

RECORD OF PROCEEDINGS

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

January 21, 2016

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

**ATTENDEES** Directors present: Bill Thomas, Alyssa Kasaris, Susan Romani 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. Upon motion duly made, seconded and upon vote unanimously carried, the Board excused Director Perez. Public Present: Jim Bays with CH2M, and John Cotten with TTG Engineering representing a Cottonwood landowner.

**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 Mr. Jim Bays with CH2M Hill and Mr. John Cotten with Tetra Tech. Pat asked that following the Public Hearing, there be a discussion item with Mr. Jim Bays updating the Board on the JWPP. Upon motion duly made, seconded and 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 December 17, 2015, approval of checks numbered 18834 through 18884 listed on the check register, authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated January 18, 2016 and ratification of director payments for December 21, 2015. Upon motion duly made by Director Thomas, seconded by Director Wasiecko and upon vote, unanimously carried, the Consent Agenda was approved.

**DIRECTOR ITEMS** Director Thomas raised the question regarding use of the Sandreed Office being available to residents for "rent". The Board discussed the pros and cons of having the facility available. Following discussion, Director Thomas indicated that he would bring a more specific proposal with suggested rules and costs if he wanted to pursue it further.

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

**PUBLIC HEARING ON  
COMPARK 190 EXCLUSION PETITION**  
Upon motion duly made, seconded and upon vote, the Board opened a public hearing on excluding the property known as Compark 190, located

on the south side of E-470 as provided in the legal description included in the exclusion petition.

Pat Mulhern provided a brief explanation of the property location and the District's inability to serve the property economically. The property is only 16.23 acres and is on the south side of E-470 where the District has no water or sewer infrastructure.

Mr. John Cotten addressed the Board and provided further information regarding a will serve letter that was obtained by the property owner for service through Stonegate Village Metro District. Mr. Cotten discussed the different parties interested in purchase and development on the property.

Carolyn Steffl reviewed the statutory requirements of an exclusion for the District. She explained that the board approval of an exclusion would be subject to the property continuing to be liable for its proportion of existing general obligation debt.

There being no further public comment and upon motion duly made by Director Romani, seconded by Director Thomas, the public hearing was closed.

Upon motion duly made by Director Wasiecko, seconded by Director Thomas and upon vote unanimously carried, the Board approved the exclusion petition, contingent upon confirmation that Stonegate Village Metropolitan District will serve the property, confirmation that the exclusion criteria is met as set forth in a Board Order approving the exclusion and provided that the property is subject to payments for its proportionate share of the full amount of outstanding general obligation debt. Legal staff will draft an Order of the Board and will be presented to the board for final action in February.

## **DISCUSSION ON JWPP BIOLOGICAL TREATMENT**

Pat Mulhern provided an update on the JWPP activities related to the biochemical treatment unit and staff's progress on grant applications. Pat reviewed the progress with letters of commitment from various agencies in support of the grant/project.

At the previous meeting, staff was directed to move forward with securing the land through negotiations. Since that time, Pat has met with the Southeast Metro Stormwater Authority ("SEMSWA") and has been in discussions with the land owner. SEMSWA requires a water quality pond for the proposed development in the area and has provided a draft plan to accommodate both facilities on the property. They have also offered to talk with the land owner regarding acquiring the property on their behalf.

Jim Bays with CH2M Hill provided a brief biography on himself and his experience with selenium control using wetlands. He discussed the

Biological Treatment Unit process and the pilot unit. He addressed board questions regarding odor control and byproducts of the process.

#### **CONSIDER RESOLUTION FOR THE WATERSMART GRANT APPLICATION**

Upon motion duly made by Director Wasiecko, seconded by Director Thomas and upon vote unanimously carried, the Board approved the Resolution in Support of Grant Applications for the Joint Water Purification Plant, contingent upon legal counsel review/revisions.

#### **ACTION ITEMS**

Pat Mulhern reviewed the Action Items provided in the Board packet as listed below:

1. **2015 Management Contract amendment with Mulhern MRE;** Costs exceeded the previous contract amount by \$10,120 related to the increase in District development.
2. **2016 Management Contract;** MMRE requests additional funds for the 2016 Management Contract in the amount of \$34,000. Costs would cover 20 hours a month for each, Luis Tovar and a staff engineer, for services related to new development coordination, technical support during construction of the Biochemical Treatment Unit, conversion of the Crown Point irrigation system, well maintenance, oversight of the WISE Connection, ASR implementation, sewer system assessment and improvements and the substitute water supply plan.
3. **30" water supply line in Crown Point;** MMRE provided engineering services for the relocation of this line above the initial \$10,000 previously approved in the amount of \$4,603. MMRE is also requesting \$7,000 to provide construction observation and management services during installation of the line for a total of an additional \$11,603.
4. **Well D-11;** Previously, the Board approved work on this well for cleaning and testing with Layne for \$20,240. A revised scope of work with regards to the length of testing for District project needs was presented to Layne. This resulted in Layne revising their bid to \$22,970 (an additional \$2,730).

Pat reviewed the recent movement in development within the District which requires the reinstatement of the JWPP and the extra involvement of staff. Development has potential of moving the District from 60% to 90% build out in a matter of 3 years.

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

Pat discussed additional items that require Board action that were not listed on the Action Items list:

1. T Lowell was the lowest contractor bid for the 30" water supply line relocation project. Staff is asking the Board to approve the Notice to Proceed on the project not to exceed \$380,000

2. Pat asked that the Board approve the water line relocation agreement that includes billing the landowner following completion of construction in the amount of \$250,000. The agreement is still subject to legal counsel review and revisions.
3. Pat has also asked that Hatch Mott provide additional engineering services on a time and materials basis in support of the JWPP activities and selenium compliance in an amount not to exceed \$20,000.
4. HRS proposes to provide engineering services related to wells to supply the effluent system within the Crown Point area. At this time, costs are estimated at \$10,000.

Following Board discussion and upon motion duly made by Director Wasiecko, seconded by Director Thomas, and upon vote, unanimously carried, the Board approved the additional items listed above.

## REPORTS

**Manager's Report** – Pat Mulhern briefly reviewed the items contained in the January Manager's report. Pat reviewed the findings related to the Crown Point Booster Pump station property and easement ownership.

Melanie Goetz provided an update on the website traffic. She also provided the results of the customer survey circulated through the December billings.

**Financial Report** – Steve Christensen reviewed the District's financial standings. Steve discussed the need for refinancing the 2006 Bond Issue. Pat and Steve will make recommendations regarding consulting assistance in regard to this financing at the next meeting. There was no Board action.

**Legal Report** – Carolyn Steffl briefly reviewed the legal report.

**ADJOURNMENT** Upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for February 18, 2016, beginning at 6:30 p.m. to be held at 8334 Sandreed Circle, Parker, CO.

Date: 2/25/2016

READ AND APPROVED BY THE BOARD:

Alyssa Kasaris  
 Adam Perez, Secretary Alyssa Kasaris, President

RECORD OF PROCEEDINGS

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

February 18, 2016

at 5:00 p.m. at 8051 South Jordan Road, Englewood, Colorado

**ATTENDEES**

Directors present: Bill Thomas, Alyssa Kasaris, Susan Romani, Adam Perez and Steve Wasiecko. Others present: Pat Mulhern, Luis Tovar, and Kelly Conover, Mulhern MRE, Inc.; Carolyn Steffl, Moses, Wittemyer, Harrison, and Woodruff, P.C.; Melanie Goetz, Hughes & Stuart. Public Present: Steve Witter, Patty Pratt, Kate McRae, Kevin McBrien, Katie Spahr, Alan Leak, ACWWA Staff; Geri Santos-Rach, Ken Baird, Nancy Doty, Doyle Tinkey, Nancy Sharpe, Brad Cromer, ACWWA Board members; Jim Bays and Sarah Foster with CH2M, Bill Veydovec Hatch Mott; Mark Beebe, HDR Inc;

**PROPOSED PLAN FOR JWPP REVISION**

Pat Mulhern provided an overview of the proposed improvements to the Joint Water Purification Plant and the related costs. He also reviewed his understanding of the Operations Agreement from December 2014. Pat addressed questions from the Boards.

**PRESENTATION ON BIOCHEMICAL REACTOR**

Jim Bays with CH2M provided information on a proposed biochemical reactor. The District is in the process of purchasing land adjacent to the plant to accommodate construction. Jim addressed questions from the Boards.

**PILOT UNIT TOUR**

Everyone was invited to tour the pilot unit. Jim Bays provided a review of the process of the biochemical reactor.

**ACTION ITEMS**

Pat Mulhern requested the Board consider approval of payment to the CDPHE for the Preliminary Effluent Limits Application for the JWPP in the amount of \$6,300. Upon motion duly made, seconded and upon vote, the Board unanimously approved the expenditure.

**ADJOURNMENT**

Upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for February 25, 2016, beginning at 6:30p.m. to be held at 8334 Sandreed Circle, Parker, CO.

