

RECORD OF PROCEEDINGS

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

January 15, 2015

at 6:30 p.m. at 8334 Sandreed Circle, Parker, CO 80134

**ATTENDEES** Directors present: Alyssa Kasaris, Susan Romani, Adam Perez, and Steve Wasiecko. Others present: Pat Mulhern, Luis Tovar, Steve Christensen and Kelly Conover, Mulhern MRE, Inc.; Carolyn Steffl, Moses, Wittemyer, Harrison, and Woodruff, P.C.; Melanie Goetz, Hughes & Stuart; Public Present: Bill Thomas, Cottonwood Resident at 17565 Ponderosa Avenue.

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

**THE AGENDA** The Board considered the proposed agenda. Upon motion duly made, 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 the regular meeting held December 18, 2014, approval of checks numbered 18356 through 18385, authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated January 12, 2015, and designation of the 3 posting locations and meeting dates for 2015. Upon motion duly made, seconded and upon vote, unanimously carried, the Consent Agenda was approved.

**DIRECTOR ITEMS** There were no Director Items.

**PUBLIC COMMENT** Mr. Bill Thomas noted that he was present to observe the proceedings.

**ACTION ITEMS** Luis Tovar reviewed the item listed on the Action Items list provided in the Board packet regarding repairs to the soft start at Well D1 completed by Cross-Diamond for \$3,400.

Following Board discussion, upon motion duly made by Director Kasaris, seconded by Director Wasiecko and upon vote unanimously carried, the Board ratified the expenditure.

**REPORTS**  
**Manager's Report** – Pat Mulhern reviewed the items contained in the January Manager's report. Pat reviewed his recent meeting with the

Colorado Department of Public Health & Environment regarding regulatory relief. Gabe Racz is keeping the process moving forward. The IREA agreement should be signed by the end of the week. Staff will coordinate Board signatures once we have it. As part of the Parker Water case settlement, a study is required to evaluate the effects of downstream users. We hope to have a scope of work to present at the next meeting. The WISE Connection bid documents have been provided to C&L Water Solutions in the hopes of better pricing. Development in Cottonwood continues with a proposed skilled nursing center, a residential duplex project and single family homes. The Catalina site currently has interest from another developer. Pat also informed the Board that Commissioner Bockenfeld vacated his ACWWA Board seat.

Luis Tovar reviewed District Operations related to Well D3 and the Snowberry flume. Directors Wasiecko and Kasaris asked that staff keep ACWWA informed of the District activities related to the flume. There was Board discussion related to recovering any overpayments in sewage charges that may have occurred. Luis indicated that he is still working through issues with the flume to verify readings. No Board action required.

**Financial Report** – Steve Christensen reviewed the financial report provided in the Board packet. No Board action was required.

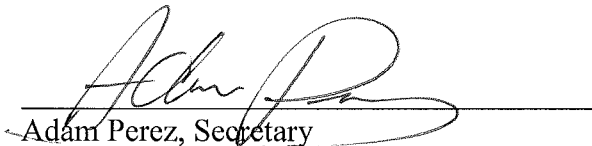
**Legal Report** – Carolyn Steffl updated the Board on the Consent to Assignment of License to East Cherry Creek Valley. This Consent accepts ECCV's assignment of all rights to Denver Water and the South Metro WISE Authority related to the pipeline use. Upon motion duly made by Director Romani, seconded by Director Wasiecko and upon vote, unanimously carried, the Board approved the Consent.

Carolyn also informed the Board of Tim Beaton's intent to retire in March 2015.

**ADJOURNMENT** Upon motion duly made, seconded and unanimously carried, the meeting was adjourned. The next regular meeting is scheduled for February 19, 2015, beginning at 6:30 p.m. to be held at 8334 Sandreed Circle, Parker, CO 80134.

Date: 2/19/15

READ AND APPROVED BY THE BOARD:

  
Adam Perez, Secretary

RECORD OF PROCEEDINGS

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

February 19, 2015

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

**ATTENDEES** Directors present: Alyssa Kasaris, Susan Romani, Adam Perez, and Steve Wasiecko. Others present: Pat Mulhern, Luis Tovar, Steve Christensen and Kelly Conover, Mulhern MRE, Inc.; Alison Gorsevski, Moses, Wittemyer, Harrison, and Woodruff, P.C.  
Public Present: Cottonwood Residents; William Thomas; 17565 Ponderosa Avenue and John Wright, 8465 Sandreed Circle.

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

**THE AGENDA** The Board considered the proposed agenda. Upon motion duly made, 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 the regular meeting held January 15, 2015; approval of checks numbered 18386 through 18425 listed on the check register with the exception of checks 18396 and 18409 that were pulled for further review; ratification of the auto bill payment to Xcel Energy in the amount of \$107.79 on January 27, 2015, and authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated February 12, 2015. Upon motion duly made by Director Perez, seconded by Director Romani and upon vote, unanimously carried, the Consent Agenda was approved.

**DIRECTOR ITEMS**  
None.

**PUBLIC COMMENT**  
Mr. Wright and Mr. Thomas introduced themselves.

**NEW BOARD MEMBER CONSIDERATION**  
Pat Mulhern informed the Board that Mr. Thomas submitted a letter of interest and resume for the vacant board position. Recently, Mr. Wright also verbally expressed an interest in the vacant position.

Director Wasiecko requested that a formal application be prepared and provided to Mr. Wright and Mr. Thomas for submittal. Pat Mulhern will prepare a draft and distribute for comments. Board action on this matter is postponed until the March meeting.

## ACTION ITEMS

Pat Mulhern reviewed the action items listed in the board packet for GIS District Mapping, WISE Connection Design, Compark Development Planning, Well D3 Equipment, Snowberry Flume, and JWPP Batch Operations. Luis Tovar noted that the cost presented for Well D3 is \$196,301 to include the cost of a VFD to replace the soft start.

Upon motion duly made by Director Wasiecko, seconded by Director Romani and upon vote, unanimously carried, the Board approved the above mentioned items and expenditures.

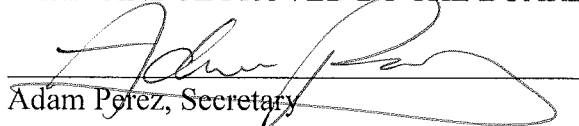
## REPORTS

**Manager's Report** – Pat Mulhern briefly reviewed the items contained in the February Manager's report. It was noted that the Manager's Report was missing a page. Staff will provide the full report via email on Friday. No Board action required.

**Legal Report** – Alison Gorsevski introduced herself to the Board. Alison asked if the Board had any questions regarding the legal report. She noted that the Parker Water case was recently settled out of court. A draft IGA is being prepared regarding the settlement stipulation and it should be available for review with comments from other parties at the next meeting. She also reviewed progress on the 08CW028 Augmentation Plan. Alison and Pat also discussed with the Board, the ruling in the Sedalia case regarding requanification of consumptive use water rights.

**ADJOURNMENT** Upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next meeting is scheduled for March 2, 2015, beginning at 5:00p.m. to be held at 8051 S. Jordan Road, Centennial, CO 80111.

Date: March 24, 2015  
READ AND APPROVED BY THE BOARD

  
Adam Perez, Secretary

RECORD OF PROCEEDINGS

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

March 2, 2015

at 5:00 p.m. at 8051 South Jordan Road,  
Centennial, CO 80111 (Joint Water Purification Plant)

**ATTENDEES**

Alyssa Kasaris, Cottonwood Water  
Susan Romani, Cottonwood Water  
Steve Wasiecko, Cottonwood Water  
Geri Santos-Rach, ACWWA  
Brad Cromer, ACWWA  
Doyle Tinkey, ACWWA  
Nancy Doty, ACWWA  
Mikkel Anderson, ACWWA  
Nancy Sharpe, ACWWA  
Phyllis Thomas, ACWWA  
Pat Mulhern, Mulhern MRE  
Randy Warren, Mulhern MRE  
Luis Tovar, Mulhern MRE  
Laurie Tatlock, Mulhern MRE  
Kelly Conover, Mulhern MRE  
Steve Witter, ACWWA  
Katie Spahr, ACWWA  
Alan Leak, ACWWA – RESPEC  
Patty Pratt, ACWWA  
Arnie Reil, ACWWA  
Maria Gomez, ACWWA  
Gabe Racz, Vranesh and Raisch  
Suzanne Pargee, GEI Consultants  
Steve Canton, GEI Consultants  
Mark Palumbo, HRS Water  
Jim Rouse, Acuity Environmental Solutions  
Cadee Oakleaf, RETTEW  
Mark Beebe, Hach Mott MacDonald  
Bill Veydovec, Hach Mott MacDonald

**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.

**INTRODUCTIONS** Alyssa Kasaris, Cottonwood Water Board President and Doyle Tinkey, ACWWA Board President, introduced their respective Board members and thanked all for their attendance.

**PURPOSE AND OBJECTIVES**

Mr. Witter and Mr. Mulhern addressed the Boards regarding the purpose and objectives of the meeting. The intent is to provide both boards with information from the consultants who have been researching means to eliminate and/or reduce the Selenium discharge from the JWPP as well as

other alternatives including attaining specific stream standards from the Colorado Department of Public Health and Environment regarding Selenium limits.


**CONSULTANT PRESENTATIONS OF  
WORK PRODUCT**

Each consultant provided a brief presentation on their work related to regulatory revisions (GEI Consultants), blended treatment (Hach Mott MacDonald), selenium treatment (RETTEW), well relocations (HRS Water Consultants), and wetland/bioreactors (GEI Consultants). Questions from the Board Members were addressed by each consultant.

**SUMMARY/NEXT STEPS**

Pat Mulhern briefly summarized the consultants' efforts. The overall goal is to continue to investigate alternatives to find an option under which the plant operations can be enhanced to improve water quality and meet all discharge standards. These consultants will continue their efforts in that regard and reports will be forthcoming.

**ADJOURNMENT** Upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for March 19, 2015, beginning at 6:30p.m. to be held at 8334 Sandreed Circle, Parker, CO, 80134

Date: March 24, 2015  
READ AND APPROVED BY THE BOARD:  
  
Adam Perez, Secretary

RECORD OF PROCEEDINGS

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

March 24, 2015

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

**ATTENDEES** Directors present: Alyssa Kasaris, Susan Romani, Adam Perez, and Steve Wasiecko. Others present: Pat Mulhern, Luis Tovar, Steve Christensen and Kelly Conover, Mulhern MRE, Inc.; Timothy Beaton, Moses, Wittemyer, Harrison, and Woodruff, P.C.; Kathleen Fisher, Hughes & Stuart

Public Present: Cottonwood Resident William Thomas; 17565 Ponderosa Avenue.

**CONFLICT of  
INTEREST**

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

**THE AGENDA**

The Board considered the proposed agenda. Director Kasaris requested that Kathleen Fisher with Hughes & Stuart provide an update for the Board following the consent agenda. 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 February 19 and the special meeting held March 2, 2015, approval of checks numbered 18409 and 18426 through 18467 listed on the revised check register, the auto bill payment to Xcel Energy in the amount of \$87.01 on February 24, 2015, authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated March 12, 2015 and ratification of the Director payments for February 23 and 27, 2015. Upon motion duly made by Director Romani, seconded by Director Perez and upon vote, unanimously carried, the Consent Agenda was approved.

