apparently no dispute regarding its benefit or the need for it. We strongly believe that the Cottonwood staff should meet with the ACWWA staff with regard to proceeding with the project on a timely basis.

Very truly yours,



Doyle Tinkey, President
Arapahoe County Water and Wastewater Authority

Cc: ACWWA Board of Directors
CWSD Board of Directors
Douglas County Commissioners
Town of Parker Town Council

ARAPAHOE COUNTY WATER AND WASTEWATER AUTHORITY

13031 E. Caley Avenue | Centennial, CO 80111 | Phone 303 790 4830 | Fax 303 790 9364 | www.arapahoewater.org

RECORD OF PROCEEDINGS

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

HELD: June 21, 2012 at 6:30 pm.

at

8334 Sandreed Circle

Parker, CO 80112

ATTENDEES Directors present: Alyssa Kasaris, Scott Lamond, Adam Perez, and Steve Wasiecko. Others present: Pat Mulhern, Laurie Tatlock, Luis Tovar, Mulhern MRE, Inc.; Susan Sprinkle, and Steve Christensen, Inverness Properties, LLC; Tim Beaton, Moses, Wittemyer, Harrison and Woodruff, P.C.; Charles Norton, Norton, Smith & Keane, P.C.; Gary Atkin, Arapahoe County Water and Wastewater Authority, Manager; and Geri Santos-Rach, Arapahoe County Water and Wastewater, Board Member.

Upon motion duly made, seconded and unanimously carried the Board excused the absence of Susan Romani.

CONFLICT 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.

AGENDA The Board reviewed the agenda. The Board noted that Gary Atkin, Manager of the Arapahoe Water and Wastewater Authority wished to address them and asked that this be added to the agenda. Upon motion made by Director Kasaris, seconded by Director Perez and, upon vote, unanimously carried, the amended agenda was adopted.

CONSENT AGENDA The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from May 17, 2012, approval of checks numbered 17234 through 17274, ratification of the \$37.81 payment to Xcel Energy on June 18, 2012, and authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated May 14, 2012. Upon motion made by Director Kasaris, seconded by Director Perez, and unanimously carried, the Consent Agenda was approved.

ACWWA Gary Atkin addressed the Board regarding the June 15th letter from Doyle Tinkey, ACWWA Board President (copy attached). He asked if the Cottonwood Board would consider and approve a

resolution for the payment ACWWA sewer tap fees in the amount of \$133,741.87 and directing Cottonwood staff to begin good faith negotiations with ACWWA concerning ACWWA's use of the Chambers pipeline. The Board advised Mr. Atkin that they would discuss this request in Executive Session.

PUBLIC HEARING

RATE INCREASE Upon motion duly made, seconded and unanimously carried the Board convened a Public Hearing for the proposed rate increase. No members of the public were present. Upon motion duly made, seconded and unanimously carried, the public hearing was closed. Pat Mulhern discussed the projects, costs and calculations considered in the 7% water and wastewater rate increase that staff was recommending. The Board discussed that the rate increase was originally projected for the JWPP reverse osmosis treatment costs. However, now the JWPP was being converted to microfiltration and treatment costs would be lower. The Board agreed to increase rates and hold the extra funds in reserves for a JWPP conversion back to reverse osmosis treatment and/or the purchase of renewable water supplies. Upon motion duly made, seconded and unanimously carried, the Board approve a 7% increase in water and wastewater fees, beginning with July consumption, billed in August.

BUSINESS

The Board discussed whether or not Cottonwood would take water from the JWPP with only microfiltration treatment. The Board directed staff will draft a letter to ACWWA stipulating the conditions that would be required for Cottonwood to receive these water deliveries.

Pat Mulhern explained that Stonegate was forming a Committee to explore regionalization opportunities and had asked if Cottonwood had an interest in participation. The Board concurred that they would be interested.

REPORTS

Manager's Report – not reviewed

Legal Report – not reviewed

PUBLIC COMMENT

None

EXECUTIVE SESSION

Upon motion duly made, seconded and unanimously carried, the Board moved into an executive session pursuant to C.R.S. 26-4-402(4)(b) for the purpose of receiving legal advice related to

wastewater treatment services, issues related to the JWPP, agreements with Arapahoe County Water and Wastewater Authority (“ACWWA”), and other ACWWA related issues and disputes. The session was not recorded.

The Board then reconvened. The Board directed that staff advise ACWWA that \$133,741.87 will be placed in escrow, and that Cottonwood will agree to the temporary use of the Chambers pipeline. Staff and legal counsel will request that ACWWA rescind their moratorium on new tap connections.

**DIRECTOR'S
ITEMS**

None

ADJOURNMENT There being no further business to come before the Board and upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for July 19, 2012 at 6:30 p.m.

Date: _____

READ AND APPROVED BY THE BOARD:

Adam Perez, Secretary

RECORD OF PROCEEDINGS

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

HELD: July 19, 2012 at 6:30 pm.
at
8334 Sandreed Circle
Parker, CO 80112

ATTENDEES Directors present: Alyssa Kasaris, Scott Lamond, Adam Perez, Susan Romani, and Steve Wasiecko. Others present: Pat Mulhern, Laurie Tatlock, Luis Tovar, Mulhern MRE, Inc.; Susan Sprinkle, and Steve Christensen, Inverness Properties, LLC; Tim Beaton, Moses, Wittemyer, Harrison and Woodruff, P.C.; and Charles Norton, Norton, Smith & Keane, P.C.