Date: 2/25/2016

READ AND APPROVED BY THE BOARD:

Alyssa Kasaris  
Adam Perez, Secretary Alyssa Kasaris, President

RECORD OF PROCEEDINGS

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

February 25, 2016

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

**ATTENDEES** Directors present: Bill Thomas, Alyssa Kasaris, Susan Romani 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; John Brinkman, 86 Avon Place, Castle Rock and Anthony Vetromila, 8163 South Memphis Way, Englewood, with Flex Express Car Wash.

**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 Thomas, seconded by Director Romani, 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 January 21, and February 18, 2016, approval of checks numbered 18885 through 18929 listed on the check register, ratification of payment to Xcel Energy in the amount of \$100.16, and authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated February 19, 2016. Upon motion duly made by Director Thomas, seconded by Director Romani and upon vote, unanimously carried, the Consent Agenda was approved.

**DIRECTOR ITEMS** Director Thomas said he would like to further discuss the use of the Sandreed Office for District customers and will bring a proposal for consideration in the future..

The Board was provided a trash survey proposed by the Cottonwood Metro District for review that was received this afternoon.

**PUBLIC COMMENT** Mr. Brinkman addressed the Board regarding the tap fee invoice for the Flex Express Car Wash. The Car Wash paid a tap fee on February 5, 2016 based on an October 30, 2015 invoice. Staff is asking for Board direction on collection of the price increase in wastewater fees of \$7,432 as a result of the District wastewater provider, ACWWA, increasing their fees. In addition, an error was noted in the invoice whereby the fees were billed short of the published amount by \$4,000 for a total amount owed of \$11,432.

Carolyn Steffl reviewed the Rules and Regulations related to tap fee permits. Director Romani requested that the Board receive legal advice through executive session.

Director Wasiecko asked that if the Board allows the Carwash to connect to the system prior to a decision on the amount of the tap fee, would Mr. Brinkman enter into an agreement to pay based upon the Board's final decision. Mr. Brinkman was in agreement with the current payment of \$142,517 to allow a connection to the system and he would sign an agreement to abide by the decision the additional fees still owing.

After further discussion, upon motion duly made, seconded and upon vote, the Board unanimously amended the agenda to include an Executive Session for legal advice related to the issue.

### **EXECUTIVE SESSION**

Upon motion duly made by Director Wasiecko, seconded by Director Thomas and upon vote, the Board unanimously moved into executive session at 7:05pm according to C.R.S. 24-6-402(4)(e)&(b) to receive legal advice and to determine positions relative to matters that may be subject to negotiations, developing strategy for negotiations and instructing negotiators related to tap fees charges to Flex Express Car Wash.

The session was not recorded per legal counsel.

Upon motion duly made by Director Thomas, seconded by Director Romani and upon vote, the Board unanimously closed the Executive Session at 7:25pm with no decision made in executive session.

After discussion, upon motion duly made by Director Wasiecko, seconded by Director Thomas and upon vote, the Board unanimously approved invoicing the Flex Express Carwash for \$7,432, the direct cost of the ACWWA 2016 tap fee increase. The Board waived collection of the \$4,000 billing error on the October 2015 invoice.

Director Kasaris left the meeting at 7:30pm.

### **CONSIDER AGREEMENT ON INCREASED DIVERTABLE YIELD FOR THE CHERRY CREEK ALLUVIAL STUDY**

Carolyn Steffl reviewed the agreement related to how the excess water and costs associated with the study would be divided between the entities participating excluding Parker Water and Sanitation District. The District contributes to the study as an individual entity, as a member of Upper Cherry Creek Water Association and the Cherry Creek Project Water Association.

Carolyn recommended the Board approve the agreement in substantially the form presented with some noted grammatical changes by legal counsel.

Subject to legal counsel's revisions, upon motion duly made by Director Wasiecko, seconded by Director Romani, and upon vote, the Board unanimously approved the agreement.

**COSIDER APPROVAL OF BOARD ORDER OF EXCLUSION FOR COMPARK 190 PROPERTY AND EXCLUSION AGREEMENT**

Staff recommended the Board approve this exclusion of a property that the District cannot reasonably serve based upon today's conditions. Mr. Mulhern informed the Board that the District's Rules and Regulations say that the District will collect a fee covering the costs of preparing and completing the exclusion. However, since this property is not in a position to be reasonably served today, Mr. Mulhern recommended waiving these minimal costs. Upon motion duly made, seconded and upon vote, the Board unanimously waived these fees.

Upon motion duly made by Director Thomas, seconded by Director Romani and upon vote unanimously carried, the Board approved the Board Order and the Exclusion Agreement concerning the real property Compark 190.

**ACTION ITEMS**

Pat Mulhern reviewed the Amended Action Items provided to the Board at the meeting and as listed below:

1. ERO - Proposes to provide ecological and permitting studies on the JWPP property for \$13,800.
2. Ratification of equipment purchase – A spectrophotometer and YSI unit to help reduce costs of testing for \$6,404.
3. Inverness Landscaping - Assistance in the collection of samples at the JWPP pilot unit with estimated costs of \$6,000. Pat Mulhern disclosed that he has a 20 % ownership in Inverness Landscaping.
4. First Southwest - Proposal for financial advisory services related to prospective refunding and restructuring of its Series 2006A GO Refunding Bonds for an amount of \$19,500.
5. Applied Ingenuity - Well D-1 Equipment inspection and video of the well to bring it into operation. Proposal to complete the work for \$6,327.
6. Applied Ingenuity - Well FL-2 requires video inspection to re-equip the well for use for the non-potable system in Crown Point. Proposal to complete the work for a fee of \$750.
7. Applied Ingenuity - Well DD-2 had the jockey pump fail. Cost to inspect the pump and determine if it requires repair or replacement for an amount of \$2,242.
8. HRS - Alluvial Well Installation and Alluvial Wellfield Analysis- At a previous meeting, the Board approved \$10,000 to begin work on this item. HRS provided a formal proposal for an additional \$21,500 to provide non-potable supply for the Crown Point irrigation.
9. Shannon & Wilson - Geotechnical study for BCR and JWPP BCR Property. CH2M reviewed and recommends their proposal in the



amount of \$32,636 due to the completeness and detail of the proposal over that of the competing proposal.

10. Acuity ES – Provided a proposal for ASR chemical analysis in Cottonwood for \$18,005.

Steve Christensen reviewed the process of refunding the bonds and working with First Southwest.

Pat Mulhern reviewed the meeting with the Cottonwood Metro District regarding a request of the District to provide an easement for the effluent pipeline and well re-drill for irrigation in Crown Point and the Metro Park. The request was well received by the Metro District and staff will move forward with the project.

Upon motion duly made by Director Thomas, seconded by Director Romani and upon vote, unanimously carried, items 1 thru 10 are approved and ratified by the Board.

## REPORTS

**Manager's Report** – Pat Mulhern briefly reviewed the items contained in the February Manager's report.

Melanie Goetz provided an update on the website traffic. She also provided a graph on how our water rates compare to nine neighboring Districts. The Board asked that a webpage be drafted showing a rate comparison.

**Legal Report** – Carolyn Steffl briefly reviewed the legal report related to the Crown Point Booster Pump station condemnation action and the water court cases.

**ADJOURNMENT** Upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for March 17, 2016, beginning at 6:30 p.m. to be held at 8334 Sandreed Circle, Parker, CO.

Date: 3/25/2016  
READ AND APPROVED BY THE BOARD:  
Alyssa Kasaris  
Alyssa Kasaris  
Adam Perez, Secretary Alyssa Kasaris  
President

RECORD OF PROCEEDINGS

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

March 24, 2016

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

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

**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 Thomas, seconded by Director Romani, 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 February 25, 2016, approval of checks numbered 18930 through 18960 listed on the check register, ratification of payment to Xcel Energy in the amount of \$92.60, and authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated March 11, 2016. 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's Items.

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

**RESOLUTION TO CANCEL 2016 ELECTION**  
Upon motion duly made by Director Thomas, seconded by Director Romani, and upon vote, the Board unanimously approved the Resolution to Cancel the 2016 Election.

**ACTION ITEMS**  
Pat Mulhern provided a summary of costs related to the 2016 Capital Projects for Board information. He reviewed the Amended Action Items provided to the Board at the meeting and as listed below:

1. **JWPP Biological Treatment System Pilot Study and Preliminary Design** – CH2M requests \$114,223 for additional management, pilot operations and tests, and preparing and

participating in the Location and Extent Land Use application and approval process.