**HUGHES & STUART**

Kathleen Fisher provided a website analytics report along with proposed revisions to the website. Director Kasaris noted that she likes the kids' page on the website. Kathleen proposed introducing coupons for area car washes, and allocating time from their monthly budget for staff to pursue this. Following Board discussion, staff was directed to pursue the car wash coupons. Director Wasiecko emphasized the need to make water conservation the District's clear purpose of providing the coupons.

**DIRECTOR ITEMS**

Director Wasiecko wanted to revisit the District's ability to provide trash service. Tim Beaton reviewed memos regarding the District's options. Tim will research and address Director Wasiecko's questions regarding

feasibility and how this could be done in concert with the Cottonwood Metropolitan District.

Director Wasiecko also suggested that board packets be scanned and emailed with hard copies at the meeting. Following discussion, the Board directed staff to provide future board packets via email.

#### **PUBLIC COMMENT**

Directors Kasaris and Wasiecko discussed scheduling an interview with Bill Thomas for the vacant board position. Director Kasaris will provide her schedule to staff for distribution and scheduling.

Mr. Thomas requested that other companies besides Waste Management be considered if trash service is possible. Director Wasiecko clarified that the District would distribute a Request For Proposal as required by statute.

#### **CONSIDER CONSULTANT AGREEMENT WITH MPV COMPARK**

Pat Mulhern reviewed the agreement provided by Michael Vickers related to a consultant fee for facilitating the sale of District property to IREA. The amount of \$50,000 would only be paid to MPV Compark Management, LLC upon closing of the property as a consultant fee for facilitating this purchase. This fee equates to about 2.5% of the sale price of the property, which staff indicated was well within typical costs paid related to sale of a property. Upon motion duly made by Director Perez, seconded by Director Romani, and upon vote unanimously carried, the Board approved the Consultant Agreement.

#### **CONSIDER IGA FOR TEMPORARY EMERGENCY CONNECT WITH STONEGATE VILLAGE METRO DISTRICT**

Pat Mulhern reviewed the agreement between the District and Stonegate Village Metropolitan District providing emergency water service to the Compark Development for fire flow and other emergency purposes. The fee for use is \$7.50 per 1,000 gallons which would only be charged if the connection is utilized. The Stonegate Board approved the agreement at their meeting on March 18th. Following Board discussion and upon motion duly made by Director Romani, seconded by Director Perez, and upon vote, unanimously carried, the Board approved the agreement.

#### **RESOLUTION FOR WISE INFRASTRUCTURE COSTS**

Pat Mulhern reviewed the increased costs related to the WISE Design/Build project. A revised manager's report was distributed to provide corrected costs related to the District's participation. The additional costs are \$129,899 which is about 3.5% of the total estimated project costs. Upon motion duly made by Director Wasiecko, seconded by Director Romani, and upon vote, unanimously carried, the Board approved the additional costs for the WISE Design/Build modifications.

#### **UPDATE ON COMPARK INFRASTRUCTURE AGREEMENT**

Pat Mulhern reviewed staff progress related to financial and engineering requirements to provide service to the 2 projects within the Compark development. The tap fees collected from the development will be reinvested to build infrastructure. No board action necessary.



## ACTION ITEMS

Pat Mulhern and Luis Tovar reviewed the action items listed in the board packet for the GEI Change Order, JWPP Batch Operations, Well House Ventilation Systems and the 30" Water Main Line Potholing.

Upon motion duly made by Director Romani, seconded by Director Perez and upon vote, unanimously carried, the Board approved the above mentioned items and expenditures. [Kelly: this should always include amounts of approvals for the action items]

## REPORTS

**Manager's Report** – Pat Mulhern briefly reviewed the items contained in the March Manager's report. Pat updated the Board on the Cherry Creek Basin Water Quality Authority's involvement in providing a prehearing statement to the Colorado Department of Public Health and Environment related to the ambient stream standards request regarding selenium. Luis Tovar, along with a GEI representative, attended their meeting last Thursday to discuss the District's testing and request for the change. Staff will continue to meet with the Authority to address their concerns. No Board action was required.

**Financial Report** – Steve Christensen reviewed the financial report provided in the packet. No Board action required.

**Legal Report** – Tim Beaton reviewed the legal report provided in the board packet. Revisions to the Bylaws is being reviewed by Carolyn Steffl for discussion with the Board in April or May. He also reviewed water court cases as listed in the legal report. Tim recommended that the District file a statement of opposition to East Cherry Creek Valley Water and Sanitation District's Lawn Irrigation Return Flow case. Upon motion duly made by Director Romani, seconded by Director Perez and upon vote, unanimously carried, the Board authorized legal counsel to enter a statement of opposition in the case.

Director Wasiecko expressed thanks and appreciation to Tim Beaton for the 25+ years of service to the District.

**ADJOURNMENT** Upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for April 16, 2015, beginning at 6:30p.m. to be held at 8334 Sandreed Circle, Parker, Co 80134

Date: 4/16/15

READ AND APPROVED BY THE BOARD:

  
Adam Perez, Secretary

RECORD OF PROCEEDINGS

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

April 16, 2015

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

**ATTENDEES**

Directors present: Susan Romani, Adam Perez, and Steve Wasiecko. Others present: Pat Mulhern, Luis Tovar, Steve Christensen and Kelly Conover, Mulhern MRE, Inc.; Carolyn Steffl, Moses, Wittemyer, Harrison, and Woodruff, P.C.; Melanie Goetz, Hughes & Stuart. Director Kasaris' absence was excused.

Public Present: Cottonwood Resident William Thomas; 17565 Ponderosa Avenue.

**CONFLICT of  
INTEREST**

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

**THE AGENDA**

The Board considered the proposed agenda. Upon motion duly made, 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 the regular meeting held March 24, 2015, approval of checks numbered 18468 through 18498 listed on the check register, the auto bill payment to Xcel Energy in the amount of \$96.21 on March 26, 2015, and authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated April 10, 2015. Upon motion duly made by Director Romani, seconded by Director Perez and upon vote, unanimously carried, the Consent Agenda was approved.

**DIRECTOR ITEMS**

Director Wasiecko presented suggested changes to the website to add informational links related to various area public service providers for District customers.

Director Wasiecko presented his research and thoughts on the trash collection proposal that he had compiled. Following Board discussion and suggestions, Director Wasiecko and staff will attend the Cottonwood Metropolitan District Board meeting scheduled for Wednesday April 22<sup>nd</sup> to solicit their involvement. The Board also suggested an informal meeting between the Boards to improve relations.

The Board was provided a copy of the revised Bylaws by Director Wasiecko. Director Wasiecko suggested that a timeline of annual statutory requirements be listed within the Bylaws (file budget, transparency, etc.) along with a formal procurement schedule related to discretionary spending and guidelines for bids.

## **PUBLIC COMMENT**

Director Wasiecko addressed questions from Bill Thomas regarding trash service to District customers.

## **CONSIDER BOARD MEMBER APPOINTMENT**

Pat Mulhern discussed with the Board the interest in the vacant Board position. As directed by the Board, Mr. Thomas and Mr. Parrot were interviewed by Director Wasiecko and Pat. Director Wasiecko reviewed the process and applicants' qualifications with the Board. Both applicants were well qualified and the recommendation was to appoint Bill Thomas. Upon motion duly made by Director Romani and seconded by Director Perez and upon vote, unanimously carried, the Board approved the recommendation.

Bill Thomas accepted the position and was administered the Oath of Office by Carolyn Steffl, legal counsel for the District.

## **UPDATE ON TRASH SERVICE**

This item discussed under Director's Items above.

## **UPDATE ON BYLAWS**

This item discussed under Director's Items above.

## **ACTION ITEMS**

Luis Tovar reviewed the action items listed in the Board packet for the Laser Flow Meter and the Water Tank Access Ladder.

Pat Mulhern reviewed 2 items not previously provided related to the recent developments of the Water Quality Control Division Prehearing on Selenium.

1. Mr. David Akers would act as a consultant to the District on matters related to the hearing and rebuttal statements with the CDPHE. Costs proposed on a time and materials basis not to exceed \$5,000.
2. Mr. Jim Rouse would like to perform 2 bench scale tests using a new technology that will pull selenate/selenite out of solution on the source water and reject water at \$2,300 each, not to exceed \$5,000.

Upon motion duly made by Director Romani, seconded by Director Perez and upon vote unanimously carried, the Board approved the above mentioned items and expenditures.

## **REPORTS**

**Manager's Report** – Pat Mulhern briefly reviewed the items contained in the April Manager's report related to the prehearing statement responses, the potential use of wetlands for Selenium removal, the Parker Water Case stipulation related to the scope of work and costs, the Compark development, ACWWA recent actions, JWPP Batch Operations and a proposed management review in June. No Board action required.

Pat also discussed renewal of Chambers Pipeline lease. The Board discussed options and tabled until the next meeting.

**Financial Report** – There was no financial report due to bi-monthly reporting.

**Legal Report** – Carolyn Steffl requested Board action regarding an easement vacation and dedication of new easements related to the King Soopers re-development. Upon motion duly made by Director Thomas, seconded by Director Romani, and upon vote, unanimously carried, the Board approved the easement vacation and dedication.


Melanie Goetz with Hughes & Stuart provided a brief update on the website and work related to the carwash coupons.

**ADJOURNMENT** Upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for May 21, 2015, beginning at 6:30p.m. to be held at 8334 Sandreed Circle, Parker, Co 80134

Date:

5/21/2015

READ AND APPROVED BY THE BOARD:

  
\_\_\_\_\_  
~~Adam Perez~~, Secretary

RECORD OF PROCEEDINGS

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

May 21, 2015

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

**ATTENDEES** Directors present: Alyssa Kasaris, Susan Romani, Bill Thomas, and Steve Wasiecko. Others present: Pat Mulhern, Luis Tovar, Steve Christensen and Kelly Conover, Mulhern MRE, Inc.; Carolyn Steffl and Andrea Kehrl, Moses, Wittemyer, Harrison, and Woodruff, P.C.; Melanie Goetz, Hughes & Stuart. Director Perez's absence was excused.

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

**THE AGENDA** The Board considered the proposed agenda. Pat Mulhern requested an additional item for discussion and consideration regarding a Quit Claim Deed for the Cottonwood Highlands Property. Upon motion duly made by Director Thomas, seconded by Director Romani and upon vote, unanimously carried, the agenda was revised and adopted.

**CONSENT AGENDA** The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from the regular meeting held April 16, 2015, approval of checks numbered 18499 through 18537 listed on the check register, the auto bill payment to Xcel Energy in the amount of \$64.37 on April 23, 2015, authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated May 18, 2015 and ratification of Director Payments on April 22, 2015. Upon motion duly made by Director Thomas, seconded by Director Romani and upon vote, unanimously carried, the Consent Agenda was approved.

**DIRECTOR ITEMS** Director Wasiecko provided a brief video related to the Prairie Waters Project for Aurora Water to be viewed at next month's meeting.

