

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 SUBDISTRICT OF ROXBOROUGH WATER AND SANITATION DISTRICT HELD May 20, 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 Subdistrict of Roxborough Water and Sanitation District was held on Wednesday, May 20, 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 Subdistrict, as required by State law.

Attendance: Directors: Dave Bane
Dave Thomas
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
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.

Absent: There was a motion by Dave Thomas and a second by Tim Moore and unanimous vote to approve the excused absence of John Dillon.

PUBLIC COMMENT:
There was no public comment.

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

1. Approve Minutes of the April 15, 2015 Regular Meeting
2. Ratify Payroll for April 30, 2015 and May 15, 2015
3. Approve Payment of Claims- check #55757-55766
4. Ratify Payments since April 15, 2015 – checks #55704-55756
5. Pay App #4 in the amount of \$273,959.67, Waterline relocation
6. Change Order #2 in the amount of \$122,505.00, Waterline relocation

GENERAL MANAGER'S REPORT:

Sterling Ranch/DWSD (D/SR): Mr. Moore informed the Board the 106 Action against D/SR is over. The Plaintiffs did not appeal the case to the Colorado Supreme Court.

D/SR, Wastewater: RWSD received \$800,000 from D/SR on April 30, 2015. We continue to make repairs throughout the WWTP and are now pumping water as required by the Wastewater Treatment Plant Purchase and Sale Agreement to discover leaks that are not obvious to the eye. We hope to be

completed within a couple of weeks. We are also completing the design of the Emergency Interconnect and Emergency Pond Reclaim System. TST's design will have the ability to circulate wastewater through the WWTP and back to RWSD's lift station. Mr. Pogue is working on an agreement that would let D/SR do the construction which would allow the project to be completed sooner. D/SR has already completed the permit transfer with CDPHE. Therefore, the permit is no longer in RWSD's name. They have renamed the plant "The Chatfield Basin Water Reclamation Facility".

D/SR, Water: RWSD received \$1 Million Dollars in cash from DWSD on April 30, 2015, as required by the Water Treatment IGA and received an additional Letter of Credit on May 11, 2015 in the amount of \$2,422,500, also pursuant to the Water Treatment IGA. We now have received the current agreed upon funds to move forward to construct the WTP.

DC/NWDC Water Project: Mr. Moore informed the Board that the CWCBC Board will consider loan approval at its regularly scheduled Board Meeting on May 21st. Mr. Moore will attend this Board Meeting in case there are any questions regarding this project.

Bill Goetz, Steve Howell and Larry Moore met with the Backcountry HOA regarding the proposed tank site and transmission pipeline. The Backcountry HOA wants us to pursue working with Centennial Water and Sanitation District to provide a master-meter service, to avoid the need for the buried tank on the HOA's Open Space. Mr. Moore informed them that we are on a strict time limit and also we could not pay more than what was projected for the project. Mr. Moore did commit to contacting Centennial Water and Sanitation District again to see if we could bring them into this project quickly and at a reasonable charge to the NWDC customers.

We continue to work on the pipeline alignment along Moore Road and continue to work with Dominion/Sterling Ranch and Douglas County.

Rampart Road Extension: Larry Moore gave an update to the Board regarding the Seven Stones development. The people developing Seven Stones came back to us with a revised project requesting 16 EQR's and they would build an 8 inch pipeline to their project.

Meadow Ditch Water: Mr. Moore showed the Board pictures of the Lambert Reservoir Dam failure as a result of the heavy rain and snow the weekend of May 9th and also a hole in the discharge pipe. Steve Howell has been working on site with the State Ditch Rider and Dam Inspector, Douglas County Sheriff's Department, Douglas County Commissioner Roger Partridge and Douglas County Emergency Preparedness. Mr. Moore informed everyone that RWSD had an emergency contractor pumping out the water since the morning of May 11th and as of May 13th we were close to getting the reservoir down to a level low enough to breach the remaining portion of the Dam and to allow all of the water to flow through. We would make repairs to the Dam after the Spring runoff has subsided.