2. **JWPP Operations Cost Analysis and JWPP Technical Support regarding Operational Issues** – Hatch Mott would provide a cost analysis for operation of the JWPP at a cost per 1,000 gallons and provide a technical memo addressing concerns of ACWWA regarding flow operation. Costs for both items is \$18,500.
3. **Water Quality Sampling-** GEI Consultants has been providing water quality sampling in support of the ambient standard request and meeting the discharge permit limits. Costs for their continued services for 2016 are \$80,500.
4. **Pneumatic Tank Rental and Installation** – Tomcat Consultants have provided 2 pneumatic tanks to locate at District wells for potential pressure operation of the system during replacement of the 30” water line in Crown Point for a fee of \$11,200. Please ratify this expense.
5. **Pressure Reducing Valve** – Excell Pumps has provided a pressure reducing valve for a hydrant in the event of operating the system off pressure. The cost of the valve is \$2,000. Please ratify this expense.
6. **Operational Settings at the NTGW wells** – Applied Ingenuity will modify settings at 2 wells to allow for operation under pressure conditions for a cost of \$1,800. Please ratify this expense.
7. **SCADA Control of Well Operation** – Browns Hill Engineering will modify the SCADA system at the wells for remote operation for a cost of \$2,000. Please ratify this expense.
8. **Alluvial Monitoring Well Installation and Water Quality Testing** – HRS Water Consultants will provide monitoring wells for testing and water quality sampling for a cost of \$23,000.
9. **Crown Point Non-Potable Irrigation** – Mulhern MRE would provide design and construction management services for connection of the alluvial wells in the Metro Park for irrigation of Crown Point. The cost of services would be \$15,000.
10. **Well D-11** – Applied Ingenuity provided a cost for equipment and piping for the well in the amount of \$83,045.
11. **Well D-1** - Applied Ingenuity provided a cost for cleaning and testing of the well for 24 hours in order to establish equipment sizing for \$44,298.

Following Board discussion and upon motion duly made by Director Thomas, seconded by Director Romani, and upon vote, the Board unanimously ratified action items 4, 5, 6, & 7 and approved action items 1, 2, 3, 8, 9, 10 and 11.

## REPORTS

**Manager’s Report** – Pat Mulhern reviewed the items contained in the March Manager’s report. Pat attended the Colorado Water Conservation Board meeting in La Junta on March 16th. The CWCB Board approved the \$400,000 grant funding request for the Biological Treatment System. On March 21<sup>st</sup>, there was a pilot unit tour at the JWPP, a Water Quality Forum at the CDPHE and a meeting with the Southcreek Master HOA to provide information to homeowners adjacent to the JWPP on the

biological treatment system proposed. Pat provided a flyer to the Board for review and the Board requested that the flyer be mailed with the District water bills.

Melanie Goetz provided a flyer on the JWPP developed in her office for the Board review.


**Financial Report** – Steve Christensen reviewed the District financials. There was no Board action necessary.

**Legal Report** – Carolyn Steffl reviewed the legal report related to the Crown Point Booster Pump Station condemnation action and the water court cases. Carolyn also presented a Resolution of the Board Approving Vacation of Easement and Dedication of New Easements related to the Crown Point water line relocation. Following completion of the project, the District will be able to vacate a portion of the existing easement that will no longer be needed after the relocation. Upon motion duly made by Director Thomas, seconded by Director Kasaris, and upon vote, the Board unanimously approved the Easement Vacation subject to project completion.

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

Date:

4/21/2016  
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READ AND APPROVED BY THE BOARD:

  
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Adam Perez, Secretary

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

April 21, 2016

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

**ATTENDEES** Directors present: Adam Perez, Bill Thomas, Alyssa Kasaris, Steve Wasiecko and Susan Romani. Others present: Pat Mulhern, Randy Warren, 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. Upon motion duly made by Director Thomas, seconded by Director Romani, 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 March 24, 2016, approval of checks numbered 18961 through 19004 listed on the check register, and authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated April 15, 2016. The Neighborhood meeting minutes were provided as information for the Board. Upon motion duly made by Director Thomas, seconded by Director Romani and upon vote, unanimously carried, the Consent Agenda was approved.

**DIRECTOR ITEMS**

Director Romani reviewed some suggestions she had following the Neighborhood meeting on April 10, 2016. She suggested that the following items be addressed on the website; clarification between potable and irrigation water, and between alluvial and Denver Basin aquifer water, and provide the source of funding for the biological treatment system. She would like to help the public understand that the cost of the project would be covered through grants received, partnership with ACWWA, and sale of land to IREA in 2015. During the meeting, the residents were uncertain of District boundaries and locations needing prominent points of reference on the District map. She would like to further clarify our partnership with ACWWA; we are their client for wastewater and partner in the JWPP. Director Kasaris asked that changes on the website be noticed on Nextdoor Cottonwood blog.

Director Thomas requested a pie chart to show District customers what percentage of their water bills go towards different expenses. Director Wasiecko asked that billing be separated from administration and management. This chart will go in the next newsletter.

## PUBLIC COMMENT

There was no public comment.

## ACTION ITEMS

Pat Mulhern provided a summary of 2016 Capital Projects for Board information. He reviewed the Action Items provided to the Board and as listed below:

1. **Review Fees- Arapahoe County** – As part of the Location and Extent process, the County requires submittal fees in the amount of \$20,495. This item was approved via email; therefore, we are requesting ratification of this expense.
2. **Biological Treatment System Site Excavation** – ERO Resources proposes to excavate the area identified in the Environmental Assessment as a trash dump site. They will evaluate and verify that there are no hazardous materials present. This work is proposed for \$3,500.
3. **Biological Treatment System Land Due Diligence** – Mulhern MRE has been working to comply with the requirements of the purchase and sale agreement. MMRE proposes to complete the due diligence process on a time and materials basis not to exceed \$10,000.
4. **Biological Treatment System Location and Extent Submittal** – Mulhern MRE has been working with CH2 on the submittal to Arapahoe County on the land use approval process. MMRE proposes to complete the submittal requirements and public hearing process for \$12,000.
5. **Cottonwood Highlands Booster Pump Station** – Burns and McDonnell responded to the RFP. They propose to complete the design of the station, complete permitting and bid the project for \$227,402. This item was previously approved via email. Please ratify this item.
6. **Cottonwood Highlands Booster Pump Station Project Management** - Mulhern MRE has completed the design documents for the RFP and proposes to provide project management services for \$16,000.
7. **30” Water Line Relocation** – Mulhern MRE has spent more time than anticipated working with the contractor and evaluating operations to assure there was no loss of the system. MMRE proposes additional monies toward the project in the amount of \$20,000.
8. **30” Water Line Relocation** – The contractor installed a manhole to access a flange inserted in the line for operational access. This work was completed during the relocation for a cost of \$6,200. Please ratify this cost.
9. **Crown Point Potable Loop Connection** - Mulhern MRE proposes to provide design services to complete a potable loop line in the Crown Point area. This provides operational options to service in the area in case of a line break/failure. The cost of design work is proposed for \$18,000.
10. **Well D-1** – This well was previously tested and cleaned. Applied Ingenuity has provided a cost for equipping and piping of the well for

\$95,000. We are waiting on a second bid but asking that the Board consider approving the cost on a not to exceed basis.

11. **Well DD-2** – This irrigation pump is in need of a new jockey pump. The cost to replace this pump is \$3,842.

Following Board discussion and upon motion duly made by Director Wasiecko, seconded by Director Romani, and upon vote, the Board unanimously ratified action items 1, 5, & 8 and approved action items 2, 3, 4, 6, 7, 9, 10 and 11.

## REPORTS

**Manager's Report** – Pat Mulhern reviewed the items contained in the April Manager's report. Pat informed the Board that the JWPP Pilot unit has failed the sub lethal WET testing stage and staff has been brainstorming ways to correct the issue using effluent blending. Other options are being researched. Pat also talked about the selenium level in the source water being higher than previous data indicated which has caused the higher than expected selenium levels following treatment at the pilot unit at 4.6 ppb. Staff continues to brainstorm ways to address issues. Director Wasiecko raised the question of regulatory relief as a way to be able to use the biological treatment system (BTS) at the 4.6 ppb. Also, the cost of operation per 1,000 gallons of water is estimated by Hatch Mott MacDonald to be between \$1.86 and \$3.14 depending on the amount of water treated.

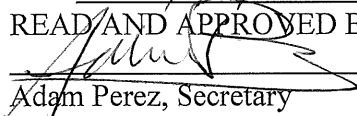
Melanie Goetz provided a chart that was posted on the website comparing neighboring water district costs. She will also prepare a newsletter addressing some customer concerns that were viewed on social media related to the JWPP/BTS land, District costs and the suggestions from Director Romani resulting from the neighborhood meeting.

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

**Legal Report** – Carolyn Steffl reviewed the legal report. The ACWWA trial is set to start Monday. The District is the only opposing party left in the proceedings. Her office is working on a stipulation which will hopefully be settled prior to Monday.

**ADJOURNMENT** Upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for May 19, 2016, beginning at 6:30p.m. to be held at 8334 Sandreed Circle, Parker, CO.

Date: 5/19/2016  
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 19, 2016

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.; Michele Logan, 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, Secretary of State were ratified.

**THE AGENDA** The Board considered the proposed agenda. Director Kasaris added the Oaths of Office and Board Member Position under Director's 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 April 21, 2016, approval of checks numbered 19005 through 19050 listed on the check register, the auto bill payment to Xcel Energy in the amount of \$79.72 on April 22, 2016, ratification of Director payments on April 25, 2016 and authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated May 13, 2016. Upon motion duly made by Director Romani, seconded by Director Perez and upon vote, unanimously carried, the Consent Agenda was approved.