**PUBLIC COMMENT** There were no members of the public present.

**PUBLIC HEARING REGARDING INFRASTRUCTURE FEES**  
The Public Hearing was cancelled.

**CONSIDER INFRASTRUCTURE COST SHARING AGREEMENT** Pat Mulhern provided the Board with a brief review of the Cottonwood Highlands project and the cost sharing agreement. Each parcel would pay a percentage of infrastructure costs in each phase of development. Carolyn Steffl provided further detail of the agreement. Upon motion duly

made by Director Thomas, seconded by Director Wasiecko and upon vote, unanimously carried, the Board approved the agreement with the final form to be provided to Director Wasiecko for review and subject to approval by management and legal counsel.

#### **UPDATE ON TRASH PROPOSAL TO COTTONWOOD METROPOLITAN DISTRICT**

Director Wasiecko reviewed the meeting with the Cottonwood Metropolitan District. He felt that the Board was receptive to the idea and he circulated a draft Request for Proposal to them for review.

#### **UPDATE ON BYLAWS**

Carolyn Steffl provided a draft of the Bylaws in the Board packet. She asked that the Board review and provide comments with an approval proposed for the June meeting. Carolyn asked for clarification on Appendix 2 regarding deadlines. The Board discussed that the intent was to have statutory deadlines in this section, not related to contract items.

#### **CONSIDER AGREEMENT WITH THE CHERRY CREEK PROJECT WATER AUTHORITY REGARDING REUSABLE RETURN FLOW USE**

Carolyn Steffl reviewed the request of the CCPWA regarding their water court application to augment their water use rights. All members of the CCPWA are being asked to allow potential use of their reusable return flow for augmentation purposes. The agreement also stipulates that final approval would need to be provided by the District General Manager.

#### **CONSIDER EXTENSION OF THE CHAMBERS PIPELINE LEASE WITH ACWWA**

The Board discussed extension of the lease for a two year term under the same conditions as the current lease with a cost of \$10 per year. Upon motion duly made by Director Wasiecko, seconded by Director Romani and upon vote, unanimously carried, the Board approved the lease subject to non-substantive changes through negotiation of legal counsel.

#### **RATIFY AGREEMENT WITH ACWWA REGARDING USE OF WELL DD-1**

Pat Mulhern reviewed the terms of the agreement that was previously approved via email due to the immediate need. Upon motion by Director Wasiecko, duly seconded by Director Thomas and upon vote, unanimously carried, the Board ratified the agreement.

#### **UPDATE ON JWPP**

Pat Mulhern reviewed staff and consultants efforts related to the Water Quality Control Commission Hearing and the request to change the ambient stream standards. The Hearing is scheduled for Monday, June 8<sup>th</sup>. Pat also reviewed the consultant efforts related to researching methods of Selenium removal at the JWPP. We are waiting on operation costs of a new system called MAR that Acuity is researching.

#### **ACTION ITEMS**

Pat Mulhern reviewed the action items provided in the Board packet regarding Hatch Mott MacDonald's proposal for assistance with Uranium compliance, GEI's costs related to the Public Hearing and installation of security cameras at District facilities. Upon motion duly made by Director

Thomas, seconded by Director Romani and upon vote, unanimously carried, the Board approved and ratified the action items list.

## REPORTS

**Manager's Report** – Pat Mulhern reviewed the items contained in the May Manager's report. No Board action required.

**Financial Report** – Steve Christensen reviewed the financials provided in the Board packet. No Board action required.

**Legal Report** – Carolyn Steffl introduced a new attorney working with the firm, Andrea Kehrl. She will be available to assist with District matters. Carolyn provided an update on the Parker Water Case Stipulation. The deadline for an agreement has been extended until July 15, 2015. If an agreement cannot be reached, the District will have to go back to Water Court.

Melanie Goetz with Hughes & Stuart provided an update on the work related to the carwash coupons.

**ADJOURNMENT** Upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for June 18, 2015, beginning at 6:30p.m. to be held at 8334 Sandreed Circle, Parker, Co 80134

Date: 6/18/2015  
READ AND APPROVED BY THE BOARD:

  
\_\_\_\_\_  
Adam Perez, Secretary

RECORD OF PROCEEDINGS

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

June 18, 2015

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

**ATTENDEES** Directors present: Alyssa Kasaris, Bill Thomas, Adam Perez and Steve Wasiecko. Others present: Pat Mulhern, Luis Tovar, Steve Christensen and Laurie Tatlock, Mulhern MRE, Inc.; Carolyn Steffl, Moses, Wittemyer, Harrison, and Woodruff, P.C.; Melanie Goetz, Hughes & Stuart. Director Romani's absence was excused.

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

**THE AGENDA** The Board considered the proposed agenda. Upon motion duly made by Director Wasiecko, seconded by Director Thomas 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 the regular meeting held May 21, 2015, approval of checks numbered 18538 through 18572 listed on the revised check register provided at the meeting, the auto bill payment to Xcel Energy in the amount of \$58.00 on May 26, 2015, and authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated June 12, 2015. Upon motion duly made by Director Wasiecko, seconded by Director Thomas and upon vote, unanimously carried, the Consent Agenda was approved.

**DIRECTOR ITEMS** There were no Director Items.

**PUBLIC COMMENT** There were no members of the public present.

**UPDATE ON TRASH PROPOSAL TO COTTONWOOD METROPOLITAN DISTRICT** Pat Mulhern will contact Rick Nielsen with the Cottonwood Metropolitan District for a status on the proposal provided by Director Wasiecko. The Board asked staff to prepare a posting for the NextDoor Cottonwood blog if appropriate to promote the service.

**CONSIDER RESOLUTION TO APPROVE UPDATED BYLAWS** Carolyn Steffl provided a revised draft of the Bylaws in the Board packet and reviewed procurement policy. The Board discussed concerns regarding long term service contracts. The Board requested that for contracts over \$50,000 there be a pricing analysis every 3 years to check



the provider's costs versus current market pricing. The Board will consider a Resolution with the revised language at the next meeting.

#### **DISCUSSION ON SERVICE TO COMPARK SOUTH OF E-470**

Pat Mulhern discussed Mr. Vicker's request for service to this development which is not currently in any district but for which service was being pursued through Stonegate. Pat indicated that service to this area might be best provided in combination with ACWWA. The Board provided direction to continue to review potential service.

#### **UPDATE ON JWPP**

Pat Mulhern informed the Board that staff and consultants' efforts related to the Water Quality Control Commission Hearing on Monday, June 8<sup>th</sup> were successful in obtaining ambient stream standards. Pat has contacted CH2MHill for a proposal regarding removal of selenium through wetlands or a bioreactor. This could greatly assist in obtaining approval of a new discharge permit.

Pat also reviewed capital expenses to date related to the JWPP.

#### **ACTION ITEMS**

Pat Mulhern reviewed the action items provided in the Board packet. Upon motion duly made by Director Thomas, seconded by Director Wasiecko and upon vote, unanimously carried, the Board approved the action items including tree removal at the storage tank site and a feasibility study for improvement of SCADA communications.

#### **REPORTS**

**Manager's Report** – Pat Mulhern reviewed the items contained in the June Manager's report. The Board agreed with the staff recommendation to provide a \$20 credit to homeowners' water bill as an incentive to participate in the lead and copper testing required by the Colorado Department of Public Health and Environment.


Melanie Goetz with Hughes & Stuart provided an update on outreach efforts and social media.

**Legal Report** – Carolyn Steffl reviewed the legal report. No Board action was necessary.

**ADJOURNMENT** Upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for July 16, 2015, beginning at 6:30p.m. to be held at 8334 Sandreed Circle, Parker, Co 80134

Date: \_\_\_\_\_

READ AND APPROVED BY THE BOARD:

  
\_\_\_\_\_  
Adam Perez, Secretary

RECORD OF PROCEEDINGS

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

July 16, 2015

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

**ATTENDEES** Directors present: Susan Romani, Adam Perez, Bill Thomas, Alyssa Kasaris and Steve Wasiecko. Others present: Pat Mulhern, Luis Tovar, Steve Christensen and Kelly Conover, Mulhern MRE, Inc.; Carolyn Steffl, Moses, Wittemyer, Harrison, and Woodruff, P.C.; Melanie Goetz, Hughes & Stuart.

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

**THE AGENDA** The Board considered the proposed agenda. Pat Mulhern asked for Board consideration of a proposed sewer service agreement with the King Soopers to be discussed under action items. Upon motion duly made, seconded and unanimously carried, the agenda was adopted as amended.

**CONSENT AGENDA** The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from the regular meeting held June 18, 2015, approval of checks numbered 18573 through 18619 listed on the check register, the auto bill payment to Xcel Energy in the amount of \$46.11 on June 24, 2015, ratification of Director payments on June 22, 2015 and authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated July 13, 2015. Upon motion duly made by Director Wasiecko, seconded by Director Thomas and upon vote, unanimously carried, the Consent Agenda was approved.

**DIRECTOR ITEMS** Director Kasaris would like additional dates to be provided for the Board work session in August.

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

**UPDATE ON TRASH SERVICE** The Board discussed the ongoing progress at the Cottonwood Metro District regarding trash collection and recycling services. The Metro District will be circulating a survey to the District residents regarding their desire for the Metro District to provide these services.

**CONSIDER RESOLUTION TO APPROVE UPDATED BYLAWS** Carolyn Steffl reviewed the requested changes from the Board at the June 2015 meeting and provided a final draft for review. Upon motion duly made by Director Thomas, seconded by Director Romani, and upon vote unanimously carried, the Board approved the Resolution Adopting

Amended and Restated Bylaws for the Cottonwood Water and Sanitation District Board of Directors.

**CONSIDER 2014 AUDIT**

Steve Christensen reviewed the draft 2014 Audit. Staff had some minor revisions to provide to the Auditor. Following Board discussion and subject to minor staff revisions, upon motion duly made by Director Thomas, seconded by Director Romani, and upon vote unanimously carried, the Board accepted the 2014 Audit pending any clerical revisions as discussed.

**DISCUSSION OF LATE FEES**

Steve Christensen reviewed the District delinquent policy with the Board. Following Board discussion, staff was asked for additional information related to the frequency of delinquent accounts and the capability of imposing a late fee using the billing software.

**UPDATE ON JWPP**

Pat Mulhern provided an update to the Board on uranium exceeding the concentration limit in water from the JWPP. ACWWA has been diligent in handling improvements to the plant that are needed to reduce the concentration of uranium through treatment. This is considered a betterment to the plant under the Operating Agreement where the District will pay 36.7% of the betterment including testing, construction etc.

Pat estimates costs for the District's portion to be approximately \$30,000. Following Board discussion and upon motion duly made by Director Thomas, seconded by Director Perez and upon vote, unanimously carried, the Board approved expenses for improvements to treat for the removal of uranium at the JWPP with a maximum cost of \$30,000.

**ACTION ITEMS**

Pat Mulhern reviewed the Action Items provided in the Board packet related to the CH2M Hill proposal for a feasibility study for the removal of selenium at the JWPP, the extension of the lease of Well DD-1 to ACWWA, and the additional costs related to the stipulation in the Parker Water case 10CW316.