CONFLICT 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.

AGENDA The Board reviewed the agenda. Upon motion made by Director Romani, seconded by Director Kasaris and, upon vote, unanimously carried, the agenda was adopted.

CONSENT AGENDA The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from June 21, 2012, approval of checks numbered 17275 through 17310, ratification of the director fee payments made on June 26, 2012, ratification of the \$33.92 payment to Xcel Energy on July 23, 2012, and authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated July 16, 2012. The Board asked that legal counsel and staff confirm that the late fees charged by ACWWA on invoice #7252012 were appropriate before releasing check number 17289 in the amount of \$91,923.42. Upon motion made by duly made, seconded, and upon vote, unanimously carried, the Consent Agenda was approved.

2011 AUDIT The Board directed staff to file an extension with the State of Colorado and will consider acceptance at the August Board meeting.

**ACTION
ITEMS**

The following Action Items were discussed. 1) Luis Tovar explained and asked the Board to consider the proposal from Applied Ingenuity to re-line the Well DD-4 well casing with a stainless steel casing for a fee of \$25,000. 2) He also explained that Well DD-2 (serving irrigation to the apartments, school and Loaf and Jug south of E-470) had run out of water and asked the Board to ratify the \$3,000 spent for a temporary connection to the potable water supply and requested approval to spend an additional \$5,000 for a permanent connection that would be used when Cherry Creek supplies are limited. 3) The Board also considered an extension of the Hughes & Stuart contract for 90 days for a fee of \$1,875. Upon motion made by Director Wasiecko, seconded by Director Lamond, and upon vote unanimously carried, the three (3) Action Items were approved.

BUSINESS

The District's use of Micro-Filtration water, ACWWA mediation and tap availability will be discussed in Executive Session.

REPORTS

Manager's Report – no Board action required.
Financial Report – no Board action required.
Legal Report – no Board action required.

**PUBLIC
COMMENT**

None

**EXECUTIVE
SESSION**

Upon motion duly made, seconded and unanimously carried, the Board moved into an executive session pursuant to C.R.S. 26-4-402(4)(b) for the purpose of receiving legal advice related to wastewater treatment services, issues related to the JWPP, agreements with Arapahoe County Water and Wastewater Authority ("ACWWA"), ACWWA's request for use of the Chambers Pipeline, upcoming mediation sessions, tap availability, 2011 Audit language, the District commitment to the use of microfiltration water, and other ACWWA related issues and disputes. The session was not recorded.

The Board then reconvened. The Board directed that staff pay ACWWA the \$133,741.87 in tap fees with a notice to ACWWA explaining the basis for non-payment of the fees. The Board directed staff to advise ACWWA that Cottonwood will require the AOP and softening processes before taking microfiltration treated water.

**DIRECTOR'S
ITEMS**

None

ADJOURNMENT There being no further business to come before the Board and upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for August 16, 2012 at 6:30 p.m.

Date: 8/16/2012
READ AND APPROVED BY THE BOARD:



Adam Perez, Secretary

RECORD OF PROCEEDINGS

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

HELD: August 8, 2012 at 6:30 pm.
at
8334 Sandreed Circle
Parker, CO 80112

ATTENDEES Directors present: Alyssa Kasaris, Scott Lamond, Adam Perez, Susan Romani, and Steve Wasiecko. Others present: Pat Mulhern, Laurie Tatlock; Carolyn Steffl, Moses, Wittemyer, Harrison and Woodruff, P.C.; and Charles Norton, Norton, Smith & Keane, P.C.

CONFLICT 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.

AGENDA The Board reviewed the agenda. The Board requested one Executive Session rather than the two Executive Sessions on the proposed agenda. Upon motion made by Director Romani, seconded by Director Kasaris and, upon vote, unanimously carried, the revised agenda was adopted.

ACTION ITEM Pat Mulhern updated the Board on the status of the Compark Village development. The Board considered ratification of an agreement between ACWWA, Compark Land Company and Cottonwood setting forth the term under which ACWWA would accept wastewater flows from the Compark Village development. Upon motion made by Director Wasiecko, seconded by Director Romani, and upon vote unanimously carried, the Agreement was ratified.

EXECUTIVE SESSION Upon motion duly made, seconded and unanimously carried, the Board moved into an executive session pursuant to C.R.S. 26-4-402(4)(b) and (e) for the purpose of receiving legal advice on specific legal question and determining position relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators regarding issues related to the Joint Water Purification Plant mediation with ACWWA and for the purposes of receiving legal advice on specific legal questions and determining positions relative to matters that may be

subject to negotiations, developing strategy for negotiations, and instructing negotiators regarding issues related to wastewater treatment by ACWWA and negotiation of a wastewater treatment contract. The session was not recorded.

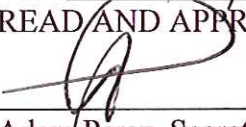
The Board then reconvened. The Board agreed that they had a consensus on key issues with regard to the upcoming mediation with ACWWA, and felt comfortable with Directors Lamond and Wasiecko representing the Board on these issues.

**DIRECTOR'S
ITEMS**

None

ADJOURNMENT There being no further business to come before the Board and upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for August 16, 2012 at 6:30 p.m.