**DIRECTOR ITEMS** A request was made of Director Romani from the Grand View Estates HOA representative for the District to consider assisting them in monitoring the Chambers Reservoir. The homeowners are concerned that the Reservoir may affect their private well water. The request involved monthly testing of the water for different constituents at a proposed cost of \$13,000 per year. The Board was advised that the Reservoir is not owned or operated by the District and that the request should be directed to Arapahoe County Water and Wastewater Authority as the owner. Mr. Mulhern volunteered contacting the HOA representative to discuss his options.

Director Kasaris administered the Oaths of Office to Director Wasiecko and Director Thomas for 4 year terms ending in 2020.

The Board considered nominations for Board Positions. There were no nominations. Upon motion duly made by Director Perez, seconded by



Director Wasiecko and upon vote unanimously carried, the Board positions remained the same:

Director Kasaris, President  
Director Wasiecko, Vice President  
Director Perez, Secretary  
Director Romani, Treasurer  
Director Thomas, Board Member

## **PUBLIC COMMENT**

There was no public present.

## **CONSIDER RESOLUTION FOR BIOLOGICAL TREATMENT SYSTEM LAND PURCHASE**

Pat Mulhern reviewed with the Board the progress of staff on due diligence related to the purchase of the land adjacent to the Joint Water Purification Plant for use of the Biological Treatment System. He also reviewed the status of the pilot testing and sampling results related to selenium levels. The unit removes 90% of the selenium as anticipated however the levels of selenium from the source wells was higher than anticipated. Staff is working with consultants on solutions. Following Board discussion, and upon motion duly made by Director Thomas, seconded by Director Wasiecko and upon vote, the Board unanimously approved the Resolution for Biological Treatment System Land Purchase subject to approval of the location and extent application and there being no other information coming forward that creates a concern for the District.

## **ACTION ITEMS**

Pat Mulhern reviewed the amended Action Items list provided to the Board as detailed in the following:

1. **REVIEW FEES for LAND USE APPROVAL** – The Public Hearing is scheduled for June 14, 2016 which is a special hearing date. The regularly scheduled meeting is June 21, 2016 however it is being held in Byers, CO. To encourage public participation and attendance at the hearing, staff recommends holding this special meeting at a cost of \$705 for Arapahoe County Planning Commission fees.
2. **HDR ENGINEERING** – Mark Beebe has moved to HDR Engineering from Hatch Mott MacDonald and has been working on the technical memos for the JWPP. Initially, his cost was included in a contract with HMM. Staff will reduce HMM contract by \$10,000 for his consultation through HDR.
3. **COTTONWOOD HIGHLANDS BOOSTER PUMP STATION ENGINEERING/SURVEYING** – Manhard Consultants proposes to assist the District in preparing documents required for a Use By Special Review with the Town of Parker to approve the Highlands Booster Pump Station. Manhard proposes to complete the work for \$30,400.
4. **COTTONWOOD HIGHLANDS BOOSTER PUMP STATION SITE PLANNING ASSISTANCE** - Plan West proposes to assist Manhard and provide a landscape and irrigation plan as required by the Town for \$8,800.

5. **WELL DD3 RELOCATION** – Grosch Irrigation Company was the lowest bidder on the project at \$68,896. The District consultant, HRS, has reviewed the bid and recommends approval.
6. **JWPP RAW WATER WELLFIELD ANALYSIS AMENDMENT** – Staff requested that HRS complete an additional wellfield model run to evaluate operation conditions to extend the length of time that peak flows can be met for an estimated \$2,000.
7. **WEBSITE VIDEO UPDATE** – Hughes & Stuart proposes to work with the Board on updating several videos on the website for \$3,900.

Upon motion by Director Wasiecko, seconded by Director Thomas and upon vote, unanimously carried, the Board approved the above mentioned action items.

## REPORTS


**Manager's Report** – Pat Mulhern reviewed the items contained in the May 2016 Manager's report. The Board discussed the cost share of the Highlands Booster Pump Station. The landowner proposed having a tap fee surcharge for each property rather than an upfront cost of the developer. Board directed staff to continue discussions. Pat also discussed with the Board the Ice Pigging operation that ACWWA is doing this coming month. The amount of brown water events in the District has increased over the years. He recently observed a demo on the process and was impressed at the results. There was no Board action.

Melanie Goetz provided an update on the website traffic. She provided FAQs on the newly approved rainwater harvesting bill.

**Financial Report** – Steve Christensen reviewed the District's financial standings. There was no Board action. Director Wasiecko asked for a 5 year projection in the next few meetings.

**Legal Report** – Michele Logan highlighted the Kings Point Metro District condemnation case being dismissed by the court.

**ADJOURNMENT** Upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for June 16, 2016, beginning at 6:30p.m. to be held at 8334 Sandreed Circle, Parker, CO 80134

Date: 10-20-2016  
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 16, 2016

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, Randy Warren and Laurie Tatlock, Mulhern MRE, Inc.; Carolyn Steffl, Moses, Wittemyer, Harrison, and Woodruff, P.C.; Melanie Goetz, Hughes & Stuart.

Upon motion duly made, seconded and unanimously carried, the absence of Director Adam Perez was excused.

**CONFLICT of  
INTEREST**

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

**THE AGENDA**

The Board considered the proposed agenda. Director Romani suggested that an executive session be added to the agenda for the purpose of discussing negotiations on the purchase of the BTS property. Upon motion duly made, seconded and unanimously carried, the amended agenda was adopted.

**CONSENT AGENDA**

The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from the regular meeting held May 19, 2016, authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated June 10, 2016 and approval of checks numbered 19051 through 19069 and checks numbered 19071 through 10903, listed on the check register, and the auto bill payment to Xcel Energy in the amount of \$58.94 on May 23, 2016. Upon motion duly made by Director Romani, seconded by Director Thomas and upon vote, unanimously carried, the Consent Agenda was approved.

**DIRECTOR ITEMS**

Director Thomas noted that a community discussion regarding the disrepair at the wastewater treatment plant site was on the "Nextdoor" website and, in fact, the site is a mess. Staff will contact the Cottonwood Metropolitan District to work on arranging a collaborative cleanup of the area.

**PUBLIC COMMENT**

There were no members of the public present.

**ACTION ITEMS**

Pat Mulhern reviewed the amended Action Items list provided to the Board as detailed in the following:

1. **BTS L&E Submittal** - Mulhern MRE requests additional funds related to work on the Location and Extent Process with Arapahoe County. Staff has been working with CH2 on plan revisions, responses to referral requests, public notifications and meetings. Mulhern MRE proposes to complete the process through the public hearing scheduled for June 14th for an additional \$6,000.
2. **Well DD-3 Relocation** - Mulhern MRE will be on site during the drilling process as the District representative considering the needs of the area residents, the District and the Metro District are met during the process. Mulhern MRE proposes to complete this work for \$3,000.
3. **Snowberry SCADA** - Browns Hill proposes to redirect communications from the Snowberry meter to Inverness via the old WWTP. To eliminate interference issues with new construction, the communication will be done online. Browns Hill will complete the work for \$10,750.

Upon motion by Director Wasiecko, seconded by Director Thomas and upon vote, unanimously carried, the Board approved the above mentioned action items.

## **EXECUTIVE SESSION**

Upon motion duly made by Director Wasiecko, seconded by Director Thomas and upon vote, the Board unanimously moved into executive session at 7:00pm according to C.R.S. 24-6-402(4)(a)&(e) to discuss the purchase of the BTS site and to determine positions relative to matters that may be subject to negotiations, developing strategy for negotiations and instructing negotiators related to the purchase of the BTS site.

The session was recorded.

Upon motion duly made by Director Thomas, seconded by Director Romani and upon vote, the Board unanimously closed the Executive Session at 7:15pm with no decision made in executive session.

## **REPORTS**

**Manager's Report** – Pat Mulhern reviewed the items contained in the June 2016 Manager's report. He updated the Board on the JWPP and the Highlands Booster Pump Station, and the recent receipt of tap fees from Lennar and Vantage Point. There was no Board action.

Melanie Goetz provided an update on the website traffic, noting that the car wash coupon was a traffic driver. She and Director Kasaris have set a date for the DVD production.

**Financial Report** – No financial report due to bi-monthly financial reporting.


**Legal Report** – Carolyn Steffl reviewed the legal matters outlined in the legal report with the Board.

**JWPP UPDATE**

Pat Mulhern presented and the Board discussed a technical review of the BTS pilot testing, BTS operations, JWPP operations, and financial matters related to the JWPP.

**ADJOURNMENT**

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

Date: 10-20-2016  
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 21, 2016

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, Randy Warren, 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 by Director Thomas, seconded by Director Romani and upon vote, the Board unanimously approved the agenda as presented.

**CONSENT AGENDA** The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from the regular meeting held June 16, 2016, approval of checks numbered 19093 through 19136 listed on the check register, the auto bill payment to Xcel Energy in the amount of \$46.27 on June 24, 2016, ratification of Director payments on June 22, 2016 and authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated July 15, 2016. Upon motion duly made by Director Thomas, seconded by Director Romani and upon vote, unanimously carried, the Consent Agenda was approved.