Pat reviewed the proposal provided to the Board from CH2M Hill regarding the use of wetlands, bioreactor or combination of the technologies, to remove selenium from the discharge brine at the JWPP. The contract amount is for \$67,404. This was proposed as a sole source contract under the District's policy because of the experience of Mr. Jim Bays who specializes in the removal of selenium through biologic systems. Upon motion duly made by Director Thomas, seconded by Director Wasiecko, and upon vote unanimously carried, the Board approved the proposal from CH2M Hill in the amount of \$67,404.

Upon motion by Director Wasiecko, seconded by Director Thomas and upon vote, unanimously approved, the Board extended the Well DD-1 lease to ACWWA for an additional 90 days.

Pat reviewed the scope of work accepted by the engineers, managers and attorneys related to the Stipulation from the Parker Water Case 10CW316. The direct cost to the District is 10% of the total scope to include services for Project Management. There will be additional costs to the District as members of the Upper Cherry Creek Water Association and the Cherry Creek Project Water Authority. Following Board discussion and upon motion duly made by Director Wasiecko, seconded by Director Perez, and upon vote unanimously carried, the Board approved the expense in the amount of \$28,544 pending finalization of the IGA.

Pat reviewed his recent discussions with the developer/engineer of the King Soopers redevelopment regarding placement of a sewer line under a water quality pond. Because of the location under the pond, an agreement has been drafted by Carolyn's office that releases the District from any responsibility related to approving the plan. Upon motion duly made by Director Thomas, seconded by Director Perez and upon vote, unanimously carried, the Board approved the agreement presented.

Luis Tovar requested purchasing 2 hydrant meters for District construction projects. Upon motion duly made by Director Thomas, seconded by Director Wasiecko, and upon vote unanimously carried, the Board approved the expense of \$6,200 for purchase of additional hydrant meters.

## REPORTS

**Manager's Report** – Pat Mulhern briefly reviewed the items contained in the July Manager's report related to the recent "Will Serve" letter for the Vantage Point property.

Melanie Goetz provided an update on the website traffic. She also provided some information on CoWARN, a network of utilities helping utilities. Carolyn Steffl will review the participation contract and provide feedback for discussion at the next meeting.

**Financial Report** – Steve Christensen reviewed the District's financial report. There was no Board action necessary.

**Legal Report** – Carolyn Steffl indicated there was no items in the legal report that required further explanation unless the Board had questions.

**ADJOURNMENT** Upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for August 20, 2015, beginning at 6:30p.m. to be held at 8334 Sandreed Circle, Parker, Co 80134

Date: 8/18/15  
READ AND APPROVED BY THE BOARD:

~~Adam Perez, Secretary~~ Steve Wasiecko, Vice Pres.

RECORD OF PROCEEDINGS

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

August 20, 2015

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

**ATTENDEES** Directors present: Susan Romani, Bill Thomas, Alyssa Kasaris and Steve Wasiecko. Others present: Pat Mulhern, Luis Tovar, Steve Christensen and Kelly Conover, Mulhern MRE, Inc.; Alison Gorsevski, Moses, Wittemyer, Harrison, and Woodruff, P.C.; Melanie Goetz, Hughes & Stuart. Upon motion duly made, Director Perez' absence was excused.

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

**THE AGENDA** The Board considered the proposed agenda. Director Kasaris asked that following the Director's Items, that there be a discussion of the Management Review. Upon motion duly made, seconded and unanimously carried, the agenda was adopted as amended.

**CONSENT AGENDA** The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from the regular meeting held July 16, 2015, authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated August 17, 2015, approval of checks numbered 18620 through 18662 listed on the check register, and ratification of the auto bill payment to Xcel Energy in the amount of \$36.83 on July 24, 2015. Upon motion duly made by Director Wasiecko, seconded by Director Romani and upon vote, unanimously carried, the Consent Agenda was approved.

**DIRECTOR ITEMS** Director Kasaris commented that she liked receiving the Board Packet for review via email. In the future, Director Kasaris would like staff to provide a history on projects and approvals to be updated for each meeting as a living document.

Director Wasiecko reviewed the spreadsheet provided at the meeting related to the Management Review. He asked that staff and the Board members review the form to see if there are any changes needed. Following Board discussion, the Board will provide comments and changes to staff by September 25<sup>th</sup>. Staff will compile changes and circulate for consideration.

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

## **CONSIDER WATER LINE RELOCATION AGREEMENT WITH COMPARK LAND COMPANY**

Pat Mulhern reviewed the request for the vacation and re-dedication of easements related to water lines for the Compark Village Filing No. 7. Following Board discussion, upon motion duly made by Director Wasiecko, seconded by Director Thomas and upon vote unanimously carried, the Board approved the agreement pending legal counsel's review and approval of the final documents.

## **CONSIDER RESOLUTION VACATING EASEMENTS FOR COMPARK LAND COMPANY**

Upon motion duly made by Director Wasiecko, seconded by Director Thomas, and upon vote unanimously carried, the Board approved the Resolution Approving Vacation of Easement and Dedication of New Easements related to Compark Village Filing No. 7.

## **CONSIDER IGA REGARDING STUDY OF THE UPPER CHERRY CREEK ALLUVIAL AQUIFER**

Pat Mulhern provided a brief history of the agreement as a result of the stipulation in the Parker Water Case 10CW316. Alison Gorsevski also commented that there will be a second agreement detailing the costs for each participant at a later date. Upon motion duly made by Director Wasiecko, seconded by Director Thomas and upon vote unanimously carried, the Board approved the agreement.

Director Wasiecko also presented a motion to approve the member participation payment agreement noted by Ms. Gorsevski. The motion was seconded by Director Thomas, and upon vote, unanimously carried, pending legal counsel review and approval of the final document.

## **DISCUSSION OF LATE FEE POLICY**

Pat Mulhern reviewed estimated staff costs related to the monthly delinquent notices and collection process for the District. Staff and the Board discussed imposition of a late fee in the amount of 3%. The late fee along with a service fee review for water and sewer, construction water fees, and a development reimbursement fee will be considered during a public hearing at a special meeting scheduled for October 1, 2015.

## **JWPP UPDATE**

Pat Mulhern and Luis Tovar met with Jim Bays with CH2M Hill and his team today to review possible sites for use in the Feasibility Study for wetland or bioreactor treatment.

Pat suggested scheduling a joint board meeting with ACWWA in late October or early November with results from this and other studies.

## **UPDATE ON TRASH SERVICE**

Pat Mulhern provided a survey drafted by Director Wasiecko to the Cottonwood Metro District Board President. They continue the process of generating a survey to circulate to residents on trash services. The Metro District is also including other items for consideration in the survey.

## ACTION ITEMS

Pat Mulhern reviewed the Action Items provided in the Board packet related to the following:

1. **GEI Consultants** – GEI has prepared a proposal for continued and additional water sampling, fish tissue sampling, data analysis and compilation and technical support for meetings related to Selenium at the JWPP. The proposal is for \$102,300. Pat recommended that the Board consider approval of Tasks 1 & 3 and a portion of Task 2 in the amount of **\$18,075** further review and modification of the consultant's scope of work.
2. **Badger Underground, LLC** – Due to construction in the Crown Point area and the timeline of the development involved, staff requested assistance from Badger Underground related to location of the 30" water line in Crown Point. Staff recommends ratification of costs of **\$8,000** for their services.
3. **Applied Ingenuity** – Well D-11 – With the recent failure of this well, we requested a proposal from Applied Ingenuity to help investigate the cause of the failure. Staff recommends approval of Applied Ingenuity's proposal to pull and video the well at a cost of **\$7,500**.
4. **Browns Hill** – Well DD-1 – Browns Hill will replace an electrical component for the well with a cost not-to-exceed **\$2,000**. Staff recommends approval of this repair.
5. **Snowberry Flume** – A rental meter will be used to verify accuracy of the new flume installed earlier this week. The cost of the rental meter is **\$1,450**. Staff requests ratification of this expense.

Luis Tovar requested that the Board consider an additional item related to the 30" water line in Crown Point. **C&L Water Solutions** will back fill the pot holing done by Badger Underground to locate the line. This service will be completed for **\$6,100**.

Following Board discussion an upon motion duly made by Director Wasiecko, seconded by Director Thomas and upon vote, the Board approved the Action Items listed above per the staff recommendations as noted.

## REPORTS

**Manager's Report** – Pat Mulhern briefly reviewed the items contained in the August Manager's report regarding the Crown Point 30" water line and the pending closing of the IREA property sale.

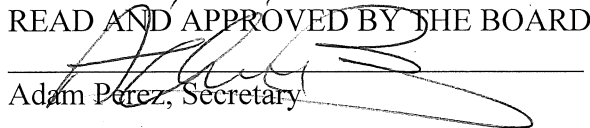
Melanie Goetz provided an update on the website traffic. She also disclosed that her firm was recently hired by ACWWA for public relations.

**Legal Report** – Alison Gorsevski discussed her work on the District augmentation plan and water court cases. No Board action was necessary.

**ADJOURNMENT** Upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for September 17, 2015, beginning at 6:30p.m. to be held at 8334 Sandreed Circle, Parker, Co 80134

Date: 10/15/2015

READ AND APPROVED BY THE BOARD:

  
Adam Perez, Secretary



RECORD OF PROCEEDINGS

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

September 16, 2015

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

**ATTENDEES** Directors present: Alyssa Kasaris, Steve Wasiecko, Susan Romani, Adam Perez, and Bill Thomas. Others present: Pat Mulhern, Luis Tovar, Steve Christensen and Kelly Conover, Mulhern MRE, Inc.

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

**THE AGENDA** The Board considered the proposed agenda. Upon motion duly made, seconded and unanimously carried, the agenda was adopted as presented.

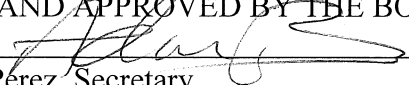
**CONSENT AGENDA** The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from the regular meeting held August 20, 2015, authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated September 11, 2015, approval of checks numbered 18663 through 18707 listed on the check register, ratification of the auto bill payment to Xcel Energy in the amount of \$36.68 on August 21, 2015 and ratification of Director payments on August 24, 2015. Upon motion duly made by Director Wasiecko, seconded by Director Thomas and upon vote, unanimously carried, the Consent Agenda was approved.

**DIRECTOR ITEMS**  
There were no Director's items.

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

**MANAGEMENT REVIEW**  
A management performance review was completed by the Board. Each Board member was provided an evaluation form for completion with ratings in several areas including general board related items, regulatory obligations, professionalism, fiduciary planning, system operations, planning and development and community relations. The Board provided comments and suggestions and staff will implement changes discussed. Director Wasiecko will tabulate the individual Board Members' scores and results will be attached as part of meeting minutes.

**ADJOURNMENT** Upon motion duly made, seconded and unanimously carried the meeting was adjourned. A special meeting is scheduled for October 1, 2015, beginning at 6:30p.m. to be held at 8334 Sandreed Circle, Parker, Co 80134

Date: 10/15/2015  
READ AND APPROVED BY THE BOARD:  
  
Adam Pérez, Secretary



RECORD OF PROCEEDINGS

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

September 16, 2015

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

**ATTENDEES** Directors present: Alyssa Kasaris, Steve Wasiecko, Susan Romani, Adam Perez, and Bill Thomas. Others present: Pat Mulhern, Luis Tovar, Steve Christensen and Kelly Conover, Mulhern MRE, Inc.

