

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 16, 2016

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 16, 2016 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 Heldt

John Dillon

Tim Moore

Consultants:

Bill Goetz, TST Infrastructure, LLC

Christy Kline, TST Infrastructure, LLC

Alan Pogue, Esq. Icenogle, Seaver, Pogue

Ted Snailum, TWS Financial, Inc.

RWSD Employees:

Larry Moore

Mike Marcum

Cindy Taylor

Joanne Cleveland

Public:

John Redmon, PVH resident

Keith Segura, RV Resident

Elliot Goldman, RV Resident

Ken Maas, RP Resident

Absences:

Director Thomas's absence was excused upon a motion by Director Moore, second by Director Dillon and unanimous vote.

Call to Order:

The meeting was called to order at 8:00 a.m. 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:

Elliot Goldman had concerns about the new WTP costs and how it affects his bill. The Board answered his questions and Larry Moore invited him as well as Keith Segura to meet with him and tour the WTP and go over the rates, history and answer any additional questions he may have. Keith Segura brought up questions to the Board regarding rates, which were addressed by the Board, Mr. Moore and Bill Goetz.

PLUM VALLEY HEIGHTS SUBDISTRICT:

General Manager Report: NWDC Water Project: Mr. Moore reported that the District is making progress obtaining easements, permits and licenses. He said there are only two residential easements left to obtain and for the public entities, we are only waiting on the Back Country and Highlands Ranch Metro District. We are still waiting for the USFWS to review our submittal and we are waiting for approval from CDPHE on the Amended PER and Environmental Report we submitted. Mr. Moore told the Board he has taken several calls from Titan Industrial Park customers regarding their new tax bills. He has explained and listened to their concerns. Mr. Moore told the Board that the District is submitting a Location and Extent (L & E) request to Douglas County on Thursday, March 17, 2016.

Financial Statements: Mr. Snailum presented the January, 31, 2016 Financial Statements. Upon a motion by Director Dillon, second by Director Moore and unanimous vote the Board accepted the January, 2016 Financial Statement for Plum Valley Heights Subdistrict.

Action Items: None

Director Heldt 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.

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

- A. Approve Minutes of the February 17, 2016 Regular Meeting
- B. Ratify Payrolls February 29 and March 15, 2016
- C. Ratify Payment of Claims since February 17, 2016 – 56390-56394, 56396-56401, 56403,56407,56413-56414,56418,56422-56430,56434,56451,56456
- D. Approve Payment of Claims- checks #56395,56442-56448,56402,56404-56406,56408-56712,56415-56421,56431-56433,56435-56450,56452-56455
- E. Ratify Pay App #8 RWSD 8.0 MGD WTP- Garney Construction for \$817,370.04
- F. Ratify Pay App #8 Storage Building-Norkoli Construction for \$53,361.00.

GENERAL MANAGER'S REPORT:

Sterling Ranch/DWSD (D/SR): Mr. Moore informed the Board that the Letter of Credit has been resolved and the District has received payment per our IGA. This assures the District that D/SR can and will pay their portion per the IGA and continue to work on implementing the various IGA's the District has with D/SR.

Storage Building at Roxborough Lift Station: Mr. Moore reported that by March 27th the Storage Building is scheduled to be complete.

Conveyance of Gravity Interceptor to Littleton: Mr. Moore explained that the District is waiting on a letter from the CWRPDA that allows their release of the portion of the project from the loan agreement. At that time we can push Littleton's acceptance of the pipeline.

Ravenna: Mr. Moore met with Representatives of the Ravenna Metropolitan District (RMD) and they have requested an emergency interconnection between RMD and RWSD. Mr. Moore said the District will formalize and provide a permanent emergency connection with the Board's approval. Douglas County is funding a preliminary engineering study under their Water Alternatives Program to find options to eliminate non-renewable ground water. All of the possibilities would involve RWSD being the water provider through a master-meter arrangement such as we will have with Centennial Water and Sanitation District with the exception that RWSD would be the deliverer of the water.