**DIRECTOR ITEMS** Director Thomas would like a discussion on the old wastewater treatment plant facility. This item will be discussed later on in the agenda.

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

**CONSIDER 2015 DRAFT AUDIT** Steve Christensen reviewed the Draft Audit with the Board. Legal counsel had provided minor revisions reflected in the Board packet. There were no staff concerns. Steve refreshed the Board on the practice of changing auditors next year following use of Wagner Barnes & Griggs for the past 5 years. The Board agreed and directed staff to seek other proposals for the 2016 Audit.

Upon motion duly made by Director Thomas, seconded by Director Perez and upon vote, the Board unanimously accepted the 2015 Draft Audit and directed staff to finalize the document and submit to the appropriate state officials.

## ACTION ITEMS

Pat Mulhern reviewed the Action Items list provided to the Board as detailed in the following:

1. **JWPP MAINTENANCE** – Trojan, the UV bulb supplier, provided a cost to clean the bulbs used by the AOP units at **\$22,700**.
2. **ICE PIGGING** – As a result of the increased frequency of brown water events in the District, staff requested a proposal from Suez to scour the main water lines to remove sediment and scaling related to iron and manganese. The proposal was provided at the meeting for **\$290,000** for designated areas in the District.
3. **16" WATER LINE REPLACEMENT** – C&L Water Solutions provided a cost to replace a 20-foot portion of a 16" diameter water line and removal of an existing vault for **\$13,600**.
4. **WATER SAMPLING FOR EPA APPLICATION** – The cost of additional sampling associated with the requirements of the application to the EPA for Aquifer Storage Recovery of WISE water with the current lab, Eurofins, for **\$5,100**.
5. **WISE CONNECTION** - Browns Hill will provide electrical design drawings for the local WISE Connection for **\$3,100**.
6. **WISE CONNECTION** – Ground Engineering will provide a geotechnical report on the site of the WISE metering vault for **\$4,000**.

Pat discussed the cost of replacing the UV Bulbs as a non-necessity at this point in time. The District's intent is/was to get the JWPP ready for summer demands expecting the District might not to be able to meet demands with the wells alone. With the well repairs, replacement and cleaning over the past several months, that has improved production dramatically. Staff feels that use of the JWPP is not necessary this year and recommends delaying approval of Item #1.

There was discussion regarding the Ice Pigging proposal. This item was not budgeted for in 2016. Staff will consider the District's financial position and report to the Board at the next meeting.

Upon motion by Director Wasiecko, seconded by Director Thomas and upon vote, the Board unanimously approved the above mentioned action items 3, 4, 5, & 6 not to exceed \$25,800.

## REPORTS

**Manager's Report** – Pat Mulhern reviewed the items contained in the July 2016 Manager's report. Luis Tovar discussed the request of the Cottonwood Metro District to contribute \$2,500 in refurbishment efforts related to the old Wastewater Treatment Plant. Upon motion duly made by Director Wasiecko, seconded by Director Kasaris, and upon vote, the Board approved the expenditure.

Melanie Goetz provided an update on the website traffic. Melanie proposed an emergency call system for the District to notify residents with emergency information. The Board asked that Melanie continue

researching the service and present further information at the next board meeting.


**Financial Report** – Steve Christensen reviewed the District’s financial standings. Steve reminded the Board that the District has the opportunity to refinance its bonds. He will provide different scenarios at the August meeting for discussion. There was no Board action.

**Legal Report** – Carolyn Steffl reviewed the legal report.

**EXECUTIVE SESSION**

There was no executive session needed.

**ADJOURNMENT** Upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for August 18, 2016, beginning at 6:30p.m. to be held at 8334 Sandreed Circle, Parker, CO 80134

Date: August 18<sup>th</sup> 2016  
READ AND APPROVED BY THE BOARD:  
  
Adam Perez, Secretary



RECORD OF PROCEEDINGS

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

August 18, 2016

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, Randy Warren and Kelly Conover, Mulhern MRE, Inc.; Carolyn Steffl, Moses, Wittemyer, Harrison, and Woodruff, P.C.; Melanie Goetz, Hughes & Stuart. Public Present: Jenny Howard; 17691 Junegrass Place.

**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 to move consideration of Action Items A through E related to the Ice Pigging project to follow the Public Comment section. Upon motion duly made by Director Thomas, seconded by Director Perez and unanimously carried, the amended agenda was adopted.

**CONSENT AGENDA** The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from the regular meeting held July 21, 2016, approval of checks numbered 19138 through 19182 listed on the revised check register provided at the Board meeting, the auto bill payment to Xcel Energy in the amount of \$39.60 on July 22, 2016, and authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated August 13, 2016. Upon motion duly made by Director Thomas, seconded by Director Perez and upon vote, unanimously carried, the Consent Agenda was approved.

**DIRECTOR ITEMS** There were no Director's Items for discussion.

**PUBLIC COMMENT** Ms. Jenny Howard, residing at 17691 Junegrass Place, introduced herself to the Board. She expressed her concern with water quality related to brown water that she has been experiencing, and voiced support for approval of the Ice Pigging project to clean the piping.

Pat Mulhern reviewed the proposed Ice Pigging project that was previously discussed at the August meeting. The District contractor, CH2, completed preliminary testing and recommends the cleaning project to mitigate the brown water. The District would also begin use of an iron sequestering agent at the wells that would be used to minimize precipitation of the iron and manganese into the water after the cleaning.

Once the lines are cleaned, staff anticipates that the cleaning will continue to be a maintenance item periodically.

Pat reviewed the total costs of all services needed; traffic control, operation support, valve exercising, engineering support. Total costs are estimated at \$363,000. Steve Christensen reviewed the Long Term Cash Flow Projections provided in the Board packet. The District is in a good financial position to fund the project based on revenue from the sale of the property to IREA in 2015, and with substantial revenue recently from new development taps.

Upon motion duly made by Director Thomas, seconded by Director Romani, and upon vote, the Board unanimously approved the Ice Pigging Project and associated costs under Action Items A-E listed below, for an amount totaling \$363,000.

- A. Suez – Ice Pigging operations to scour the water main lines for iron and manganese removal at a cost of \$278,000.
- B. C&L Water Solutions – Valve exercising and maintenance prior to Ice Pigging project at a cost of \$10,000.
- C. C&L Water Solutions – Operations support in the field during the Ice Pigging project at a cost of \$30,000.
- D. C&L Water Solutions – Traffic control services during Ice Pigging project at a cost of \$15,000.
- E. Mulhern MRE – Engineering, project coordination and administrative services during Ice Pigging project at a cost of \$30,000.

#### **CONSIDER SECOND AMENDMENT TO SEWER SERVICE AGREEMENT WITH ARAPAHOE COUNTY WATER AND WASTEWATER AUTHORITY**

Pat Mulhern reviewed the proposed amendment to the 2012 Sewer Agreement with ACWWA. By servicing the Vantage Point property, a condition of the Will Serve letter provided by ACWWA required amending the service boundary as provided in the original agreement.

Upon motion duly made by Director Wasiecko, seconded by Director Thomas, and upon vote, the Board unanimously approved the amendment. Staff will provide a signed copy to ACWWA for their consideration at their upcoming meeting in September.

#### **DISCUSSION OF INCLUSION REQUEST OF HIGHLANDS AT KINGS POINT**

Pat Mulhern reviewed the proposed development, Highlands at King's Point (previously the Catalina Development). The use proposed is multi-family as previously proposed, however Cottonwood needs to evaluate whether the sewer capacity in its contract with ACWWA will be sufficient for full development. Currently, the District is restricted to 954,000 gallons of treatment per day. Including this project under within this capacity could limit the ability to serve other properties already within the District. Pat Mulhern will approach ACWWA to determine if they would be willing to consider an increase in the sewer capacity under the existing agreement.

## **CONSIDER USBR GRANT AGREEMENT**

Staff was anticipating having a draft standard agreement with the United States Bureau of Reclamation (USBR) related to the federal funding for the Biologic Treatment System, however there currently is not one to distribute. Staff has been in discussions with the USBR staff representative and hope to have the requirements met and the agreement complete by the deadline of September 16<sup>th</sup>.

## **DISCUSS MANAGEMENT RFP PROCESS**

In 2015, the Board reviewed staff/management performance and asked that staff provide an item of discussion in August of 2016. Director Wasiecko suggested that the Board consider delaying this item until 2018 consistent with the current Bylaws. Following discussion, the Board agreed with Director Wasiecko.

## **CONSIDER ENGAGEMENT OF BOND COUNSEL**

Steve Christensen briefed the Board on the refunding of the 2016 Bond Series A that is up for pre-payment in December 2016. Butler Snow has provided an engagement letter for proposed services. Upon motion duly made by Director Wasiecko, seconded by Director Thomas, and upon vote, the Board unanimously approved the engagement of Butler Snow for a cost for services not to exceed \$45,000.