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

**THE AGENDA** The Board considered the proposed agenda. Upon motion duly made, seconded and unanimously carried, the agenda was adopted as presented.

**CONSENT AGENDA** The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from the regular meeting held August 20, 2015, authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated September 11, 2015, approval of checks numbered 18663 through 18707 listed on the check register, ratification of the auto bill payment to Xcel Energy in the amount of \$36.68 on August 21, 2015 and ratification of Director payments on August 24, 2015. Upon motion duly made by Director Wasiecko, seconded by Director Thomas and upon vote, unanimously carried, the Consent Agenda was approved.

**DIRECTOR ITEMS**  
There were no Director's items.

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


**MANAGEMENT REVIEW**  
A management performance review was completed by the Board. Each Board member was provided an evaluation form for completion with ratings in several areas including general board related items, regulatory obligations, professionalism, fiduciary planning, system operations, planning and development and community relations. The Board provided comments and suggestions and staff will implement changes discussed. Director Wasiecko will tabulate the individual Board Members' scores and results will be attached as part of meeting minutes.



**ADJOURNMENT** Upon motion duly made, seconded and unanimously carried the meeting was adjourned. A special meeting is scheduled for October 1, 2015, beginning at 6:30p.m. to be held at 8334 Sandreed Circle, Parker, Co 80134

Date: 10/15/2015

READ AND APPROVED BY THE BOARD:

  
Adam Pérez, Secretary



# COTTONWOOD WATER & SANITATION DISTRICT MANAGEMENT REVIEW

For: Mulhern MRE (Annual 9-16-2015) - FINAL

Date: 9/17/2015

Board Member Names: Alyssa Kasaris, Steve Wasiecko  
Susan Romani, Adam Perez, Bill Thomas

1=does not meet expectations TO 5=exceeds expectations

## CORE JOB DUTIES - PART 1

### Board Related - General

	BOARD MEMBERS					Average Score	Mgr Self Ev PM
	Mem AK	Mem SW	Mem SR	Mem AP	Mem BT		
	Communication	4	4	5	5		
Meeting organization	5	5	5	5	4	4.8	5
Responsiveness	4	5	4	5	5	4.6	4
Presentation of complex items	5	5	5	5	5	5.0	5
Solicitation of feedback	4	5	4	5	na	4.5	3
Compliance with Board Policies	5	5	5	5	5	5.0	4
Education of Board Members	5	3	5	5	5	4.6	4

### Regulatory

Meeting postings and conduct compliance	5	5	5	5	5	5.0	5
Permits & Tech Water regulation compliance	5	5	5	5	5	5.0	5
Financial/Audit compliance	5	5	5	5	5	5.0	5
Bid/pricing compliance	3	5	4	5	5	4.4	3
Board communication compliance	4	5	5	5	5	4.8	5

### Professionalism

Interaction with Board	5	5	5	5	5	5.0	5
Interaction with customers/citizens	4	5	5	5	5	4.8	5
Interaction with peer agencies	5	4	5	5	5	4.8	5
Interaction with vendors	4	5	5	5	na	4.8	5
Interaction with employees	5	5	5	5	na	5.0	5

### Fiduciary

Overall Fiscal responsibility	5	4	5	5	5	4.8	5
Frequency of updates	5	5	5	5	5	5.0	5
Understandability of reports	5	4	4	5	5	4.6	5
Long term projections/planning	3	4	5	5	5	4.4	4
Presentation of options/alternatives	4	5	4	5	5	4.6	5
Investment management	4	5	5	5	5	4.8	4
Transparency to citizens	4	4	4	5	5	4.4	4
Customer billing	5	5	4	5	5	4.8	5
Day to day financial processing - AP/AR	4	5	4	5	5	4.6	4

### System Operations

JWPP Operations coordination	5	5	5	5	5	5.0	5
Infiltration Study/Mitigation Program	4	5	5	5	5	4.8	5
Customer Service/Responsiveness	4	5	4	5	5	4.6	4
Distribution/Collection System Inspection/Maint.	4	4	4	5	5	4.4	4
WISE Delivery Coordination	5	5	5	5	5	5.0	5

### Planning/Development

Long term water acquisition	4	4	5	5	5	4.6	5
Relationship with developers	4	5	5	5	5	4.8	4
Balance of development vs. District feasibility	5	4	4	5	5	4.6	5
Creative solutions to development issues	5	5	5	5	5	5.0	5
Regional Conservation Effort Coordination	4	4	4	5	na	4.3	4

### Community Relations/PR

	4	5	5	5	5	4.8	na
--	---	---	---	---	---	-----	----

### CORE DUTIES REVIEW TOTALS

4.43	4.68	4.68	5.00	4.97	4.75	4.57
------	------	------	------	------	------	------



# COTTONWOOD WATER & SANITATION DISTRICT MANAGEMENT REVIEW

**For: Mulhern MRE (Annual 9-16-2015) - FINAL**

**Date: 9/17/2015**

Board Member Names: Alyssa Kasaris, Steve Wasiecko  
Susan Romani, Adam Perez, Bill Thomas

*1=does not meet expectations TO 5=exceeds expectations*

<b>BOARD MEMBERS</b>	Mgr
----------------------	-----

*1=does not meet expectations TO 5=exceeds expectations*

## SPECIAL PROJECTS - PART 2

**Project or Item**

	BOARD MEMBERS					Average Score	Mgr Self Ev PM
	Mem AK	Mem SW	Mem SR	Mem AP	Mem BT		
1 ECCV Pipe Line Capacity Sale	5	5	5	5	5	5.0	5
2 JWPP return to RO	4	4	4	5	5	4.4	4
3 WISE Project	5	5	5	5	5	5.0	4
4 Settlement with ACWWA on JWPP Ops	4	4	4	5	5	4.4	5
5 IREA Purchase/Sale	5	5	5	5	5	5.0	5
6 Augmentation Plan	4	5	3	5	5	4.4	4
7 Secured Loan with CWCB for WISE Costs	5	5	5	5	5	5.0	5
8						na	

## SPECIAL PROJECTS REVIEW TOTALS

4.57	4.71	4.43	5.00	5.00	4.74	4.57
------	------	------	------	------	------	------

## COMMENTS - PART 3 (further explanation of any ratings above, attached if necessary)

**ALYSSA KASAARIS:** Revised meeting packet will greatly help us do better meeting time management and allow us to get more done at the meetings.

**STEVE WASIECKO:** Excellent work by our Management Company. I would like to see more efforts to familiarize the board about the system. This might be a system reference hand book with maps and information. Especially for new members. An annual training session for a couple of hours where we go out and look at the system, latest improvements so the board has a better grasp of the things we talk about. Wouldn't mind seeing a simple one page income statement type report each month on the District's financial position. Also, some type of ongoing current project log might be helpful as was discussed at a meeting recently that briefs (briefly!) the chronology of events/actions on current projects. Maybe this could help eliminate re-stating background info on projects in the managers report and help the Board members recall and better understand during meeting discussions. Would like to include in the annual budget process, a brief review of efficiency/cost saving brainstorm/options.

**BILL THOMAS:**

**Board-related-general:** I would give a 5 for Communication, Responsiveness, Presentation of Complex Items, Compliance, and Education to Mulhern MRE. I would give a 4 to Meeting Organization because sometimes we wander into territory that is not specified on the Agenda. Maybe the Meeting Organization cannot be improved, given the amount of stuff we cover and the necessary explanation accompanying it.

**Regulatory:** I believe all these items of posting and conduct, permits and tech water regulation, financial and audit, bid and pricing and board communication compliance all rate a 5. I was impressed by the summary of the audit and its depth; I have been continually impressed by the tracking of expenditures and the amounts coming in. I can ask a question and expect a detailed answer.

**Professionalism:** I cannot speak to interaction with vendors or employees, but there is no complaining about Cottonwood Water on NextDoor Cottonwood and every interaction I have had with Mulhern MRE has been professional and incredibly informative. All these categories have a 5.

**Fiduciary:** I cannot speak to Investment Management. I'm assuming it's the administration of the mill levy and it looks as if it's being managed as best as it can. I would give a 5 to all these categories, including Customer Billing, which nobody likes. The bill is simple and explains how much water one used that month. The presentation of options/alternatives is always explored when available. I would give all these categories a 5.

**System Operations:** When a crew busted through the water pipe in my cul de sac, Cottonwood Water was on it within 15 minutes and got water restored within a couple of hours. I'm assuming the folks who did this were employees of Mulhern MRE. I give a 5 for that.

# COTTONWOOD WATER & SANITATION DISTRICT MANAGEMENT REVIEW

For: Mulhern MRE (Annual 9-16-2015) - FINAL

Date: 9/17/2015

Board Member Names: Alyssa Kasaris, Steve Wasiecko

1=does not meet expectations TO 5=exceeds expectations

Susan Romani, Adam Perez, Bill Thomas

## BOARD MEMBERS

Mgr

Planning/Development: It is fascinating to watch all these categories develop simultaneously as new houses are built and water is acquired. It looks to me, as we move easements and put pipes in the ground where they're needed, that Mulhern MRE is doing everything possible to ensure Cottonwood Water's future as a responsible steward and utility. I'd give all 4 of these categories a 5.

Community Relations: I tried to interest my 17 year-old daughter in the games on the kid's page on the website and she wasn't interested, but I find it fascinating that a water and sanitation district would be so user-friendly to local businesses and to customers! It looks as if we are spending comparatively little to inform the public and to have good relations with it. I give Community Relations a 5 as well.

TOTAL: I count 32 items, so whatever it is times 5, minus 1.

The "Special Project" that comes to my mind is the creation of the wetland to deal with Selenium, and I would give a 5 for that because it is an elegant and ecologically friendly method of dealing with a problem that can reap long-term benefits for the neighborhood as a whole. I was kind of surprised that participation in WISE meant we had to spend more money, but I imagine that the expenditure will be explained to my satisfaction. I don't know all the ramifications of getting the JWPP into working order yet, but I know it can be explained and that it will be safe and efficient. I'm assuming that if someone dropped the ball on its function, it was not Mulhern MRE. I'd give a 5 hands-down.

My comments are throughout the document I'm sending.

One objective I'd like to explore during the next twelve months is the possibility that the sanitary pipes from the houses in the older part of Cottonwood have shifted so they are angled upward instead of down as the houses have settled and new holes will have to be dug to set them properly in place. I imagine Mulhern MRE will be able to explore this and figure out a solution to it in an economic and useful manner. I'm giving them a 5 in anticipation of it.

