

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE ROXBOROUGH WATER AND SANITATION DISTRICT AND THE BOARD OF DIRECTORS OF THE PLUM VALLEY HEIGHTS SUB-DISTRICT OF ROXBOROUGH WATER AND SANITATION DISTRICT HELD March 18, 2015

A regular meeting of the Board of Directors of the Roxborough Water and Sanitation District and the Board of Directors of the Plum Valley Heights Sub-district of Roxborough Water and Sanitation District was held on Wednesday, March 18, 2015 at 8:00 a.m. at the Roxborough Water and Sanitation District's offices located at, 6222 N. Roxborough Park Road, Littleton, Colorado 80125. Notice of the meeting was duly posted in at least three locations within the boundaries of the District and three locations within the boundaries of the sub-district, as required by State law.

Attendance: **Directors:** Dave Bane
 Dave Thomas
 John Dillon
 Dave Heldt
 Tim Moore
 Consultants: Bill Goetz, TST Infrastructure, LLC
 Alan Pogue, Esq. Icenogle, Seaver, Pogue
 Ted Snailum, TSW Financial, Inc.
 RWSD Employees: Larry Moore
 Mike Marcum
 Vickie Nolen
 Cindy Taylor
 Joanne Cleveland
 Steve Howell
 Public: Jack McCormick, PVH resident

Call to Order: The meeting was called to order by Dave Bane, President of the Board. It was also established that a quorum was in attendance and there were no conflicts of interest to disclose.

PUBLIC COMMENT:

There was no public comment.

CONSENT AGENDA: Upon a motion by Director Heldt and second by Director Thomas, the Board approved the Consent Agenda, which consisted of:

1. Approve Minutes of the February 18, 2015 Regular Meeting
2. Ratify Payroll for February 28, 2015 and March 15, 2015
3. Approve Payment of Claims- check #55608-55647
4. Ratify Payments since February 18, 2015 – checks #55574-55607

GENERAL MANAGER'S REPORT:

Sterling Ranch/DWSD (D/SR): Mr. Moore informed the Board that all of the IGA's and Agreements have been executed. This includes the Agreement for cost split for the Actiflow unit and the Aurora Pipeline Relocation; the 1st Amendment to the IGA and we have in hand the \$5 million dollar letter of credit. We are continuing to work on the various easements that are required for construction of the new water plant.

We have received the authorization from Dominion/Sterling Ranch to contract for the repair work that is needed at the Wastewater Treatment Plant. Dominion/Sterling Ranch has authorized up to \$30,000 for the work needed. Also, Mr. Moore informed the Board that staff has begun the review process associated with closing on the sale of the WWTP to Dominion. We will need to

obtain and review updated title documents, encroachments, and transfer easements and access agreements.

Plum Valley Heights Subdistrict: Mr. Moore asked the Board for concurrence to begin the inclusion process with the 29th lot located in PVH that did not initially include. The Board gave Mr. Moore the approval to move forward with that inclusion process.

DC/NWDC Water Project: Mr. Moore informed the Board that the Colorado Water Resource and Power Development Authority loan in the amount of \$5.2 Million Dollars was approved on Friday, March 6th by the CWRPDA Board of Directors. The CWCB Loan is expected to be considered at the May CWCB Board Meeting and the CWCB Grant Application is being considered at their Board Meeting on March 18, 2015.

Mr. Moore informed the Board that he received a letter from John Kaufman, Centennial Water and Sanitation District regarding their possible participation in providing service to Chatfield Acres and Chatfield East. Mr. Moore and Mr. Goetz have analyzed the financial projections in the letter and have met with Mr. Kaufman and staff to try to come to some terms that would make economic sense to this project. The cost numbers presented by Centennial Water and Sanitation District do not currently make economic sense for RWSD or the customer within the PVH Subdistrict.

Mr. Moore has also had a meeting with Jerry Flannery, General Manager of the Highlands Ranch Open Space, Commissioner Jill Rapella, Tim Murrell (Douglas County) and Bill Goetz to inform him of the importance of this project. Commissioner Rapella provided Mr. Flannery with the background of our meetings with Centennial and what we are proposing. Mr. Flannery is meeting with the Douglas County Commissioners at which time they will discuss this project and then thereafter a meeting will be scheduled with Mr. Moore and Mr. Flannery to discuss how to move forward.

WTP Design: Mr. Moore informed the Board that seven contractors have obtained bid packages from TST for the WTP. The bid opening is scheduled for April 2nd at 2:00 p.m. at TST's offices.