Littleton/Englewood Wastewater Treatment Facility: Littleton/Englewood is requesting that we execute an addendum to the Sewer Service Agreement regarding pre-treatment. The revisions are being made to satisfy EPA and will give Littleton/Englewood the authority to enforce their pre-treatment rules and regs. The District has no problem with the addendum.

LEGAL ISSUES: Alan Pogue had nothing to report at this time. All legal issues would be handled under the Action Items portion of the Agenda.

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

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

FINANCIAL: Mr. Snailum presented the January 31, 2016 RWSD Financial Statements to the Board. Upon a motion by Director Heldt, second by Director Dillon and unanimous vote the January, 2016 RWSD Financial Statements were accepted.

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 \$ 68,680.11.

Public Hearing: Review the Annual 2016 Rate Evaluation and consider approval of Resolution authorizing changes to Water and Wastewater service rates and System Development Charges. Bill Goetz provided the Board with a presentation regarding Water and Sewer Rates as well as Systems Development Charges for 2016. Mr. Goetz covered the following areas in his presentation:

Water:

- Annual Water Revenue per Equivalent Residential Unit (EQR)
- Water Rate History
- Cost of Water- Variable Costs
- Water Revenues versus Expenses
- Adequacy of current Water Rates
- Water Surcharge
- Water Rate Recommendations

Sewer:

- Sewer Rate History
- Annual Sewer Revenue per EQR
- Sewer Revenue versus Expenses
- Sewer Rate Recommendation

System Development Charges (SDC)

The SDC calculation for 2016, based on format previously approved by the Board in previous Annual Rate Evaluations.

Close Public Hearing: Upon a motion by Director Heldt, second by Director Dillon and unanimous vote, the Public Hearing was closed.

ROXBOROUGH WATER AND SANITATION DISTRICT:

ACTION ITEMS: Resolution 16-03-02: Upon a motion by Director Moore, a second by Director Dillon and unanimous vote, Resolution 16-03-02 authorizing changes to Water and Wastewater Service Rates, Fees and Systems Development Charges was approved. The Rate Changes that were approved by Resolution 16-03-02 were as follows:

- No overall change to the water rates but were shuffled by increasing the Water Treatment and Distribution rate by one dollar from \$32.14 to \$33.14; increasing the Water Replacement Fund from \$2.00 to \$3.00; while decreasing the Water Plant Construction Fund Surcharge by \$2.00 from \$27.00 to \$25.00.
- There was no change to the Sewer Rates.
- The System Development Charge increased by \$345.00, which accounts for the new customers missing a year of paying for the water supply. The SDC went from \$39,564.00.00 to \$39,909.00. The SDC rate will be effective 3-16-16 and the Water and Sewer rates will be effective 3-25-16.

Resolution 16-03-03: Upon a motion by Director Dillon, second by Director Heldt and a unanimous vote, Resolution 16-03-03 Declaring Deeming Candidates Elected, and Certificate of Election Results.

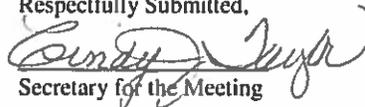
Consider Temporary Easement to DWSD for 16 Waterline Installation: Upon a motion by Director Heldt, second by Director Moore and a unanimous vote, the temporary easement to DWSD for 16 Waterline Installation was approved.

Ravenna Emergency Interconnect: Upon a motion by Director Dillon, second by Director Heldt and a unanimous vote, the concept of allowing an Emergency Interconnect between RWSD and Ravenna Metropolitan District was approved. The Board will consider a formal IGA at a future date.

Littleton/Englewood Pre-Treatment Addendum: Upon a motion by Director Heldt, second by Director Dillon and unanimous vote, the Pretreatment Addendum for Littleton/Englewood Sewer Service was approved.

ADJOURN: Being no further business, a motion was made by Director Heldt and seconded by Director Moore to adjourn the meeting at 10:23 a.m. The motion passed.

Respectfully Submitted,


Secretary for the Meeting