MULHERN MRE: We feel that we are doing a good job addressing the needs of the District, but there are plenty of areas where we can improve. The primary challenge for us is the part-time nature of staffing, particularly as the District grows and new development occurs. For the last several years, the other big challenge was taking care of District management functions while in constant conflict with ACWWA. Hopefully, that piece is over. *[Also see attached narrative of key accomplishments/review provided by Mulhern MRE]*

# COTTONWOOD WATER & SANITATION DISTRICT MANAGEMENT REVIEW

For: Mulhern MRE (Annual 9-16-2015) - FINAL

Date: 9/17/2015

Board Member Names: Alyssa Kasaris, Steve Wasiecko  
Susan Romani, Adam Pérez, Bill Thomas

1=does not meet expectations TO 5=exceeds expectations

BOARD MEMBERS

Mgr

## PART 4 - OBJECTIVES FOR NEXT 12 MONTHS (applicable to consolidated review only)

1 Continue encouraging growth and expand District Tap Fee Income
2 Work to complete IREA Purchase/Sale
3 Complete ambient standards for Cottonwood Creek and Tributaries
Complete additional studies necessary to identify the discharge solution for renewed operation
4 of the JWPP
5 Resolve flow measurement for sewer flows to ACWWA
6 Establish means for emergency water deliveries from the JWPP, if necessary
Work to identify the reason for increased water quality problems associated with mineral
7 deposits in pipelines
8 Continue to move the District's augmentation plan ahead toward water court decree
Investigate/Implement solutions/options related to an emergency supply pipeline to the Crown
9 Point area
10 Continue to be proactive related to preventative maintenance and water supply planning.
11 Secure Loan/Grant with CWCB/SRF for Water Meter Replacement Program
12 Implement Aquifer Storage Recovery program
13 SCADA Communication Upgrade
14 Investigate Chloramine Conversion at Well Houses and JWPP
15 Emergency Cross-Connection with ACWWA/Stonegate
16 Cottonwood Highlands Booster Pump Station
17 Crown Point Booster Pump Station Enclosure
18 Investigate options for water tank supply line redundancy

## Management Evaluation

Management to provide the following:

1. Summary of Previous Year's Activities and Accomplishments in the following areas:

a. Management

i. **Settlement Agreement with ACWWA on JWPP Operations -**

After ACWWA rescinded its approval of a settlement agreement related to the JWPP, we worked with Counsel to prepare for litigation, and participated in litigation matters. All during this time, we worked to maintain relationships with ACWWA and to identify potential settlement positions. After Gary Atkin was dismissed in August, we immediately began meetings with Steve Witter to negotiate a settlement agreement.

In working through the agreement, we believe that we were able to come to a new agreement which was more favorable to Cottonwood than the one proposed the previous year. Specifically, we negotiated terms that, under the identified conditions, require ACWWA to participate in the reversion of the plant to an RO related process if Cottonwood could develop and permit a plan that is approved through the CDPHE.

The Settlement Agreement culminated almost 3 years of conflict between the agencies over this issue. Relationships with the ACWWA Board and the Manager have been greatly improved and we believe the plant will be re-established under this agreement.

ii. **Re-establish Operation of the JWPP for better water quality and protection of health –**

In 2014, we enlisted GEI Consultants to prepare for the June, 2015 hearings on ambient stream standards for selenium. Data was collected by GEI necessary to support ambient stream standards and the data collected preliminarily indicated that ambient stream standards can be justified.

We also retained Rettew Consultants to evaluate chemical processes for the removal of selenium, Acuity Environmental Solutions to evaluate potential methods for reducing selenium at the Wellhead, and to evaluate mining industry resins for selenium removal, Hatch Mott MacDonald to

evaluate the potential for use of Nano-filtration and a RO/Ultrafiltration Treatment Blend to reduce selenium in the discharge, and HRS Consultants to evaluate the relocation of wells to reduce selenium in the source water. We also met with the CDPHE to maintain relations there, and held a meeting early this year with ACWWA to review our progress in regard to the plant with them.

While we found that several of the processes we were pursuing will not work, and have hence eliminated these, we have found that a blended treatment together with well relocations and regulatory relief could produce a solution that potentially could be permitted.

- iii. **WISE** – We worked with the WISE Authority to complete the plan for project implementation, and to secure purchase of the ECCV Pipeline (“Western Pipeline”). We negotiated and obtained a \$1.2 million dollar credit toward purchase of the pipeline because of capacity secured by providing easements when ECCV constructed the pipeline in 2001. Cottonwood petitioned land owners to provide these easements free of cost. Hence, Cottonwood obtained a \$1.2 million credit with the only cost to Cottonwood being our and legal costs to complete the initial agreement.
- iv. **IREA Purchase** – We have worked with IREA and Compark toward a sale of District land assets to IREA for a new electric substation. Many years ago, we worked with Vickers and Carlson to trade them several small land parcels that Cottonwood owned early on through land dedication by the original developer in exchange for a single larger parcel in Compark. We have been working on the purchase of this land by IREA over the last year which has resulted in a net \$2 million to Cottonwood.
- v. **Augmentation Plan** – We have been working with Carolyn Steffl in support of the water court application for a new augmentation plan which was filed in 2008. This augmentation plan is critical to the District to fully utilize its renewable water rights on Cherry Creek in conjunction with operation of the JWPP. This plan considers the joint use of the JWPP by Cottonwood and ACWWA and provides operating flexibility. It considers diversions to the JWPP, return flows credits from discharges of effluent to Lone Tree Creek, and the discharge of concentrate reject flows.

## b. Operations

- i. **JWPP Operation with AOP for Emergency Supply** – We worked with ACWWA to determine how the JWPP could be run in a batch mode where Cottonwood could receive AOP treatment water from the plant, and

ACWWA could continue to receive water without AOP Treatment. We worked with ACWWA operators to establish a plan for operation and then with contractors to make revisions in the JWPP to allow that operation.

We successfully operated the plant in batch mode, and mixed the water with Cottonwood Non-tributary Ground Water (“NTGW”) to provide an acceptable water quality. This was all done so that if one or more NTGW wells failed, the District would have an emergency source of supply from the plant. After a pilot operation of a month, we began to identify and work on additional plant modifications to improve these operations.

- iv. **Infiltration Study** – Infiltration was a key concern with regard to the new Wastewater Agreement with ACWWA. Last year, for a second time, we had the District’s sewer system cleaned and videoed. We inspected all videos and made repairs but none of these sources of infiltration were extensive, leading us to believe that there could be a problem with flow measurement.

We worked with ACWWA to investigate the existing measurement flumes and found problems. We investigated and proposed new means of flow measurement with less potential for impacted measurement. We then began to work with ACWWA on their acceptance of this new measurement which is in-process. All indications are that the new measurements will be substantially less than the previous indicating that infiltration is not nearly the problem that it appeared, and saving the District costs for treatment where these measurements were high.

- v. **Promote Development** – We have been working closely with developers on proposed projects in Cottonwood. We have been specifically working on ways to encourage new growth near the Chambers Interchange at E-470 where there is little district infrastructure.

We have been working on the following potential developments to provide support for land use approvals and to review and approve construction plans:

1. King Soopers Redevelopment
2. Boondocks
3. Kiddie Academy
4. Gander Mountain
5. Wendy’s
6. Children’s Learning Adventure
7. Assisted Living Center

### c. **Financial Management**

- i. **Secured loan with CWCB related to WISE Project costs** – We worked with the WISE Authority to obtain a low interest revenue based loan with the Colorado Water Conservation Board. This loan is effectively a “line of credit” for which the District pays no interest until the loan is drawn down. The funds will be available for approximately 4 years at an interest rate of 2.75%.
- ii. **Budgeting and Cash Flow Planning** – Steve Christensen has kept close track of budgets and expenditures as reserves are drawn low due to lack of tap fees and the costs associated with the JWPP Disputes and Studies. The District is hopeful that the IREA purchase and new development tap fees will greatly improve cash position during 2015.

## **2. Discussion of its view of the Position of the District, and its Current Challenges.**

The District remains in a difficult position currently because development has been scarce within the District since the recession of 2008, and the District has seen little in tap fee revenue or increased service fees from new development. At the same time, the District has been facing increased costs associated with the JWPP, disputes with ACWWA, and increasing costs from ACWWA related to the new wastewater agreement. Reserves have been very low, but were recently increased substantially with the IREA sale, indications are that tap sales over the next couple years will be substantial.

The District also continues to face the fact that its major investment in the JWPP in order to use its renewable water supplies on Cherry Creek resulted in use of these supplies for only a 2 year period, and that water quality from the plant is not close to the quality anticipated because of the inability to use the plant as designed. Any resolution of this issue has been greatly delayed because of the lack of cooperation from the District's partner in this plant, ACWWA.

We are very hopeful that these issues will be largely resolved in the coming year. In particular, we believe we will have an economically viable plan to reinstate the JWPP, and some of our biggest challenges will be in keeping up with significant growth.

## **3. Recommend Primary Goals and Objectives for the coming Year.**

We recommend the following goals for the coming year:

- a. Work with developers to encourage growth and expand the District's tap fee income.
- b. Work to complete the purchase of District land by IREA in the earliest time frame possible.
- c. Complete ambient standards for Cottonwood Creek and Tributaries.
- d. Complete additional studies necessary to identify the discharge solution for renewed operation of the JWPP.

- e. Resolve flow measurements for sewer flows to ACWWA.
- f. Establish the means for emergency water deliveries from the JWPP, if necessary.
- g. Work to identify the reason for increased water quality problems associated with mineral deposition in Cottonwood Pipelines.
- h. Continue to move the District's augmentation plan ahead toward a water court decree.

#### **4. Consultant's self-review regarding Performance over the past Year.**

We believe that we were effective in identifying and dealing with the District's important issues in 2014. The primary achievement which was a joint achievement of the Board, Counsel and Mulhern MRE in 2014 was settlement of the JWPP issues through agreement with ACWWA. We believe that we did this while moving forward with identifying solutions for operation of the JWPP, and maintaining relationships with ACWWA that will be critical to bringing the plant back. We also feel that we helped the District take another big step forward in replacing its NTGW with renewable, permanent water supplies through the WISE project.

We also feel that we have worked hard to maintain an efficient and cost effective District operation. We feel that we provide good and responsive customer service and customer relations and continue to feel that that is of critical importance in operating the District.

While we feel good about our services to the District, we are also aware of the need to improve our level of service. We are particularly concerned today with the complaints that we receive regarding iron stirred into solution. We need to spend more effort in this regard and in everyday administrative matters.

We are also concerned that perhaps we are short staffed to complete everything that is required for effective operation of the district, but also recognize the need today to keep operating costs low.



RECORD OF PROCEEDINGS

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

October 1, 2015

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

**ATTENDEES** Directors present: Susan Romani, Adam Perez, Bill Thomas, Alyssa Kasaris and Steve Wasiecko. Others present: Pat Mulhern, Steve Christensen and Kelly Conover, Mulhern MRE, Inc.; Carolyn Steffl, Moses, Wittemyer, Harrison, and Woodruff, P.C.; Melanie Goetz, Hughes & Stuart.

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

**THE AGENDA** The Board considered the proposed agenda. Upon motion duly made, 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 the regular meeting held September 16, 2015. The compiled scores of the management evaluation are to be attached to these minutes and initialed by each Board Member. Upon motion duly made by Director Thomas, seconded by Director Romani and upon vote, unanimously carried, the Consent Agenda was approved.

**DIRECTOR ITEMS** There were no Director Items.

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

**PUBLIC HEARING ON RATES AND NEW FEES** Upon motion duly made, seconded and upon vote unanimously carried, the Board opened the Public Hearing.