## **ACTION ITEMS**

Pat Mulhern reviewed the remaining Action Items F-J provided in the Board packet and as described below;

**F.** Bell Surveying – Providing utility locates for the District's wastewater treatment plant site for proposed improvements at a cost of \$1,200.00

**G.** Edge Contracting – The WISE Local Connection metering vault and pipeline connection was bid with Edge Contracting offering the low bid at a cost of \$159,620.

**H.** Ground Engineering – Ground will provide soil compaction testing during construction of the WISE Local Connection at a cost of \$700.

**I.** Consider Water Quality Reimbursement – A resident had requested reimbursement of costs for replacement of his swamp cooler and refrigerator filters as a result of the recent brown water issue attributed to Well D-1 startup for a cost of \$69.07.

**J.** Bell Surveying – Providing surveys to stake the location of improvements for the WISE Local Connection at a cost of \$1,200.

Following Board discussion regarding Action Item I, upon motion duly made by Director Thomas, seconded by Director Wasiecko, and upon vote, the Board unanimously approved a one time credit to the resident's water bill in the amount of \$29 for reimbursement of the swamp cooler filter replacement accompanied by a letter explaining the Board action on Ice Pigging and the one-time consideration of the Board to reimburse this cost.

Following Board discussion and upon motion duly made by Director Thomas, seconded by Director Wasiecko, and upon vote the Board

unanimously approved the Action Items F-H and J listed above in the amount of \$162,720.

## REPORTS

**Manager's Report** – Pat Mulhern briefly reviewed the items contained in the August Manager's report.

Pat reviewed an easement agreement required for the WISE Local Connection between the District and the Compark Business Campus. Staff has drafted an easement agreement and requested Board approval. Upon motion duly made by Director Thomas, seconded by Director Perez and upon vote, the Board approved the easement agreement.

Melanie Goetz provided an update on the website traffic. Melanie will provide paperwork to sign up for the "All Call" emergency call system. There is no cost at this time for signing up. There was no Board action.

**Legal Report** – Carolyn Steffl reviewed the legal report. The Pinery case has settled with a stipulation and the Kings Point Metropolitan District condemnation case is no longer active.

## EXECUTIVE SESSION

At 8:10pm, upon motion duly made by Director Wasiecko, seconded by Director Kasaris, the Board voted unanimously to move into executive session pursuant to Sections 24-6-402(4)(b) and (e), C.R.S. for a conference with the attorney for the District for the purpose of receiving legal advice on specific legal questions and determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations and instructing negotiators regarding the reconversion of the Joint Water Purification Plant to reverse osmosis or a similar treatment process and regarding the JWPP Operation Agreement with Arapahoe County Water and Wastewater Authority. The session was recorded.

Upon motion duly made by Director Thomas, seconded by Director Wasiecko, and upon vote, the Board moved out of executive session.

**ADJOURNMENT** Upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for September 15, 2016, beginning at 6:30p.m. to be held at 8334 Sandreed Circle, Parker, CO 80134

Date: September 15, 2016  
READ AND APPROVED BY THE BOARD:

  
Adam Perez, Secretary

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

September 15, 2016

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

**ATTENDEES**

Directors present: Adam Perez, Bill Thomas, Alyssa Kasaris and Steve Wasiecko. Others present: Pat Mulhern, Luis Tovar, Steve Christensen, Brian Wilkerson, and Kelly Conover, Mulhern MRE, Inc.; Carolyn Steffl, Moses, Wittemyer, Harrison, and Woodruff, P.C.; Melanie Goetz, Hughes & Stuart. Upon motion duly made, seconded and unanimously carried, the Board excused Director 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 by Director Thomas, seconded by Director Wasiecko and upon vote, the Board unanimously approved the agenda.

**CONSENT AGENDA**

The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from the regular meeting held August 18, 2016, approval of checks numbered 19182 through 19220 listed on the check register provided in the Board packet, the auto bill payment to Xcel Energy in the amount of \$40.48 on August 23, 2016, authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated September 13, 2016 and ratification of Director payments made August 19, 2016. 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's Items for discussion.

**PUBLIC COMMENT**

There was no public present.

**CONSIDER USBR GRANT AGREEMENT**

Carolyn Steffl reviewed the agreement provided by the USBR for the District to receive funding for the biological treatment system construction in the amount of \$300,000. Following Board discussion, upon motion duly made by Director Wasiecko, seconded by Director Thomas and upon vote, the Board unanimously approved the USBR Assistance Agreement as presented.

**CONSIDER LAND PURCHASE AND JWPP UPDATE**

Pat Mulhern reviewed the recent meeting with the Colorado Department of Public Health and Environment ("CDPHE"). While the CDPHE did not challenge the proposed permit plan for the plant, they informed

Cottonwood that it will require well more than 1 year to issue a new permit for the plant. However, at the same time, they raised the possibility of operating under the existing permit if the selenium discharge is within the permit limit of 4.6 ppb. Director Wasiecko also attended the meeting and said that he felt the CDPHE was supportive of the Biological Treatment System as being beneficial to all of Colorado.

The following week, staff made the same presentation to the ACWWA Board that they had made to the CDPHE, but then presented a plan whereby operations would begin under the old permit. The plan would be to reduce the intended discharge under the old permit by limiting operations to 3 MGD (instead of 6 MGD). At the lower discharge level, there would be more treatment time in the Biological Treatment System which will lower selenium concentration, and the wells with high selenium would not be used, thereby reducing the selenium concentration coming to the plant. Under these conditions, CH2M has predicted a selenium output of 2.4 ppb or less, well within the permit limit. Staff also informed ACWWA that CH2M could potentially provide an operational guarantee that the plant would operate within the selenium limit. Feedback from ACWWA was positive and supportive, although they will not commit to a plan until after their consultant has reported to them and they have time to fully evaluate the plan. Staff is hopeful that ACWWA could do that yet this year, maybe even at their November Board Meeting.

The Board discussed moving forward with the purchase of the land located at Tract C, Block 12, Dove Valley V. Director Wasiecko presented a motion to move forward with the purchase of the land for the purpose of the BTS in the amount of \$250,000 and to authorize any Board member to sign the closing documents for purchase scheduled for September 21<sup>st</sup>. Director Thomas seconded the motion, and upon vote, the motion was unanimously carried.

Pat also discussed the support work done by CH2M related to the BTS. They continue to provide project management of the pilot unit and outreach services related to meeting support and attendance for furtherance of the District's plan. CH2M is asking for additional funding for Amendment No. 3 related to items discussed above in the amount of \$193,997. Specifically, this includes ongoing work they are doing in support of the project with the CDPHE, ACWWA and the CCBWQA, completion of Phase 2 of the Pilot study which will look at variable flows through the BTS, and a 30% design of the plant which will allow for a Design/Build advertisement of the project. Upon motion duly made by Director Thomas, seconded by Director Perez, and upon vote, the Board unanimously approved the expenditure.

#### **UPDATE ON LOAN REFINANCING**

Steve Christensen reviewed the loan refinancing process and its current status. A Request for Proposal has been prepared and circulated to ten banks, and proposals are due on September 30<sup>th</sup>.

## ACTION ITEMS

Luis Tovar reviewed the Action Item as described below;

- A. **Applied Ingenuity** – An inoperable valve prevented operation of Well D-1 through the SCADA system. Applied Ingenuity will repair the valve for a cost of \$2,497.

Upon motion duly made by Director Thomas, seconded by Director Perez, and upon vote, the Board unanimously approved the Action Item listed above.

## REPORTS

**Manager's Report** – Pat Mulhern briefly reviewed the items contained in the September Manager's report.

The District received a payment from Crown Point Assisted Living, LLC associated with the relocation of the 30" Water Line in a reduced amount, based on additional costs that they have incurred or will incur due to the District's work on their site. The check was written as final payment in satisfaction of all obligations under the agreement, and has not been accepted or cashed by the District. Staff was directed to verify costs claimed in the accompanying letter, deduct claims as reasonable and collect the fees including interest.

Melanie Goetz provided the monthly analytics for the Board packet.

**Financial Report** – Steve Christensen will be leaving Inverness Properties next month and introduced Brian Wilkerson who will provide the accounting and financial services to the District. Steve reviewed the financials presented in the board packet. There was no Board action necessary.

**Legal Report** – Carolyn Steffl reviewed the legal report. The Pinery's water court application has been settled. The Kings Point Metro District Condemnation case is moving forward through an appeal. Carolyn is also working on the closing documents for the JWPP property sale and the RFP for the loan refinancing.

## EXECUTIVE SESSION

There was no executive session.

## ADJOURNMENT

Upon motion duly made, seconded and unanimously carried the meeting was adjourned at 7:35pm. The next regular meeting is scheduled for October 20, 2016, beginning at 6:30p.m. to be held at 8334 Sandreed Circle, Parker, CO 80134

Date: 10-20-2016  
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 20, 2016

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

**ATTENDEES** Directors present: Adam Perez, Bill Thomas, Alyssa Kasaris, Susan Romani and Steve Wasiecko. Others present: Luis Tovar, Steve Christensen, Brian Wilkerson, Randy Warren 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 by Director Thomas, seconded by Director Perez and upon vote, the Board unanimously approved the agenda.