Date: 8/16/2012
READ AND APPROVED BY THE BOARD:



Adam Perez, Secretary

RECORD OF PROCEEDINGS

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

HELD: August 16, 2012 at 6:30 pm.
at
8334 Sandreed Circle
Parker, CO 80112

ATTENDEES Directors present: Alyssa Kasaris, Scott Lamond, Adam Perez, Susan Romani, and Steve Wasiecko. Others present: Pat Mulhern, Laurie Tatlock, Luis Tovar, Mulhern MRE, Inc.; Susan Sprinkle, and Steve Christensen, Inverness Properties, LLC; and Tim Beaton, Moses, Wittemyer, Harrison and Woodruff, P.C.

CONFLICT 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.

AGENDA The Board reviewed the agenda. Upon motion made by Director Romani, seconded by Director Kasaris and, upon vote, unanimously carried, the agenda was adopted.

CONSENT AGENDA The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from July 19, 2012 and August 8, 2012, approval of checks numbered 17312 through 17344, with the exception of voided check #17319, and ratification of the \$33.72 payment to Xcel Energy on August 21, 2012, and authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated August 13, 2012. The Board asked that staff not release check #17314 until after the mediation session. Upon motion duly made, seconded, and upon vote, unanimously carried, the Consent Agenda was approved.

2011 AUDIT Steve Christensen reviewed the revisions that had been made since the last Board meeting. Upon motion duly made, seconded, and upon vote, unanimously carried, the Board accepted the 2011 Audit.

ACTION ITEMS The Board considered the following Action Items. 1) The South Metro Water Supply has requested a resolution of support and a letter of support for the reallocation of storage within Chatfield Reservoir. 2) A Resolution consenting to the creation of the

Compark Village Metropolitan District North with boundaries overlapping the Cottonwood Water & Sanitation District. The Compark District would have limited powers with regard to constructing, installing and financing road, landscaping, entryway, drainage facilities and water and sanitation service and facilities. Pat Mulhern advised that Mr. Vickers may be changing his financing plan and not form the Compark North District and the Resolution would not be necessary. The Board will continue this meeting and act if the Resolution is required before the next regular Board meeting. Upon motion duly made, seconded and upon vote, unanimously carried the Board approved a resolution of support for the reallocation of storage within Chatfield Reservoir and directed staff to send a letter of support to the US Army Corps of Engineers for the Chatfield Reservoir Storage Reallocation Project.

BUSINESS

Pat Mulhern discussed recent developments with regard to ACWWA matters. ACWWA has proposed that two representatives each from the ACWWA and Cottonwood Boards meet in late October to begin negotiations on a wastewater service contract. The Board asked that staff have Charles Norton send a response to their offer and request that the Cottonwood Board, staff and legal counsel receive a draft of the proposed agreement in advance of the first proposed meeting and also request that the meeting is scheduled after normal work hours so that Cottonwood Board members are able to attend.

Pat advised the Board that depending on the results of Monday's mediation, we should consider asking Gary to contact the Douglas County Commissioners and the Town of Parker advising them that ACWWA has lifted the moratorium on taps.

The Board requested that the regular September meeting be moved to September 27 because of the SDA conference.

REPORTS

Manager's Report – Pat Mulhern reviewed the August 2012 Manager's report with the Board. The Board directed that staff work with Stonegate to explore ways to serve the Vanderyst property.

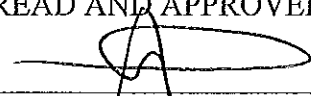
Legal Report – Tim Beaton noted from the August legal report that Cottonwood legal staff needs to prepare a status report over the next 6 months on Cottonwood's amended Augmentation Plan or risk dismissal of the case.

PUBLIC COMMENT None

DIRECTOR'S ITEMS The Board requested that staff purchase 3 new chairs.

ADJOURNMENT There being no further business to come before the Board and upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for September 27, 2012 at 6:30 p.m.

Date: 9/27/2012
READ AND APPROVED BY THE BOARD:



Adam Perez, Secretary

RECORD OF PROCEEDINGS

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

HELD: September 27, 2012 at 6:30 pm.
at
8334 Sandreed Circle
Parker, CO 80112

ATTENDEES Directors present: Alyssa Kasaris, Scott Lamond, Adam Perez, Susan Romani, and Steve Wasiecko. Others present: Pat Mulhern, Laurie Tatlock, Luis Tovar, Mulhern MRE, Inc.; Steve Christensen, Inverness Properties, LLC; and Carolyn Steffyl, Moses, Wittemyer, Harrison and Woodruff, P.C.

**CONFLICT
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.

AGENDA The Board reviewed the agenda. Staff asked that the Board consider adding a discussion of the proposed Cottonwood Commercial Urban Renewal Plan Area. Upon motion made by Director Romani, seconded by Director Kasaris and, upon vote, unanimously carried, the revised agenda was adopted.

CONSENT AGENDA The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from August 16, 2012, approval of checks numbered 17345 through 17388, with the exception of voided checks #17364, 17371, 17381, and ratification of the \$33.72 payment to Xcel Energy on September 20, 2012, and authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated September 24, 2012.