May 13, 2015 Special Meeting: Mr. Moore informed the Board that the special meeting that had been scheduled for Wednesday, May 13th was cancelled because of notice requirements that were not met.

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.

FINANCIAL: Mr. Snailum presented the April 2015 Financial Statements to the Board. .

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 \$66,655.11.

Director Moore 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 Subdistrict. Upon a second by Director Heldt the motion was unanimously approved.

PLUM VALLEY HEIGHTS SUBDISTRICT:

ACTION ITEMS:

FINANCIAL: Mr. Snailum presented the April 2015 PVH Financial Statements to the Board.

Financial Statements: Upon a motion by Director Thomas, second by Director Heldt and unanimous vote the Board accepted the April 2015 Financial Statement for Plum Valley Heights Subdistrict.

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 Heldt the motion passed unanimously.

ROXBOROUGH WATER AND SANITATION DISTRICT:

ACTION ITEMS:

Financial Statements: Upon a motion by Director Thomas, second by Director Moore and unanimous vote the Board accepted the April 2015 Financial Statements for Roxborough Water and Sanitation District.

2nd Addendum to the IGA for WTP Treatment Services: Mr. Pogue reviewed with the Board a 2nd Addendum to the IGA for Water Treatment Plant Services between RWSD and DWSD. This 2nd Addendum sets out the terms and conditions regarding the Water Treatment Plant construction oversight costs, which are estimated to be \$1,662,000. Roxborough and Dominion agree to each pay fifty percent (50%) of the costs associated with the construction oversight costs as provided. Upon a motion by Director Thomas, a second by Director Heldt, and a unanimous vote the Board approved the 2nd Addendum to the IGA for WTP Treatment Services for Dominion Water and Sanitation District.

WTP Contract: In anticipation of amending the 2015 Budget, to appropriate additional funds to cover the contract costs for the 8 MGD Water Plant, Mr. Moore presented the construction contract with Garney Construction, Inc. for the water plant. Upon a motion by Director Heldt, second by Director Thomas and unanimous vote the Board approved the construction contract with Garney Construction, Inc. and authorized Larry Moore to sign the Contract and the Notice of Award in the contract amount of \$32,680,000. The Board also authorized, subject to TST Infrastructures review of the bonds and insurance, Larry Moore to sign the Notice to Proceed and Notice of Award.

Interim Treatment Capacity for D/SR: Upon a motion by Director Heldt, second by Director Moore and a unanimous vote the Board approved the Expansion Deposit IGA with DWSD to provide a mechanism to allow RWSD to provide interim treatment capacity to DWSD prior to completion of the 8 MGD Water Plant.

Agreement regarding Emergency Interconnect and Emergency Pond Reclaim System: Upon a motion by Director Thomas, second by Director Moore and a unanimous vote the Board approved the Wastewater Emergency Interconnect Agreement with DWSD to cover the installation and operation of the emergency interconnect system.

Public Hearing on 2015 Budget Amendment and Supplemental Appropriation: Director Bane opened the public hearing on an Amendment to the 2015 Budget to provide for an additional appropriation to cover the anticipated costs of the construction of the District's new water treatment plant. Mr. Snailum and Mr. Pogue presented the Budget Amendment to the Board and explained the statutory requirement that the District appropriate the entire amount of the construction contract prior to executing the contract. There being no public comment, Director Bane closed the public hearing.

Resolution No. 15-05-05: Upon a motion by Director Moore, second by Director Thomas, the Board unanimously approved Resolution No. 15-05-05, approving an amendment to the 2015 Budget to increase the appropriation in the Capital Fund to \$32,800,000 and to increase the appropriation in the Water Fund to \$9,770,800.

ADJOURN: Being no further business, a motion was made by Director Thomas and seconded by Director Heldt to adjourn the meeting at 9:50 a.m. The motion passed.

Respectfully Submitted,

Secretary for the Meeting