**CONSENT AGENDA** The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from the regular meeting held September 15, 2016, approval of checks numbered 19222 through 19265 listed on the check register provided at the Board meeting, the 2 auto bill payments to Xcel Energy in the amount of \$40.48 each on September 21 and October 20, 2016, and authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated October 17, 2016. Upon motion duly made by Director Thomas, seconded by Director Romani and upon vote, unanimously carried, the Consent Agenda was approved.

**DIRECTOR ITEMS** Director Thomas reported to the Board on the recent Open House held by the Cottonwood Metro District. He discussed their proposed mill levy increase presented in the November 2016 election and that it was to be spent on their irrigation system improvements. The Metro District also proposed the mill levy increase continue annually to cover costs of other proposed improvements.

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

**2017 DRAFT BUDGET** The Board was presented with the draft 2017 budget on October 15<sup>th</sup> as required by statute. Randy Warren reviewed the budget and answered questions from the Board. The Board also discussed the proposed 2% increase in water and sewer rates for service fees and tap fees. The Board also discussed the proposed decrease in the mill levy as a result of bond refinancing. The refinancing is expected to close November 9<sup>th</sup>.



## **JWPP UPDATE**

Luis Tovar reviewed the recent meeting with the District, ACWWA staff, and CH2 that was to discuss the possibility of CH2 operating the JWPP and BTS. This would provide CH2 the ability to provide a guarantee as required in the JWPP Operating Agreement. Carolyn also attended the meeting and suggested that the project be publicly bid to create a Request for Proposals (RFP) in early November, after the ACWWA Board meeting to see if ACWWA would participate in funding of the project.

The RFP would advertise for a design/build proposal with the possibility to provide operation of the plant and BTS.

Carolyn requested a motion from the Board for staff and legal counsel to prepare an RFP for the integrated project delivery, and to determine that integrated project delivery is a timely and cost effective alternative for this project. Upon motion by Director Wasiecko, seconded by Director Thomas, and upon vote, the motion was unanimously approved.

## **CONSIDER APPROVAL OF RESOLUTION AUTHORIZING THE 2016 GENERAL OBLIGATION REFUNDING LOAN IN THE APPROXIMATE AMOUNT OF \$4,500,000, AUTHORIZING REFINANCING OF THE SERIES 2006A GENERAL OBLIGATION REFUNDING BONDS AND APPROVING RELATED FINANCING DOCUMENTS**

Carolyn Steffl reviewed a new general obligation refinancing loan and the Resolution to approve loan and refunding of the Series 2006A Bonds. The anticipated closing date is November 9<sup>th</sup>. The District had 8 bids. Upon review of each company's bid and qualifications, staff recommended entering a loan agreement with BOKF, N.A., d/b/a Colorado State Bank and Trust, at a tax-exempt interest rate of 1.86% per annum.

Upon motion duly made by Director Wasiecko to approve the Resolution approving the 2016 General Obligation Refunding Loan and the 2006A Bond refinancing, duly seconded by Director Thomas and upon vote, the Board unanimously approved the Resolution and authorized any Board member to complete the necessary paperwork at closing.

## **CONSIDER LICENSE AGREEMENT WITH THE TOWN OF PARKER**

Luis Tovar reviewed the Cherry Creek Alluvial Study that requires monitoring wells for data collection. One well is located in the Town of Parker Right-Of-Way and the District has been asked by the Study Manager to sign a License Agreement as a member of the Study. Upon motion duly made by Director Thomas, seconded by Director Romani and upon vote, the Board unanimously approved the agreement.

## **MANAGERS REPORT**

Luis Tovar reviewed the items in the October managers report. Staff has requested that CH2 provide an amendment to the BTS agreement with the District to bring the BTS to a 60% design stage. We anticipate pricing to be provided at the November Board meeting. Luis discussed the District's shared involvement in the GEI study on chlorides, the pilot study sampling

results and the status of the preparation for the ice pigging project. CH2 also provided an amendment to their water quality services contract.

Luis and Randy reviewed the Highlands Booster Pump Station. The initial investment by the District is above what was initially estimated. Infrastructure costs will be shared on a per acre basis. Mr. Vickers and Mr. Carlson would be responsible for \$350,000 up front with the collection of the remaining costs, about \$850,000, by the District through a tap fee surcharge applied to the homes that benefit from the BPS. After 3 years, the developer will be responsible to fund any outstanding costs.

**ACTION ITEMS** Luis Tovar reviewed the Action Items as described below;

- A. **GEI Consultants – Chloride/Sulfate Study** – There would be 5 entities sharing in the cost of a chloride study for submittal to the Water Quality Control Commission on statewide standards for chloride and sulfate aquatic life criteria. Cottonwood’s share of costs are estimated at **\$10,600**.
- B. **CH2 – Water Quality Study** – Staff asked CH2 for continued work on the District water quality. Their costs are **\$19,310**.
- C. **Eurofin Labs – ASR Sampling** – Further sampling is required by the EPA for the WISE water. The 3 Aurora Water plants will be sampled. These costs will be shared among Meridian and Inverness. Cottonwood’s estimated cost is **\$5,000**.
- D. **WISE Local Connection – Services during Construction** – Mulhern MRE will provide services during project construction. Costs are on a time and material basis for **\$10,200**.

Following Board discussion and upon motion duly made by Director Thomas, seconded by Director Perez, and upon vote, the Board unanimously approved the Action Item listed above for a total expenditure of \$45,110.

**LEGAL REPORT** Carolyn Steffl reviewed the legal report with the Board.

**ADJOURNMENT** Upon motion duly made, seconded and unanimously carried the meeting was adjourned at 7:35pm. The next regular meeting is scheduled for November 17, 2016, beginning at 6:30p.m. to be held at 8334 Sandreed Circle, Parker, CO 80134

Date: 11/17/2016  
**READ AND APPROVED BY THE BOARD:**



RECORD OF PROCEEDINGS

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

November 17, 2016

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

**ATTENDEES** Directors present: Bill Thomas, Alyssa Kasaris, Susan Romani and Steve Wasiecko. Others present: Pat Mulhern, Luis Tovar, Brian Wilkerson, Randy Warren and Kelly Conover, Mulhern MRE, Inc.; Jim Bays, CH2; Carolyn Steffl, Moses, Wittemyer, Harrison, and Woodruff, P.C.; Melanie Goetz, Hughes & Stuart. Upon motion duly made, seconded and unanimously carried, the Board excused Director Perez.

**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 Thomas, seconded by Director Romani and upon vote, the Board unanimously approved the agenda.

**CONSENT AGENDA** The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from the regular meeting held October 20, 2016, approval of checks numbered 19266 through 19310 listed on the check register provided in the Board packet, authorization for staff to implement disconnection procedures on accounts listed on the delinquent list dated November 14, 2016 and ratification of Director payments made on October 26, 2016. 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's items.

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

**PUBLIC HEARING ON 2017 RATES** At 6:34pm, the Board opened a public hearing on the 2017 Rates. There being no public present, the hearing was closed.

Randy Warren reviewed the proposed rate increase of 2% for water and wastewater service fees and water and wastewater tap fees.

Following Board discussion and upon motion duly made by Director Thomas, seconded by Director Romani, and upon vote, the Board unanimously approved the new rate schedule with a 2% rate increase applied to the water and wastewater service and tap fees, effective January 1, 2017.

**CONSIDER RESOLUTION  
ON RATES**

The Board considered a Resolution Adopting New Rate Schedule. Upon motion duly made by Director Thomas, seconded by Director Romani, and upon vote, the Board unanimously approved the Resolution.

**PUBLIC HEARING ON  
2017 DRAFT BUDGET**

At 6:51pm, the Board opened a public hearing on the 2017 Budget. There being no public present, the hearing was closed.

Randy Warren reviewed the 2017 budget and answered questions from the Board.

**CONSIDER RESOLUTION ON  
2017 BUDGET AND APPROPRIATION OF FUNDS**

The Board considered a Resolution to Adopt 2017 Budget and Appropriate Sums of Money. Upon motion duly made by Director Wasiecko, seconded by Director Thomas, and upon vote the Board unanimously approved the Resolution and authorized staff to file a certified budget as required by Statute.

**CONSIDER RESOLUTION ON  
CERTIFICATION OF MILL LEVY**

The Board discussed the proposed decrease in the mill levy to 19 mills reflective, in part, of the bond refinancing that closed November 9, 2016.

Upon motion duly made by Director Wasiecko, seconded by Director Thomas, and upon vote, the Board unanimously approved the Resolution Certifying the Mill Levy. Staff was authorized to file a certified mill levy as required by Statute.

**CONSIDER CWCB AGREEMENT  
ON GRANT**

Carolyn Steffl reviewed the Draft Grant Agreement with the Colorado Water Conservation Board for construction of the biological treatment system.