**URBAN
RENEWAL** Pat Mulhern and Carolyn Steffyl briefed the Board and distributed a report from the Town of Parker on Perker's Cottonwood Commercial Area Urban Renewal Plan "URP"). Pat noted that the South Metro Fire Rescue Authority had authorized expenditure of Fire Authority funds to complete a study to support an opposition to the URP. The Board discussed authorizing expenditure of Cottonwood District funds, assisting the Fire Authority in the URP opposition study. Upon motion duly made, seconded, and unanimously carried the Board authorized expenditure of up to

Cottonwood District funds, assisting the Fire Authority in the URP opposition study. Upon motion duly made, seconded, and unanimously carried the Board authorized expenditure of up to \$8,000 for the study. The Board considered a Resolution opposing the URP as it is currently drawn. The Board proposed a number of revisions. Subject to the incorporation of the revisions, upon motion duly made, seconded and unanimously carried, the Board approved the revised resolution. Pat Mulhern advised that he would be attending a meeting with the Town of Parker and the Chief of the South Metro Fire Rescue Authority and would recommend sending the Resolution only if the meeting was not successful. Director Kasaris asked that staff update the website on the URP and the District's position after the meeting.

ACTION ITEMS None.

BUSINESS The Board asked that staff move directly to the Manager's Report.

REPORTS Manager's Report – Pat Mulhern reviewed the September 2012 Manager's report with the Board. Pat Mulhern advised that the Vickers apartment development proposal would not be moving forward. He recommended revising the District's tap fees on large multifamily residential buildings

The Board considered proposing a settlement offer on the Chambers water main break, splitting the repair equally between Cottonwood, Inverness and the IREA contractor. Upon motion duly made, seconded and unanimously carried, the Board approved submitting the settlement offer.

Financial Report – Steve Christensen reviewed the financial statements for the period ending August 31, 2012.

Legal Report – Carolyn Steffl advised that she would recommend letting the September legal report speak for itself.

**EXECUTIVE
SESSION**

Upon motion duly made, seconded and unanimously carried, the Board moved into an executive session pursuant to C.R.S. 26-4-402(4)(b) and (4)(e), for the purposes of: (i) a conference with an attorney for the District to receive legal advice on specific legal question relating to ACWWA, the JWPP and the mediation; and wastewater treatment by ACWWA; (ii) determining positions relative to matters that may be subject to negotiations, developing strategies for negotiations and instructing negotiators with respect to settlement discussions and discussions with other parties

regarding ACWWA, the JWPP, the mediation and the wastewater treatment agreement; (iii) a conference with an attorney for the District, to receive legal advice on specific legal questions relating to issues surrounding ACWWA's request to use Cottonwood's Chambers Pipeline; and (iv) determining positions relative to matters that may be subject to negotiations, developing strategies for negotiations and instructing negotiators with respect to settlement discussions and discussion with other parties regarding ACWWA's request to use Cottonwood's Chambers Pipeline. The session was not recorded.

Upon motion duly made, seconded and unanimously carried, the Board moved into an executive session pursuant to C.R.S. 26-4-402(4)(b) and (4)(e), for the purposes of: (i) a conference with an attorney for the District to receive legal advice on specific legal question relating to the proposed Vantage Point development; and (ii) determining positions relative to matters that may be subject to negotiations, developing strategies for negotiations and instructing negotiators with respect to settlement discussions and discussions with other parties regarding the proposed Vantage Point development. The session was not recorded.

The Board then reconvened. The Board directed staff to proceed to contact ACWWA regarding a Chambers pipeline lease subject to understanding ACWWA's position on current wastewater tap availability.

**PUBLIC
COMMENT**

None.

**DIRECTOR'S
ITEMS**


None.

ADJOURNMENT

There being no further business to come before the Board and upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for October 18, 2012 at 6:30 p.m.

Date: 11/15/2012

READ AND APPROVED BY THE BOARD:



Adam Perez, Secretary

RECORD OF PROCEEDINGS

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

HELD: October 18, 2012 at 6:30 p.m.

at

8334 Sandreed Circle

Parker, CO 80112

ATTENDEES Directors present: Alyssa Kasaris, Scott Lamond, Adam Perez, and Susan Romani. Others present: Pat Mulhern, Laurie Tatlock, Luis Tovar, Mulhern MRE, Inc.; Steve Christensen, Inverness Properties, LLC; Charles Norton, Norton Smith & Keane, P.C., Tim Beaton and Carolyn Steffl, Moses, Wittemyer, Harrison and Woodruff, P.C.; Gary Atkin and Arnie Reil, Arapahoe County Water and Wastewater Authority.

Upon motion duly made, seconded and unanimously carried the Board excused Director Steve Wasiecko's absence.

**CONFLICT
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.

AGENDA

The Board reviewed the agenda. The Board acknowledged that Gary Atkin would like to address the Board after the Board considers the Consent Agenda. Upon motion made by Director Romani, seconded by Director Kasaris and, upon vote, unanimously carried, the revised agenda was adopted.

CONSENT AGENDA

The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from September 27, 2012, approval of checks numbered 17389 through 17413, with the exception of voided check #17402, ratification of the \$33.72 payment to Xcel Energy on September 20, 2012, and authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated October 15, 2012. Carolyn Steffl noted a number of typographical errors in the minutes. Subject to correction of the typographical errors in the minutes, upon motion made by Director Kasaris, seconded by Director Romani and, upon vote, unanimously carried, the consent agenda was approved.

