

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
RURAL WATER AUTHORITY OF DOUGLAS COUNTY  
HELD  
APRIL 20, 2011**

A regular meeting of the Board of Directors of the Rural Water Authority of Douglas County (RWADC) was held at 7:00 p.m. on April 20, 2011 at the Castle Rock Fire Headquarters, Board Conference Room, 300 Perry St., Castle Rock, CO 80104.

**Attendance**

In attendance were Directors:

Steve Boand  
Charles Bucknam  
Barry Gager  
Christine Hashimoto  
Charlotte Mirabella  
Priscilla Queen  
Joe Rottman  
Geoff Withers  
Jack McCormick

Also in attendance were:

Conner Shepherd, Circuit Rider of Colorado, LLC, Authority  
Manager  
Sarah Shepherd, Circuit Rider of Colorado, LLC, Designated  
Election Official  
John Beckwith  
Richard Somers  
George Allen  
Jennifer Reifenberg  
Anita Littlewolf  
Kristin Dearborn

**Call to Order**

Director Withers called the meeting to order at 7:02 p.m. and declared a quorum. He asked if there were any conflicts of interest needed to be disclosed. There were none.

**Public Comments**

By acclamation, this item was moved to the end of the Agenda.

**Approval of Agenda** Upon a motion by Commissioner Board with a second by Director Mirabella the following changes were made to the agenda: Responses to Q&A's added; Grand View Estates request for office space added; Public Comment (Dominion Letter) item moved to end of meeting. By acclamation, the Agenda was approved as amended.

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**Approval of  
March 23, 2011  
Minutes**

Discussion followed regarding the minutes of March 23, 2011. Upon a motion duly made by Director Mirabella with a second by Director Hashimoto, the minutes of the regular meeting of March 23, 2011 minutes were approved as presented.

**Approval of  
March 30, 2011  
Minutes**

Discussion followed regarding the minutes of March 30, 2011 special meeting. Upon a motion duly made by Director Mirabella with a second by Director Hashimoto, the minutes of the special meeting of March 30, 2011 minutes were approved as presented.

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**Officer Reports**

Chairman

Director Withers said both he and Mr. Mark Shively of the DCWRA made a presentation before the BOCC. Douglas County asked the RWADC to update the water use report again at the conclusion of this year (2011), and an IGA was executed, agreeing to that. Director Withers asked the RWA Board to ratify his expression of cooperation to provide the Water Use Report to the County for 2011. **Upon a motion by Director Bucknam with a second by Director Queen, the Board approved the action.** Director Withers said he is hoping to receive the grant of \$100,000 from the County in May. Last, Director Withers said he and Director McCormick are going to attend a meeting in Louviers to discuss the possibility of Louviers becoming a participant in the RWADC.

Treasurer

#### Financial Statements & Claims

Director Gager presented the claims and the financial statements for the period ending April 20, 2011, reflecting the current claims in the amount of \$25,884.52, for legal, well monitoring, elections and management. Discussion followed regarding the due date on the well monitoring bill due June 5, 2011. Mr. Shepherd asked if the Board would like to hold that check until after the May meeting. Director Gager said, "yes." **Upon a motion by Director**

**Bucknam with a second by Director Mirabella, the Claims were approved as presented with the caveat that the well monitoring payment will be held until after the May meeting.**

**Upon a motion by Director Mirabella with a second by Director Bucknam, the Financial Statements were accepted.**

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**Presentation**

**Elections – Ms. Sarah E.E. Shepherd**

Ms. Shepherd made a presentation regarding the upcoming election. She referred to her memo distributed to the Board prior to the meeting. She described the process she took to verify the eligible elector list. She said eligibility of Ms. Reifenberg as a candidate is not completely clear because of the inconsistency in language among the Creation Agreement, the Board minutes, and the By-Laws, as the language relates to the eligibility of a person residing in a small water provider area yet who is also an individual well user.

After reviewing specific sections of the Creation Agreement, Commissioner Board said he believes that in the case where the Creation Agreement and By-Laws are inconsistent, the Creation Agreement governs. Director Gager asked for clarification between the boundaries of the broader RWA service area and the narrower service area of a special district.

In terms of his District specifically, Director Rottman said he believes there are people who don't pay taxes and they can't vote. However, a person who relies on an individual well qualifies as an individual water provider as long as the special district is not a party to the agreement. Director Rottman asked if another District, Dominion Water & Sanitation District, has defined service areas.

Director McCormick referred to the correspondence from Bob Cole (dated 4/15/11). He also referred to his letter to the DEO. Mr. Shepherd distributed the letters from Director McCormick and Ms. Reifenberg. Discussion followed. Director Mirabella asked how Mr. Cole was opining on the issue prior to receipt of the letter of determination of eligibility submitted to the DEO by Director McCormick. Director Withers explained that the issue in its broader terms was raised at a meeting in February. At that time, he asked Mr. Cole for direction based on that earlier Board discussion. The opinion from Mr. Cole ultimately addressed the

specific issue raised by Director McCormick. Director McCormick said he believes Mr. Cole's conclusion is accurate – the Creation Agreement prevails. Hence, Ms. Reifenberg is not an eligible candidate. If there is need for clarification among the documents, the RWADC can make that later.