Pat Mulhern reviewed staff's recommendation for water and wastewater service and usage rates and tap fees. Staff recommends delaying any action on these fees at present and instead to advertise for another public hearing at a subsequent meeting for fees to be effective in January 2016. These fees can be better established by waiting for approval of ACWWA's new cost of service study and the adoption of the new PID mill levy.

Pat Mulhern reviewed staff's recommendation to establish a late fee in the amount of 3% on any current account balance 5 days past due and an

increase in costs for construction water to \$5.79 per 1,000 gallons, effective November 1, 2015.

Upon motion duly made by Director Wasiecko, seconded by Director Thomas, and upon vote, the Board unanimously closed the public hearing.

Staff was directed to prepare information on a rate increase for a later time.

#### **CONSIDER RESOLUTION ON RATES**

Upon motion duly made by Director Wasiecko, seconded by Director Thomas, and upon vote unanimously carried, the Board approved the Resolution establishing a late fee of 3% and an increase in the Construction Water fee to \$5.79 per 1,000 gallons both effective November 1, 2015.

#### **CONSIDER WATER AND SANITATION INFRASTRUCTURE FUNDING AGREEMENT**

Carolyn Steffl and Pat Mulhern reviewed the agreement and updated the Board on how the reimbursement will work related to infrastructure improvements needed for the Compark Development. Repayment of fees are based on parcel development and the percentage of infrastructure needed to serve each parcel. Carolyn is waiting on final comments from their attorney and expects to have a final version for consideration at the next meeting.

#### **CONSIDER RESOLUTION REGARDING EXTENSION OF INFRASTRUCTURE TO SERVE COTTONWOOD WEST LAND**

Upon motion duly made by Director Wasiecko, seconded by Director Thomas, and upon vote unanimously carried, the Board approved the Resolution related to the Extension of Infrastructure to Serve the Cottonwood West Land and the infrastructure funding agreement with Compark Development.

#### **CONSIDER OPTION TO PURCHASE ADDITIONAL CHERRY CREEK PROJECT OWNERSHIP INTEREST**

Pat Mulhern reviewed the history of the CCPWA and its partnership in purchasing Western Water rights in October 2005. The establishing agreement outlines the option and terms for Cottonwood to purchase more interest in the project within 10 years. This option expires in the middle of October. Pat recommended that if the Board wanted to purchase more interest, the District could allow this deadline to pass and would likely be able to purchase interest from others at a later date under more favorable terms than those of the option.

Following Board discussion, staff was directed to allow the deadline to expire without the District exercising the purchase option.

#### **ACTION ITEMS**

Pat Mulhern reviewed the action items listed below:

**Continued Monitoring for Selenium** - GEIs proposal for continued monitoring for selenium at a cost of \$108,500 minus a previous approval of \$18,075 for a total approval this evening of \$90,425. Upon motion duly made by Director Thomas, seconded by Director Wasiecko, and upon vote, the Board unanimously approved the expenditure.

**JWPP Investigations** - Mulhern MRE requested additional funds to continue working for \$8,000 on JWPP related items. Upon motion duly made by Director Wasiecko, seconded by Director Thomas, and upon vote unanimously carried, the Board approved the additional contract amount.

**Design costs for the Water Line Relocation-** Mulhern MRE has been working with the engineer/developer of the Assisted Living development in Crown Point regarding the location of the 30" water line and their building location along the District easement. MMRE has also been working on a design option to relocate the line at a shallower depth to improve the District's ability to maintain the line. MMRE requests funds in the amount of \$5,000 for time and material reimbursements for completion of this work. Upon motion by Director Wasiecko, duly seconded by Director Thomas, and upon vote, the Board unanimously approved the expenditure.

**Well Pump Testing (\$28,712), Sewer Video and Jetting (\$33,200), and Booster Pump Station Electrical Upgrade (\$5,102)** – Upon motion duly made by Director Wasiecko, seconded by Director Thomas and upon vote, the Board unanimously approved Action Items 4, 5, & 6 referenced above.

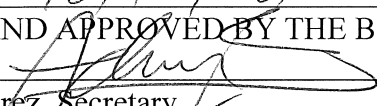
## REPORTS

**Manager's Report** – Pat Mulhern reviewed with the Board the meeting regarding selenium mitigation. CH2M Hill recommended a bioreactor to remove selenium to within the maximum contaminant level which would allow for discharge of the concentrate from the JWPP to Windmill Creek. The estimated cost of this system is \$3.7 million. Their design report will be available soon.

**Financial Report** – Steve Christensen reviewed the District's financial standing and provided a sample report format as discussed at the previous meeting to show an allocation of the budget on a monthly basis. Following Board discussion, staff was directed to provide a slightly revised format at the next meeting. Steve reviewed the investment schedule and interest rates for each bank. Based on the investment schedule, the Board directed Steve to close out the First Bank account and transfer funds to the CoBiz account for a better return.

**Legal Report** – Carolyn Steffl indicated that her primary items had been addressed in the meeting and asked if there were other questions on her report. None were offered.

**ADJOURNMENT** Upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for October 15, 2015, beginning at 6:30p.m. to be held at 8334 Sandreed Circle, Parker, CO 80134

Date: 10/15/2015  
READ AND APPROVED BY THE BOARD:  
  
Adam Perez, Secretary

RECORD OF PROCEEDINGS

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

October 15, 2015

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

**ATTENDEES** Directors present: Susan Romani, Adam Perez, Bill Thomas, and Steve Wasiecko. Others present: Pat Mulhern, Steve Christensen, Luis Tovar and Kelly Conover, Mulhern MRE, Inc.; Melanie Goetz, Hughes & Stuart; Kate McRae, CFO of Arapahoe County Water and Wastewater Authority. Upon motion duly made, seconded and unanimously carried, Director Kasaris' attendance was excused.

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

**THE AGENDA** The Board considered the proposed agenda. Pat Mulhern introduced Kate McRae as the Chief Financial Officer of ACWWA. Pat requested that Kate present the JWPP Budget for 2016 following the review of the Agenda. Upon motion duly made, seconded and unanimously carried, the agenda was revised and adopted.

**PRESENTATION OF THE  
2016 JWPP DRAFT BUDGET**

Kate McRae provided a draft 2016 JWPP Budget for the Board's review. The budget is a conservative estimate of expenditures depending on the District's level of use. Cottonwood staff informed the Board that the plant would be used only as an emergency backup in 2016, and that costs were based on a worst case condition where the plant is used for 4 months during the summer peak irrigation season. Ms. McRae responded to Board members questions. The budget will be presented to the ACWWA Board in December. Ms. McRae left the meeting.

**CONSENT AGENDA**

The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from the regular meeting held October 1, 2015, approval of checks numbered 18717 through 18749 listed on the check register, the auto bill payment to Xcel Energy in the amount of \$37.13 on September 22, 2015, and authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated October 12, 2015. Upon motion duly made by Director Wasiecko, seconded by Director Thomas and upon vote, unanimously carried, the Consent Agenda was approved.

**DIRECTOR ITEMS**

There was discussion regarding agenda items for the upcoming November and December meetings. The Board decided that if all information was available to finalize the budget, staff should publish for a public hearing on rates and the 2016 Budget for the November 19<sup>th</sup> meeting.

## **PUBLIC COMMENT**

There was no public present.

## **CCAMP AGREEMENT AMENDMENT**

Pat Mulhern discussed the CCAMP project and the need for project management. The amendment provided to the Board includes Project Management services through Mitch Chambers and an extension of the contract through project completion. Upon motion duly made by Director Thomas, seconded by Director Perez and upon vote, the Board unanimously approved the Amendment and the distribution of funds.

## **CONSIDER CoWARN AGREEMENT**

Pat Mulhern reviewed the agreement with Colorado WARN. Upon motion duly made by Director Thomas, seconded by Director Perez, and upon vote unanimously carried, the Board approved the agreement and authorized staff's signature.

## **DRAFT 2016 BUDGET**

Steve Christensen reviewed the Draft 2016 Budget that was provided to the Board per statute and provided an overview of the different funds and the use of the mill levy.

Director Wasiecko asked about the District's current position related to debt. Currently, the District is about \$20 million in debt, which is about 20-25% assessed value to debt ratio.

## **ACTION ITEMS**

Pat Mulhern and Luis Tovar reviewed the action items list.

1. Preparation of an application for a CWCB loan for JWPP improvements and construction of a bioreactor by MMRE for \$10,000
2. Cleaning of well D-11. Layne's proposal was provided following the last meeting and was the low bidder at \$20,240. Approval of a contract with Layne was recommended.
3. Compark Development assistance for MMRE to continue work related to moving the development forward in the amount of \$2,500.

Following Board discussion and questions to staff, Director Thomas presented a motion to approve the above listed action items. The motion was seconded by Director Perez and upon vote, unanimously approved.

## **REPORTS**

**Manager's Report** – Pat Mulhern reviewed the October Manager's Report which included a detailed JWPP Update. With the recent increase in development, the District's use of the JWPP is more important to meet the needs of the customers. Pat reviewed the feasibility study completed by CH2M Hill related to selenium removal using a bioreactor. The improvements to the JWPP and the construction of a bioreactor would, in a worst case condition, require District funds in the amount of \$4.5M.

Steve Christensen provided a summary of the District's financial ability to fund the construction.

Pat recommended that the District retain CH2M Hill for design of the bioreactor; pursuit of a land purchase adjacent to the JWPP to accommodate the bioreactor; set up a joint meeting with ACWWA for discussion on the outcome of the District's research; meet with CDPHE on permitting and prepare a grant application to the Colorado Water Conservation Board to reduce the funds required by the District.

Following Board discussion and upon motion duly made by Director Thomas, seconded by Director Romani and upon vote, the Board unanimously endorsed the staff recommendations presented in the Manager Report.

### **EXECUTIVE SESSION**

Upon motion duly made, seconded and upon vote, the Board moved into executive session pursuant to C.R.S. 24-6-402(a) & (e) concerning the purchase, acquisition, lease, transfer or sale of any real, personal or other property interest and determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations and instructing negotiators relating to possible acquisition of property for the Joint Water Purification Plant Bioreactor project.

The session was recorded.

Board moved out of executive session and directed staff to proceed with negotiations as discussed.

**ADJOURNMENT** Upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for November 19, 2015, beginning at 6:30p.m. to be held at 8334 Sandreed Circle, Parker, CO 80134

Date: 12/17/15  
READ AND APPROVED BY THE BOARD:  
  
Adam Perez, Secretary

RECORD OF PROCEEDINGS

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

November 19, 2015

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

**ATTENDEES** Directors present: Bill Thomas, Alyssa Kasaris and Steve Wasiecko. Others present: Pat Mulhern, Luis Tovar, Steve Christensen and Kelly Conover, Mulhern MRE, Inc.; Carolyn Steffl & Michele Logan, Moses, Wittemyer, Harrison, and Woodruff, P.C.; Melanie Goetz, Hughes & Stuart; and Kevin McBrien of ACWWA. Upon motion duly made, seconded and upon vote unanimously carried, the Board excused Directors Perez and Romani.