ACWWA

Gary Atkin asked the Board if they had any questions regarding the October 17, 2012 letter with the attached draft "Sewer Service Agreement" and the proposed lease for the Chambers pipeline. Gary Atkin explained that ACWWA has authorized expenditure of \$400,000 to build an alternative pipeline if Cottonwood chooses not to lease ACWWA the Chambers pipeline. The Board advised Mr. Atkin that they would discuss these matters in executive session. The Board also advised Mr. Atkin that they would be continuing this meeting to Monday night with the intention of having ACWWA Board members attend, if necessary so that they could discuss terms of the Wastewater Treatment Agreement, work out the availability of sewer taps for the Vantage Point development and the proposed daycare in Crown Point and schedule Board member discussions on the draft "Sewer Service Agreement."

ACTION ITEMS

Pat Mulhern requested that the Board authorize expenditure of up to \$5,000 for Mulhern MRE, Inc., to complete a preliminary evaluation regarding water and wastewater systems that would be required to serve the Vantage Point development. The District would be reimbursed by the developer. Upon motion duly made, seconded and, upon vote, unanimously carried, the Board approved the expenditure.

BUSINESS

Pat Mulhern briefed the Board on the Town of Parker's Urban Renewal Plan. The Board directed that staff and legal counsel continue to communicate and work with Parker Water and Sanitation District and the other Districts impacted by the Plan to minimize the negative aspects of the URP.

REPORTS

Manager's Report – Pat Mulhern reviewed the October 2012 Manager's report with the Board. He advised the Board that the Inverness Water and Sanitation District had agreed to pay one-third of the repair costs on the Chambers effluent line repair and legal counsel is pursuing reimbursement of one-third from the contractor who hit the line during a boring operation. The Board advised that they wanted to schedule a work session to review the ACWWA Sanitary Sewer Agreement and the WISE proposal.

Financial Report – The Board received the draft 2013 Budget. A budget hearing will be held at the November board meeting.

Legal Report – Tim Beaton updated the Board on the status of the augmentation plan and the extension of time granted by the Judge.

**EXECUTIVE
SESSION**

Upon motion duly made, seconded and unanimously carried, the Board moved into an executive session pursuant to C.R.S. 26-4-402(4)(b), for the purposes of: (i) a conference with an attorney for the District to receive legal advice on the JWPP, mediation, wastewater treatment, Chambers Pipeline, and possible litigation against Arapahoe County and/or the Arapahoe County Public Improvement District. The session was not recorded.

Upon motion duly made, seconded and unanimously carried, the Board concluded the executive session.

The Board directed staff to prepare a letter to be delivered to ACWWA offering a 2-year lease on the Chambers pipeline, asking for ACWWA to detail what the benefits would be to Cottonwood on this agreement. The Board also wanted staff to pursue an agreement with ACWWA to authorize the sewer taps for the proposed Vantage Point development and Crown Point childcare. Finally, the Board asked staff and legal counsel to pursue scheduling the two- member each, ACWWA/Cottonwood Board member meeting to discuss the proposed "Sewer Service Agreement."

**PUBLIC
COMMENT**

None.

**DIRECTOR'S
ITEMS**

None.


ADJOURNMENT

There being no further business to come before the Board and upon motion duly made, seconded and unanimously carried the meeting was continued to Monday, October 22, 2012 at 6:30 p.m. to be held at 8334 Sandreed Circle, Parker, Colorado. The next regular meeting is scheduled for Thursday, November 15, 2012 at 6:30 p.m.

Date: _____

11/15/2012

READ AND APPROVED BY THE BOARD:



Adam Perez, Secretary

RECORD OF PROCEEDINGS

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

CONTINUED FROM: October 18, 2012 to
Monday, October 22, 2012 at 6:30 p.m.
at
8334 Sandreed Circle
Parker, CO 80112

ATTENDEES Directors present: Alyssa Kasaris, Scott Lamond, Adam Perez, Susan Romani and Steve Wasiecko. Others present: Pat Mulhern, Laurie Tatlock, Luis Tovar, Mulhern MRE, Inc.; Charles Norton, Norton Smith & Keane, P.C., Tim Beaton and Carolyn Steffl, Moses, Wittemyer, Harrison and Woodruff, P.C.

CONFLICT 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.

AGENDA The Board reviewed the agenda. Upon motion made by Director Romani, seconded by Director Kasaris and, upon vote, unanimously carried, the agenda was adopted.

CHAMBERS PIPELINE LEASE AGREEMENT
The Board was advised that ACWWA has been sent a letter on Friday, October 19, 2012 offering lease terms for the Chambers Pipeline. ACWWA responded that they would not consider offering a sewer tap commitment for the Vantage Point or Crown Point daycare as part of the pipeline lease agreement and would like Cottonwood to reconsider offering the Chambers pipeline lease without those terms. Director Wasiecko made a motion to withdraw Cottonwood's lease offer for the Chambers Pipeline. Director Romani seconded the motion.

EXECUTIVE SESSION Upon motion duly made, seconded and unanimously carried, the Board moved into an executive session pursuant to C.R.S. 26-4-402(4)(b), for the purposes of: (i) a conference with an attorney for the District to receive legal advice on the JWPP, mediation, wastewater treatment, Chambers Pipeline, and possible litigation against Arapahoe County and/or the Arapahoe County Public Improvement District (ii) a conference with an attorney for the District to receive legal advise on the developers' requests for

service from the District. The session was not recorded.