Upon motion duly made by Director Thomas, seconded by Director Romani, and upon vote, the Board unanimously approved the grant in substantially the form presented with staff and legal counsel finalizing language through negotiations with the CWCB.

**CONSIDER INFRASTRUCTURE  
FUNDING AND TAP FEE AGREEMENT**

Carolyn Steffl reviewed terms of the agreement with the Board. The agreement details costs for infrastructure development and payment of tap fees for the future development of the site owned by Nick's Investments LLC.

Upon motion duly made by Director Thomas, seconded by Director Romani, and upon vote, the Board unanimously approved the agreement with some minor changes approved by legal counsel in finalizing terms of the agreement.

## **JWPP UPDATE**

Pat Mulhern reviewed the request from ACWWA as a result of their consultant, Carollo, reviewing technical memos provided by the District consultants related to the modifications of the JWPP and the construction of the Biological Treatment System. Carollo requested further investigation into an active biological treatment system manufactured by Frontier Water that was identified in an earlier study by Rettew. Staff has asked CH2M to review the system proposal to understand the requirements of the system that is being proposed and the capital and operating costs if implemented. CH2M has a proposed cost of \$32,000 to review and compare the systems. This would only be done if the ACWWA Board approved sharing the cost at 63%.

Pat and Jim Bays addressed questions regarding both systems.

## **ACTION ITEMS**

Pat Mulhern reviewed the amended Action Items as described below;

- A. **CH2M Decommissioning Pilot Unit** – Jim Bays provided details on the work required to decommission the unit. Costs include lab testing, engineering and data analysis. Costs are \$13,847.
- B. **CH2M Evaluating the Frontier Water system** - \$32,000 with costs shared with ACWWA, 37% costs covered by the District.
- C. **CH2M Pilot Study** - Providing Services for Phase III of the Pilot Unit analysis for \$18,000
- D. **CH2M Design Services** - 30% design of plant modifications for \$32,000

Costs for Items B., C., and D. were being forwarded from CH2M during the meeting, and need to be checked/revised for accuracy once the full proposal is received. Following Board discussion and upon motion duly made by Director Wasiecko, seconded by Director Thomas, and upon vote the Board unanimously approved the Action Items listed above.

## **REPORTS**

**Manager's Report** – Pat Mulhern and Luis Tovar briefly reviewed the items contained in the November Manager's Report related to the Ice Scouring, the Highlands Booster Pump Station, and the WISE Local Connection.

Randy Warren provided a development update related to the Cottonwood Highlands.

**Financial Report** – Randy Warren provided a proposal for the 2016 Audit with Logan & Associates for \$6,500. Randy recommended the Board approve the engagement letter. Upon motion duly made by Director Thomas, seconded by Director Romani, the Board unanimously approved the proposal from Logan & Associates.

**Legal Report** – Carolyn Steffl confirmed completion of the Bond Refinancing Closing on November 9<sup>th</sup>, she has also been working on contracts related to the JWPP grants, booster pump station, and the Highlands development.

**ADJOURNMENT** Upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for December 15, 2016, beginning at 6:30p.m. to be held at 8334 Sandreed Circle, Parker, CO 80134

Date: Dec 15, 2016  
READ AND APPROVED BY THE BOARD:

*Lisa Raman*

RECORD OF PROCEEDINGS

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

December 15, 2016

at 5:30 p.m. at 8334 Sandreed Circle, Parker, Colorado

**ATTENDEES** Directors present: Adam Perez, Bill Thomas, Alyssa Kasaris, Susan Romani and Steve Wasiecko. Others present: Pat Mulhern, Luis Tovar, Brian Wilkerson, Randy Warren and Kelly Conover, Mulhern MRE, Inc.; Carolyn Steffl, Moses, Wittemyer, Harrison, and Woodruff, P.C.; Public Present: Charlie and Dawn Perez at 17704 Junegrass Place.

**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 upon vote, the Board unanimously approved the agenda.

**CONSENT AGENDA** The Board considered the Consent Agenda. The Consent Agenda included approval of the minutes from the regular meeting held November 17, 2016, approval of checks numbered 19311 through 19356 and electronic payment to Xcel Energy in the amount of \$44.74 listed on the check register provided in the Board packet. Upon motion duly made by Director Thomas, seconded by Director Romani and upon vote, unanimously carried, the meeting minutes and check register was approved.

The Board discussed implementing disconnect procedures on accounts listed on the delinquent list dated December 12, 2016. Following discussion, staff was directed to postpone disconnect procedures for the month of December 2016.

The Board reviewed the posting locations, publication notification and meeting dates for 2017. Upon motion duly made by Director Thomas, seconded by Director Romani and upon vote, the Board unanimously approved the posting locations, publication notification and meeting dates for 2017.

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

**PUBLIC COMMENT** Mr. and Mrs. Perez addressed the Board regarding the District's efforts to improve the water quality. Mr. Tovar addressed their questions and updated the Board on the recent ice scouring project. The District has also contracted with CH2 for water quality testing and recommendations to improve the water quality in the District.

## **DISCUSS CWCB GRANT AGREEMENT**

The Board was provided with an updated Statement of Work, Exhibit A for the agreement. Carolyn Steffl asked that the Board consider the changes made to the Statement of Work in substantially the form presented.

Upon motion duly made by Director Thomas, seconded by Director Romani, and upon vote, the Board unanimously approved the Agreement and Statement of Work in substantially the form presented with staff and legal counsel finalizing language through negotiations with the CWCB.

## **JWPP UPDATE**

Staff provided additional information requested from ACWWA and a letter requesting that the Board approve their participation in the project as outlined in the JWPP Operating Agreement. CH2M has completed the Phase 2 Pilot Study, a study of the Frontier Water Biologic Treatment System and a letter opining that the proposed BTS will meet the requirements of the discharge permit.

Pat Mulhern met with the ACWWA PDAC committee to request a commitment of funding for the project.

Pat Mulhern and Sarah Foster, CH2, will also be meeting with the Cherry Creek Basin Water Quality Authority Board and the Colorado Department of Public Health and Environment.

## **ACTION ITEMS**

Pat Mulhern reviewed the Action Items provided in the Board packet and as described below;

1. **HRS Water Consultants** – Perform water modeling of the alluvium to evaluate production during drought to address questions from ACWWA and their consultants. **Time and Materials, Not to Exceed \$10,000**
2. **ERO Resources** – Providing a Cultural Resource Investigation of the BTS site as required by the USBR. This work is required to obtain a COE 404 permit for the Project. **Time and Materials, Not to Exceed \$12,600**
3. **Mulhern MRE – JWPP Management Costs** – Mulhern MRE requests additional funds for the management contract related to the unanticipated additional management responsibilities associated with moving the JWPP Project forward and the rapid growth of the District. **Time and Materials, \$25,000**
4. **Cross Diamond Electric** – Electrical work necessary to power the WISE Vault including SCADA PLCs, trenching and installing the electrical connection from Well D-11. **Not to Exceed \$15,500**
5. **Mulhern MRE – 2017 District Management** – Mulhern MRE requests renewal of the contract for District management services for 2017 with a 3% increase in hourly rates. **Not to Exceed \$235,000**
6. **Mulhern MRE – 2017 District Development Review/Oversight** - Mulhern MRE will provide review and oversight of the District's anticipated development and construction. **Not to Exceed \$35,000**



7. **Mulhern MRE – 2017 JWPP BTS Management** – Mulhern MRE will continue to work toward restoration of the JWPP and construction of the BTS. **Not to Exceed \$50,000**
8. **Baird Grounds Maintenance – 2017 Landscape Contract** – Landscaping services for the District facilities and maintenance of the field behind 8334 Sandreed Circle. **\$925/Month and \$585 per mowing service**
9. **Baird Grounds Maintenance – 2017 Snow Removal Contract** – Snow removal services for the District facilities on a time and materials basis.
10. **Inverness Water and Sanitation District – 2017 District Operations** – Water and Wastewater System Operations for 2017. **Not to Exceed \$148,600**
11. **C&L Water Solutions – Emergency Utility Services** – 2017 contract for District emergency repair services on a time and materials basis.

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

## REPORTS

**Manager's Report** – Pat Mulhern and Luis Tovar reviewed the items contained in the December Manager's Report.

Randy Warren provided a development update. In an effort to secure 2016 tap fee pricing, developers may have additional tap fee payments prior to the December 31<sup>st</sup> deadline. The District will then pay ACWWA their sewer tap fee. Staff requests the Board approve payment of the ACWWA tap fee per single family equivalent with staff securing a signature as soon as possible to meet the deadline for the 2017 increase. Upon motion duly made by Director Wasiecko, seconded by Director Thomas and upon vote, the Board unanimously approved payment to ACWWA for any tap fees received by December 31, 2016.

**Legal Report** – Carolyn Steffl reviewed the legal report.

**ADJOURNMENT** Upon motion duly made, seconded and unanimously carried the meeting was adjourned. The next regular meeting is scheduled for January 19, 2017, beginning at 6:30p.m. to be held at 8334 Sandreed Circle, Parker, CO 80134

Date: 1/19/2017  
READ AND APPROVED BY THE BOARD:

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