Director Rottman said technically he does not meet the criteria to sit on the Board. But, the BOCC appointed him to the Board. Therefore, he is a qualified Board Member. Director Withers continued the discussion regarding the inconsistency in the language among the various documents, especially between the By-Laws and the Creation Agreement. Once an individual well user received service from a small water provider, he/she no longer meets the criteria. Director Bucknam said we should work toward a more inclusive definition and added, the question before us today is “Does Ms. Reifenberg reside within a small water provider that is a party to the service agreement? If not, she does not live within the boundaries of the RWA boundary.”

**Director Bucknam, with a second by Director McCormick, made the motion that the Board finds that the elector in question does not live within the RWA service area.** Discussion followed. Director McCormick said the Board should take the advice of its attorney. Commissioner Board said the Board action must be consistent with the Creation Agreement. Director Mirabella said she believes the timing is appalling. The motion passed on a 5 – 3 vote accordingly: Directors Bucknam, Board, Queen, McCormick, and Gager voted in support of the motion. Directors Mirabella, Hashimoto, and Rottman voted against the motion.

Commissioner Board asked if the appropriate presiding (decision-making) body is this Board or the Parties to the Agreement. Director Withers said it is this Board based on Mr. Cole's opinion. Director Withers asked Ms. Shepherd to publish that the election will be cancelled, that there are no contested elections. Ms. Shepherd said that in the future when things change, it will be helpful to have the definitions clarified and available as guidelines for use by the DEO.

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**Report of  
Committees**

**Outreach**

Director Withers presented the Agenda for the upcoming Biennial Meeting. The Biennial committee met on April 6, 2011, in a work session to hammer out the agenda. The agenda will change now

that the entire election has been cancelled. A useful tool will be the responses to the Q & A's. Commissioner Board said there are 17 responses that are especially interesting. He wants to correct inconsistencies in the answers prior to the Biennial Meeting. Suggestions were made regarding revisions to the Agenda. The final Agenda for the Biennial meeting is attached as Appendix A.

Shepherd asked about refreshments. Hashimoto volunteered to get bagels, fruit, and donuts. Queen volunteered to make coffee in the library kitchen. Commissioner Board said he will provide a projector and screen. Director Withers asked Board Members to arrive at 8:30am to help organize.

Mr. Allen asked a question about the Q & A sheet. From your work on the Q & A's, do you perceive any change in the strategic direction of the RWA; that is, doing more, less or additional items of what you identified on your work plan? Commissioner Board answered yes. Just in relation to oil and gas exploration, there is a tremendous amount of public interest in the RWADC to address this issue. This organization may be receiving a request as early as next week from the BOCC to consider the oil and gas issue.

Ms. Littlewolf asked about water ownership changes.

Director Withers said he and Director McCormick will be meeting in Louviers on April 28<sup>th</sup> on behalf of the Outreach committee.

**Old Business**

**IGA Committee Update**

Director Withers said DCWRA not yet executed the contract with the engineers, URS. Commissioner Board suggested that the next step should be a detailed discussion of the scope of work (project execution plan) at the next meeting. Mr. Allen asked about the amount of the contract. Director Withers said he thinks about \$450,000.

**New Business**

**Grandview Estates Proposal for Office Space**

Director Bucknam asked if there could be a shared, centralized repository for inspection of public records, such as the list of contacts, meeting Sunshine law regulations, minutes, elections, etc., for Parties to the Agreement. At Grandview Estates, for example, his office is listed as the public office. Director

Mirabella asked Mr. Shepherd about the mechanics of shared facilities and services. Director Gager thinks Grandview Estates may be the only Party that needs those services at present. Commissioner Board said there are new water districts forming within the County at a relatively rapid rate. Director McCormick asked if there is liability to the RWADC. Director Withers suggested that Mr. Shepherd and Director Bucknam speak directly about how Circuit Rider of Colorado, LLC provides these kinds of services for clients similar to Grandview Estates, and report back to the Board with a specific request for action.

**Commissioner Board left the meeting at this time. (9:00pm).**

Sterling Ranch

Director Withers entered the receipt of the Dominion W & S District correspondence into the official record regarding the Rural Water Authority's referral letter on the Sterling Ranch project. Director Withers said he believes Mr. Smethills deserves a response. Director Queen asked Mr. Shepherd to forward the Dominion letter to Ms. Dearborn. A draft response from the RWA will also be circulated, for discussion at the following meeting. **By acclamation, the Board continued discussion of an appropriate response to Mr. Smethills' letter at its next regular meeting on May 25, 2011.**

Policy Manual

Director Withers asked the Board to consider developing an RWADC Policy Manual. **By acclamation, the Board decided to put the policy manual on the next board agenda.**

Adjournment

**Upon a motion by Director Mirabella with a second by Director Rottman, the meeting was adjourned at 9:13pm.**

The Biennial meeting and Election will be held at May 7, 2011 beginning at 9a.m. at the Miller Public Library.

The next regular meeting of the Rural Water Authority of Douglas County shall be held May 25, 2011 at the Phillip S. Miller Building, 100 Third St., Castle Rock, CO 80104.