Upon motion duly made, seconded and unanimously carried, the Board concluded the executive session.

Upon motion duly made, seconded and unanimously carried, the Board voted to decline reconsidering its offer for a lease of the Chambers Pipeline. The Board directed legal counsel to prepare letters to ACWWA as follows: 1) a letter notifying ACWWA that Cottonwood would not reconsider its offer for a lease of the Chambers Pipeline and that Cottonwood does not see the benefit to Cottonwood of the no-cost lease to ACWWA; 2) a letter to ACWWA asking ACWWA to recognize that Cottonwood may sell a 1.5 or 2-inch sewer tap for the Crown Point Children's Learning Center with Cottonwood depositing 100% of ACWWA's wastewater tap fees with ACWWA; 3) a letter requesting that ACWWA begin the capacity analysis that they have indicated would be required regarding sanitary service to Vantage Point; 4) a letter regarding the status of the draft wastewater treatment agreement and a request to schedule the two-on-two Board member meeting as soon as possible.

ADJOURNMENT There being no further business to come before the Board and upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for Thursday, November 15, 2012 at 6:30 p.m.

Date: 11/15/2012

READ AND APPROVED BY THE BOARD:



Adam Perez, Secretary

RECORD OF PROCEEDINGS

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

HELD: November 15, 2012 at 6:30 pm.

at

8334 Sandreed Circle

Parker, CO 80112

ATTENDEES Directors present: Alyssa Kasaris, Scott Lamond, Adam Perez, Susan Romani, and Steve Wasiecko. Others present: Pat Mulhern, Laurie Tatlock, Luis Tovar, Mulhern MRE, Inc.; Steve Christensen, Inverness Properties, LLC; Tim Beaton and Carolyn Steffl, Moses, Wittemyer, Harrison and Woodruff, P.C.

CONFLICT 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.

AGENDA The Board reviewed the agenda. Tim Beaton suggested that the Board move the Executive Session and discussion regarding the draft Wastewater Agreement with ACWWA and the Executive Session and discussion regarding a developer's request for service from the District to follow consideration of the Consent Agenda. Upon motion made by Director Romani, seconded by Director Kasaris and, upon vote, unanimously carried, the revised agenda was adopted.

CONSENT AGENDA The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from October 18, 2012 and continued to October 22, 2012, approval of checks numbered 17414 through 17442, ratification of the Board member payments on October 23, 2012, ratification of the \$34.62 payment to Xcel Energy on October 19, 2012, and authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated November 12, 2012. Director Lamond asked for a correction in the October 18, 2012 minutes citing that the Board continue to communicate and work with the *Town of Parker* and other Special Districts impacted by the Urban Renewal Plan. The Board noted that no ACWWA invoice for the JWPP was listed in the payables. Staff advised that no invoice had been received as of today's mail, and that staff would inquire with ACWWA regarding the status of this invoice. Subject to correction of the citation in the October 18, 2012 minutes, upon motion made by Director Kasaris, seconded by Director Perez and, upon vote, unanimously carried, the consent agenda was approved.

The Board requested that staff complete next month's disconnection procedures by December 13, 2012.

BUSINESS

Director Wasiecko briefed the other Board members on the meeting that he and Director Lamond had with ACWWA Board members Hap Henderson and Geri Santos Rach. He reported that the meeting had been productive and considerable progress has been made and attorneys for both entities continue to work on the draft Wastewater Agreement.

**EXECUTIVE
SESSION**

Upon motion duly made, seconded and unanimously carried, the Board moved into an executive session pursuant to C.R.S. 26-4-402(4)(b), for the purposes of: a conference with an attorney for the District to receive legal advice on the JWPP, mediation, wastewater treatment, Chambers Pipeline, and possible litigation against Arapahoe County and/or the Arapahoe County Public Improvement District. The session was not recorded.

Upon motion duly made, seconded and unanimously carried, the Board concluded the Executive Session.

The Board considered a motion to approve the draft Wastewater Agreement that was sent to ACWWA on Thursday afternoon, September 15, 2012. Subject to the inclusion of the key concepts and points that the Board had previously approved, with minor modifications negotiated by staff and legal counsel, Director Wasiecko made a motion to approve the draft Wastewater Agreement with ACWWA, Director Romani seconded the motion, and upon vote, the motion was approved.

**EXECUTIVE
SESSION**

Upon motion duly made, seconded and unanimously carried, the Board moved into an executive session pursuant to C.R.S. 26-4-402(4)(b), for the purposes of: a conference with an attorney for the District to receive legal advice on the developer's request for service from the District.

Upon motion duly made, seconded and unanimously carried, the Board concluded the Executive Session.

The Board considered a motion to issue a "Will Serve Letter" for water service to the Vantage Point development with water supplies currently made available to the District. Upon motion made by Director Wasiecko, seconded by Director Kasaris and, upon vote, unanimously carried, the Board approved issuing the "Will Serve Letter" for the Vantage Point development, as described.

ACTION ITEMS The Board considered authorization to engage the services of Wagner Barnes, PC to complete the 2012 audit for a fee of \$6,200. Upon motion duly made, seconded and unanimously carried, the Board authorized retaining Wagner Barnes, PC to complete the 2012 audit.

BUSINESS Pat Mulhern explained that the District had received a petition to exclude approximately 16 acres of land on the south side of E-470 adjacent to Chambers Road because of the difficulties and cost of providing infrastructure. The Board directed staff to investigate this possible exclusion which will require ACWWA approval.