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

**THE AGENDA** The Board considered the proposed agenda. Upon motion duly made, 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 the regular meeting held October 22, 2015, approval of checks numbered 18752 through 18794 listed on the check register, the auto bill payment to Xcel Energy in the amount of \$37.24 on October 22, 2015, ratification of Director payments on October 21, 2015 and authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated November 16, 2015. Upon motion duly made by Director Thomas, seconded by Director Wasiecko and upon vote, unanimously carried, the Consent Agenda was approved.

**DIRECTOR ITEMS** There were no Director Items.

**PUBLIC COMMENT** Mr. Kevin McBrien with ACWWA was present and introduced himself as the Engineering Manager. He has been working with Pat and Luis on matters concerning the JWPP and the Snowberry flume.

**PUBLIC HEARING ON RATES** The Chairwoman opened a public hearing on water and wastewater service and usage fees and tap fees. Steve Christensen reviewed the 2016 Service Fee Analysis provided in the Board packet. Staff's recommendation is to maintain the current water and wastewater service and usage fees. Staff also recommends an increase in the wastewater tap fee to reflect a pass through of ACWWA's wastewater tap fee increase. The wastewater tap fee would be increased from \$7,660 to \$8,589.



There being no public comment, the hearing was closed at 7:03pm.

Following Board discussion, upon motion duly made by Director Thomas, seconded by Director Wasiecko and upon vote unanimously carried, the Board passed the Resolution regarding rates to reflect no change in water and sewer service fees, and making the change in the wastewater tap fee increase effective January 1, 2016. Staff was directed to update the fee schedule as appropriate.

#### **PUBLIC HEARING ON THE 2016 BUDGET**

The Chairwoman opened a public hearing on the 2016 Budget at 7:04pm.

There being no public comment, the hearing was closed at 7:08pm.

Upon motion duly made by Director Wasiecko, seconded by Director Thomas and upon vote, the Board unanimously approved the 2016 Budget Resolution, Appropriated Funds, and Certified the Mill Levy from 27 to 23 mills. Staff was authorized to file a certified budget and mill levy as required by Statute.

#### **CONSIDER RESOLUTION FOR THE 2016 ELECTION**

Upon motion duly made by Director Thomas, seconded by Director Wasiecko and upon vote unanimously carried, the Board approved the 2016 Election Resolution. The Board asked that staff publish legal notices in the Parker Chronicle as well as Douglas County Newspaper.

#### **REVIEW LAND PURCHASE PROPOSAL FOR BIOLOGICAL TREATMENT OF JWPP**

Pat Mulhern reviewed the offer presented to the Dove Valley Associates who owns the land adjacent to the JWPP, for use of construction of the Bioreactor, which was rejected. Legal counsel advised that further discussion would be in Executive Session

#### **ACTION ITEMS**

Pat Mulhern reviewed the Action Items provided in the Board packet. These included a request by **Mulhern MRE for \$5,000 in additional funds for services associated with designing and value engineering the potential water main relocation in Crown Point; a proposal by CH2M for a study on water quality and system pressure for \$38,514 to determine the cause of iron and manganese sediments that is periodically stirred into solution causing cloudy water in the potable water system, and providing recommendations to mitigate the problem; a proposal for a Land Appraisal for the booster pump station with Messick Bowes for \$6,000 to ascertain the value of an easement necessary at that location; funding for the South Metro Water Supply Authority's water ambassador program for \$7,500; and the 2016 annual management and accounting contract with Mulhern MRE for \$230,000.**

Upon motion duly made by Director Thomas, seconded by Director Wasiecko and upon vote unanimously carried, the Board approved these proposals with the exception of the management and accounting contract.

Upon motion presented by Director Wasiecko, seconded by Director Thomas and upon vote, the Board unanimously approved the management and accounting contract for a 1 year extension with an 8% increase in rates to reflect an increase in contractor cost and work load for the District. The Board indicated that a process should be conducted beginning in August of 2016 to evaluate the management and accounting contract which may include advertising for competitive proposals.

## REPORTS

**Manager's Report** – Pat Mulhern briefly reviewed the items contained in the November Manager's report. Pat provided a proposal from CH2M for a pilot study and preliminary design for a bioreactor to remove selenium to allow for improved treatment and water quality from the JWPP. Cost are \$157,400 which were a part of the costs previously presented for the project. Upon motion duly made by Director Thomas, seconded by Director Wasiecko, and upon vote unanimously carried, the Board approved the expenditure.

Pat reviewed the District participation in the design of the Ridgeway pipeline. This would allow for transmission of WISE water to Rueter Hess Reservoir for use during drought. It is staff's recommendation to not participate in the construction of this pipeline because of the costs associated with storing and retreating WISE water. Instead, the recommendation is to research options to get untreated water in Rueter Hess for this purpose.

Melanie Goetz provided an update on the website traffic. She also provided a draft customer survey to insert in the bills and post on the website.

**Financial Report** – Steve Christensen reviewed the District's financial report. There was no Board action.

**Legal Report** – Carolyn Steffl introduced a new associate with the firm, Michele Logan. Carolyn briefly highlighted their activities regarding water rights cases, their finalizing of the agreements related to the Compark Infrastructure, and requirements of the agreement for service to Vantage Point.

## EXECUTIVE SESSION (1)

Upon motion duly made, seconded, and unanimously carried, the Board moved into executive session at 8:19pm pursuant to C.R.S 24-6-402 (4)(a) & (e) concerning the purchase, acquisition, lease, transfer or sale of any real, personal or other property interest and determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations and instructing negotiators related to the purchase of land adjacent to the JWPP for biological treatment system. The session was recorded.

The Board moved out of executive session at 8:31pm and directed staff to move forward with a counter offer to the Dove Valley Associates as discussed.

**EXECUTIVE SESSION (2)**

Upon motion duly made, seconded, and unanimously carried, the Board moved into executive session at 8:32pm pursuant to C.R.S 24-6-402 (4)(a) & (e) concerning the purchase, acquisition, lease, transfer or sale of any real, personal or other property interest and determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations and instructing negotiators related to the acquisition of Crown Point Booster Pump Station Site.

The Board moved out of executive session at 8:43pm. No further action was necessary.

**EXECUTIVE SESSION (3)**

Upon motion duly made, seconded, and unanimously carried, the Board moved into executive session 8:44pm pursuant to C.R.S 24-6-402 (4)(b)&(e) to receive legal advice, and determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations and instructing negotiators related to the discussions between the contractor of the skilled nursing center in Crown Point related to the relocation of the 30" water line.

The Board moved out of executive session at 8:52pm. The Board directed staff to move forward with a proposal for the 30" water line relocation. Upon motion duly made, seconded and upon vote, the Board approved the details of a proposal to the developer of the skilled nursing center regarding the costs of a potential water main relocation.

**ADJOURNMENT**

Upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for December 17, 2015, beginning at 6:00p.m. to be held at Eddie Merlot's at 10110 East Dry Creek Road.

Date: 1-24-16

READ AND APPROVED BY THE BOARD:

Adam Perez, Secretary

Steve Wasiecko, V.P.

RECORD OF PROCEEDINGS

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

December 17, 2015

at Eddie Merlot's at 10110 East Dry Creek Rd Englewood, Colorado  
at 6:00 p.m.

**ATTENDEES** Directors present: Bill Thomas, Adam Perez, Susan Romani, Alyssa Kasaris and Steve Wasiecko. Others present: Pat Mulhern, Luis Tovar, Steve Christensen and Kelly Conover, Mulhern MRE, Inc.; Carolyn Steffl, 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 considered the proposed 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 the regular meeting held November 19, 2015, approval of checks numbered 18795 through 18833 listed on the check register, the auto bill payment to Xcel Energy in the amount of \$57.89 on November 20, 2015, authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated December 14, 2015 and designation of posting locations, publication of notices and 2016 meeting dates. Upon motion duly made by Director Kasaris, seconded by Director Romani and upon vote, unanimously carried, the Consent Agenda was approved.

**DIRECTOR ITEMS** There were no Director Items.

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

**ACTION ITEMS** Pat Mulhern reviewed the Action Items provided in the Board packet. These included a request by:

- **A proposal by Inverness Landscaping for District landscaping for an amount not to exceed \$5,000; Pat Mulhern disclosed that he was a 20% owner of Inverness Landscaping. Following Board discussion and upon motion duly made by Director Wasiecko, seconded by Director Romani and upon vote, the contract was unanimously approved.**
- **A proposal by Baird Grounds Maintenance for snow removal for 2016 on a time and materials basis; Following Board discussion and upon motion duly made by Director Wasiecko, seconded by Director Thomas and upon vote, the contract was unanimously approved.**

- **A proposal from Inverness Water and Sanitation District to renew the operations contract for 2016 with a 3% increase of their contracted rate to \$144,200 annually; Pat Mulhern disclosed that he is the General Manager of Inverness Water and Sanitation District. Following Board discussion, it was requested that management re-bid the contract for 2017 services to provide the District with competitive pricing. Upon motion duly made by Director Wasiecko, seconded by Director Thomas, and upon vote, the contract was unanimously approved.**
- **A proposal for C&L Water Solutions to provide emergency repairs for the District on a time and materials basis; Following Board discussion and upon motion duly made by Director Wasiecko, seconded by Director Thomas and upon vote, the contract was unanimously approved.**
- **A Resolution Designating Representatives for the South Metro Water Supply Authority Member; Luis Tovar will be delegate and representative with Pat Mulhern being the alternate. Following Board discussion and upon motion duly made by Director Wasiecko, seconded by Director Thomas and upon vote, the Board approved the Resolution.**
- **A proposal by Wagner Barnes and Griggs for the 2015 Financial Audit Services; the Board directed Staff to re-bid the services for next year's financial audit. Upon motion duly made by Director Wasiecko, seconded by Director Thomas and upon vote, the contract was unanimously approved.**

## REPORTS

**Manager's Report** – Pat Mulhern briefly reviewed the items contained in the December Manager's report. Pat provided an update on the land adjacent to the JWPP. In discussions with the Southeast Metro Stormwater Authority, they would like to meet regarding use of this land for a water quality pond that would be needed for the potential surrounding development. The Board directed staff to continue discussions with the land owner regarding acquisition of land.

Pat reviewed the results of the appraisal of the land at the Crown Point Booster Pump station. The report was received in management's office today and Pat discussed his initial review. Further discussion with legal counsel and the appraiser is needed to clarify a few items. There was no Board action necessary.

Pat also advised the Board that he was made aware of a second grant opportunity through the Bureau of Reclamation for funding work regarding the biological treatment system. This work would be in addition to the current grant opportunity that management is working on. Following Board discussion, staff was directed to continue work on both opportunities.

**Financial Report** – There were no financials due to bi-monthly reporting.


**Legal Report** – Carolyn Steffl reviewed her work on the 15CW3144 water court case regarding ACWWA's water use. Carolyn requested that

the Board authorize a statement of opposition for the purpose of monitoring the case progress. Upon motion duly made by Director Thomas, seconded by Director Perez and upon vote, the Board unanimously approved legal counsel filing at statement of opposition in the case.

**ADJOURNMENT** Upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for January 21, 2016, beginning at 6:30 p.m. to be held at 8334 Sandreed Circle, Parker, CO 80134.

Date: 1-21-16

READ AND APPROVED BY THE BOARD:

  
~~Adam Perez, Secretary~~ Steve Wasiecko, V.P.