LEGAL ISSUES: Alan Pogue gave the status report to the Board.

OPERATIONS: Mike Marcum gave the Board an overview of work done in the District, at the Plants, and in the Field.

ENGINEERING: Mr. Goetz gave the status report to the Board and discussed the rainfall/water treatment report.

Aurora Rampart Raw Line Relocation Pay App #2: The Board upon a motion from Director Thomas, second from Director Moore and unanimous vote approved Pay App #2 to BT Construction, Inc. for work done on the Aurora Rampart Raw Line Relocation Line in the amount of \$14,347.37.

FINANCIAL: Mr. Snailum presented the February 2015 RWSD Financial Statements and the February 2015 PVH Financial Statements to the Board. Upon a motion by Director Thomas, second by Director Heldt and unanimous vote the Board accepted the February 2015 Financial Statements for both entities.

ADMINISTRATIVE:

Monthly Customer Summary: Ms. Taylor reviewed the Monthly Customer Summary with the Board. Since we started the rebate program, January 1, 2008, we have rebated \$65,930.11.

Director Heldt made a motion to adjourn as the Board of Directors of the Roxborough Water and Sanitation District and convene as the Board of Directors of the Plum Valley Heights Subdivision. Upon a second by Director Dillon the motion was unanimously approved.

PLUM VALLEY HEIGHTS SUBDISTRICT:

ACTION ITEMS:

Resolution No. 15-03-05: The Board upon a motion from Director Thomas, second from Director Dillon and a unanimous vote approved Resolution No. 15-03-05 that authorizes a \$5,200,000 Loan from

Colorado Water Resources and Power Development Authority and approving all documents related thereto.

Inclusion of NW Douglas Project Area: Mr. Pogue advised the Board that the inclusion order for the NW Douglas Project Area needed to be recorded prior to closing on the CWRPDA loan. This is earlier than originally anticipated, as the original plan contemplated recording the order and awarding a construction contract in May. Since the construction contract will not be awarded until the 4th quarter of 2015, the Board directed that the initial inclusion fee payment and monthly surcharges be delayed until the construction contract is awarded.

Director Thomas made a motion to adjourn as the Board of Directors of the Plum Valley Heights Subdistrict and reconvene as the Board of Directors of the Roxborough Water and Sanitation District with a second by Director Dillon the motion passed unanimously.

ACTION ITEMS:

2015 Water Rates: The Board upon a motion by Director Heldt, second by Director Moore and a 4-0 vote (Director Thomas abstained) to increase the water rates as follows:

- The water treatment and distribution flat rate will increase by \$1.00.
- The water rates will increase by 2.4%. The new water rates are as follows:

0-20,000 gallons	\$5.18
20-40,000 gallons	\$6.70
40,000 + gallons	\$12.13

2015 Sewer Rates: The Board upon a motion by Director Moore, second by Director Heldt and a 3-2 vote (Director Thomas and Director Dillon voted no) to increase the sewer rates as follows:

- The sewer collection and treatment flat rate will increase by \$.50 which is less than half of the increases Roxborough has received from Littleton within the last three years.

2015 System Development Charge: The Board upon a motion by Director Thomas, second by Director Heldt and a unanimous vote agreed to raise the System Development Charge as follows:

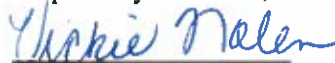
- The 2015 System Development Charge will increase from \$37,555 to \$39,564.00 or by \$2,009.00. This increase is a result of the calculation worksheet used to determine the System Development Charge.
- Availability Rates will increase \$3.97, as set forth in the Rules and Regulations.
- These increases become effective on March 25, 2015 which will be reflected on the April 2015 statements.

Resolution No. 15-03-04: The Board upon a motion from Director Moore, second from Director Heldt and a unanimous vote approved Resolution No. 15-03-04 that authorizes changes to the water and wastewater services rates and System Development Charges, with the specific no votes and abstention mentioned on the individual rate components being noted for the record.

SDA Online Training: Steve Howell updated the Board on the SDA Online Training courses that have been made available to the Board of Directors and asked for some participation. Director Moore and Director Thomas agreed to participate. The SDA Online Training program offers classes to staff and directors and upon completion will make available discounts on our worker's compensation insurance policy.

ADJOURN: Being no further business, a motion was made by Director Heldt and seconded by Director Moore to adjourn the meeting at 11:35 a.m. The motion passed.

Respectfully Submitted,



Secretary for the Meeting