REPORTS Manager's Report – Pat Mulhern reviewed the November 2012 Manager's report with the Board.

Financial Report – Steve Christensen review the financial statements for the period ending October 31, 2012 with the Board No Board action was required. The Board will hold a special meeting for December's business, the WISE workshop, and the 2013 Budget Hearing on Thursday, December 6, 2012.

Legal Report – Tim Beaton and Carolyn Steffl reviewed the November legal report with the Board.

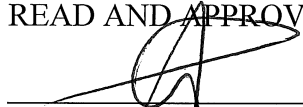
PUBLIC COMMENT None.

DIRECTOR'S ITEMS None.

ADJOURNMENT There being no further business to come before the Board and upon motion duly made, seconded and unanimously carried the meeting was adjourned. A special meeting is scheduled for December 6, 2012 at 7:00 p.m. to be held at 8334 Sandreed Circle, Parker, CO. The regular meeting that would have been held on December 20, 2012 is cancelled.

Date: 12/6/2012

READ AND APPROVED BY THE BOARD:



Adam Perez, Secretary

RECORD OF PROCEEDINGS

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

SPECIAL MEETING HELD: November 26, 2012 at 4:30 pm.
Via telephone conference at
2 Inverness Drive East, #200
Englewood, CO 80112

ATTENDEES Directors present: Alyssa Kasaris, Susan Romani, and Steve Wasiecko. Others present: Pat Mulhern, Laurie Tatlock, Mulhern MRE, Inc.; and Carolyn Steffl, Moses, Wittemyer, Harrison and Woodruff, P.C. The Board noted that a quorum was present and upon motion duly made, seconded and unanimously carried, the Board excused the absences of Director Scott Lamond and Director Adam Perez

CONFLICT 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.

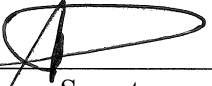
AGENDA The Board reviewed the agenda. Upon motion made by Director Romani, seconded by Director Kasaris and, upon vote, unanimously carried, the agenda was adopted.

BUSINESS Carolyn Steffl briefed the Board on the status of the Chambers pipeline lease with ACWWA. The Board discussed the proposed terms in the draft lease and Ms. Steffl reviewed some recommended revisions. Subject to the drafting corrections noted by Ms. Steffl, upon motion duly made, seconded and upon vote, unanimously carried, the lease was approved.

The Board considered a motion to authorize a proposal from AQWATEC to complete a performance assessment to assess the efficiency of the AOP treatment for the removal of chemicals of emerging concern at the JWPP. Director Romani made a motion to authorize the expenditure of up to \$8,000 for AQWATEC to complete the assessment and prepare a technical memorandum that discusses and summarizes the results. Director Kasaris seconded the motion, and upon vote, the motion was unanimously approved.

ADJOURNMENT There being no further business to come before the Board and upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next special meeting is scheduled for December 6, 2012 at 7:00 p.m. at 8334 Sandreed Circle, Parker, CO 80134.

Date: 12/6/2012
READ AND APPROVED BY THE BOARD:



Adam Perez, Secretary

RECORD OF PROCEEDINGS

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

December 6, 2012
at 7:00 p.m. at 8334 Sandreed Circle, Parker, Colorado

ATTENDEES Directors present: Alyssa Kasaris, Scott Lamond, Adam Perez, Susan Romani, and Steve Wasiecko. Others present: Pat Mulhern, Luis Tovar, Steve Christensen, and Laurie Tatlock, Mulhern MRE, Inc; Tim Beaton, Moses, Wittemyer, Harrison, and Woodruff, P.C.

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 Director Kasaris asked that the Board consider the Consent Agenda as one agenda item and the Action Items as a second agenda item along with the business updates and reports before the Budget Hearing and Wise presentation. Upon motion duly made, seconded and unanimously carried, the amended agenda was adopted.

CONSENT AGENDA The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from the regular meeting held November 15, 2012 and the special meeting held on November 26, 2012, approval of check numbered 17443, authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated November 3, 2012, setting the regular monthly meeting dates and times for 2013 as the third Thursday of each month at 6:30 pm, and designating the official posting locations at 8334 Sandreed Circle, Well D-2 at 8766 Wildrye Circle, and Well DD-4 at 17270 Cottonwood Drive. Upon motion duly made, seconded and unanimously carried the Consent Agenda was approved.

ACTION ITEMS

The following Action Items were considered for approval:

1. 2013 Management Contract with Mulhern MRE, Inc.
2. 2013 Operations Contract with the Inverness Water and Sanitation District.

3. 2013 Landscape Contract with Mangus Enterprises.
4. 2012-2013 Snow Removal Contract with Mangus Enterprises.
5. 2013 Emergency Repairs contract with C&L Water Solutions.

Upon motion duly made, seconded and unanimously carried, the board approved the action item contracts listed above.

BUSINESS

Pat Mulhern updated the Board on the status of the JWPP study that the Colorado School of Mines had been authorized to complete and on the status of the ACWWA Wastewater Agreement.

REPORTS.

Manager's Report: Pat Mulhern reviewed the December Manager's report with the Board.

Legal Report: Tim Beaton reviewed December legal counsel report with the Board. Director Kasaris requested that if ACWWA does not finalize the wastewater treatment agreement in the near future, the District's attorneys need to pursue further action regarding the JWPP mediation.

BUDGET HEARING

The Board convened a public hearing to consider and approve the 2013 Budget and Appropriations Resolution. No members of the public were present. The public hearing was closed. The Board reviewed the proposed 2013 Budget. Noting that there will be minor modifications when final assessment numbers are certified by Douglas County, and subject to the revisions recommended by staff, upon motion duly made, seconded and unanimously carried, the Board approved the 2013 Budget and Appropriations Resolution, the 2013 Resolution Levying General Property Taxes, and authorized district management to certify the budget and a mill levy of 27 mills.

WISE PRESENTATION

Pat Mulhern reviewed with the Board a presentation of the WISE water supply program.

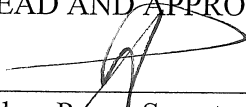
DIRECTOR ITEMS

None.

ADJOURNMENT Upon motion duly made, seconded and unanimously carried the meeting was continued to a telephone conference that will be held Monday, December 10, at 7:00 pm at 2 Inverness Drive East, Suite 200 Englewood, CO 80112. A special meeting will be held on Friday, December 14, 2012 at the Chinook Tavern, 6380 South Fiddler's Green Circle, Greenwood Village, CO beginning at 6:00 pm. The next regular meeting scheduled for January 17, 2013, beginning at 6:30 p.m.

Date: 1/17/2013

READ AND APPROVED BY THE BOARD:



Adam Perez, Secretary

RECORD OF PROCEEDINGS

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

Continued From: December 6, 2012

To: December 10, 2012

at 7:00 p.m. via telephone conference at
2 Inverness Drive East, #200 Englewood, Colorado

ATTENDEES Directors present: Alyssa Kasaris, Scott Lamond, Adam Perez, Susan Romani, and Steve Wasiecko. Others present: Pat Mulhern, Steve Christensen, Luis Tovar, and Laurie Tatlock, Mulhern MRE, Inc; Carolyn Steffl, Moses, Wittemyer, Harrison, and Woodruff, P.C.

RECONVENE Upon motion duly made, seconded and unanimously carried, the Board reconvened the meeting continued from December 6, 2012.

**WASTEWATER
TREATMENT
AGREEMENT**

Carolyn Steffl outlined the revisions in the most recent ACWWA proposed Wastewater Treatment Agreement. Steve Wasiecko and Scott Lamond reported on the *2 on 2* board member meeting held earlier in the day with the ACWWA board members. The Agreement is scheduled to be considered at the ACWWA board meeting on Wednesday, December 12, 2012. The Board discussed the terms of the proposed Wastewater Treatment Agreement and ACWWA's provision for a "Return on Investment." The Board requested that Pat Mulhern and Steve Christensen provide input on the capital investment figure that is used in the Agreement. The Board approved the daily flow rate that was proposed and requested that service to the Vantage Point development be part of the final Agreement.

Carolyn Steffl briefed the Board on the meeting held with ACWWA and the Water Quality Control Division of the CDPHE regarding settlement of civil penalties against ACWWA for a notice of violation for the JWPP issued after the initial start-up of the JWPP.


**DIRECTOR
ITEMS**

None.

ADJOURNMENT Upon motion duly made, seconded and unanimously carried the meeting was adjourned. A special meeting will be held on Friday, December 14, 2012 at the Chinook Tavern, 6380 South Fiddler's Green Circle, Greenwood Village, CO beginning at 6:00 pm. The next regular meeting scheduled for January 17, 2013, beginning at 6:30 p.m.

Date: 1/17/2013

READ AND APPROVED BY THE BOARD:



Adam Perez, Secretary

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

HELD: December 14, 2012 at 6:00 pm.
at Chinook Tavern, 6380 South Fiddler's Green Circle
Greenwood Village, CO

ATTENDEES Directors present: Alyssa Kasaris, Scott Lamond, Adam Perez, Susan Romani, and Steve Wasiecko. Others present: Pat Mulhern, Laurie Tatlock, Luis Tovar, Mulhern MRE, Inc.; Steve Christensen, Inverness Properties, LLC; Charles Norton, Norton, Smith & Keane, P.C. Public present, Margaret Mulhern, Kristi Tovar, Lisa Wasiecko, and Lisa McCallister.

CONFLICT 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.

AGENDA The Board reviewed the agenda. Upon motion made, seconded and, upon vote, unanimously carried, the agenda was adopted.

PAYABLES The Board considered approval of checks numbered 17443 through 17474 and ratification of the \$68.13 payment to Xcel Energy on November 20, 2012. Upon motion made, seconded and, upon vote, unanimously carried, the payments were approved.

BUSINESS The Board was presented with the Wastewater Treatment Agreement with Arapahoe County Water and Wastewater Authority. Following Board discussion, upon motion duly made, seconded, and unanimously carried, the agreement was approved and signed.

The Board discussed the importance of resuming use of the AOP at the JWPP, and then working to resolve payment issues regarding the microfiltration project. The Board directed Mr. Norton to continue to work to resolve these issues with ACWWA

ADJOURNMENT There being no further business to come before the Board and upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting of the Board is scheduled for January 17, 2013 at 8334 Sandreed Circle, Parker, Colorado.

Date: 1/17/2013
READ AND APPROVED BY THE BOARD:



Adam Perez, Secretary