

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
RURAL WATER AUTHORITY OF DOUGLAS COUNTY
HELD
October 26, 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 October 26, 2011 at the Castle Rock Fire Headquarters, 300 Perry St., Castle Rock, CO

Attendance

In attendance were Directors:

Geoff Withers
Commissioner Steven A. Boand
Charles Bucknam
Christine Hashimoto
Jack McCormick
Charlotte Mirabella
Barry Gager
Ron Beane

Kristen Dearborn was absent whose absence was excused.

Also in attendance were:

Conner Shepherd, Circuit Rider of Colorado, LLC, Authority
Manager

Call to Order

Director Withers called the meeting to order at 7:00 p.m. and declared a quorum. He asked if there were any conflicts of interest needed to be disclosed. There were none.

Approval of Agenda By acclamation, the Agenda was approved.

Public Comments

None.

**Approval of
Sep't. 28, 2011
Regular Meeting
Minutes**

Upon a motion duly made by Director Mirabella with a second by Director Hashimoto, the minutes of the regular meeting of September 28, 2011 minutes were approved as amended to include Ron Beane in attendance.

**Approval of
Sep't. 28, 2011
Special Meeting
Minutes**

The approval of the special meeting minutes were tabled until next month.

Officer Reports

Chairman & Vice-Chair, and Secretary

None.

Treasurer - Financial Statements & Claims

Mr. Shepherd provided the Board with the list of Claims and presented the financial statements. **Upon a motion by Director Mirabella with a second by Commissioner Bucknam the Board approved the Claims in the total amount of \$933.79.**

Mr. Shepherd reported that the current cash position of the Authority is \$147,447.82. **Upon a motion by Director Mirabella with a second by Director Bucknam, the Financial Statements were accepted.**

2012 Budget

Discussion followed regarding the Budget draft. The Board asked about including well monitoring. Director Gager pointed out that the election costs were not carried out to end-of-year 2011 on the draft budget spreadsheet. Director Mirabella suggested increasing projected legal costs in 2012 to \$25,000. Discussion also followed regarding the possibility of election costs in 2012. Director Withers suggested utilizing a contingency expense line item. Commissioner Board suggested adding a Total Available Revenue line item. Director Bucknam reminded Mr. Shepherd of the 3% Emergency reserve.

Set the Public Hearing on the 2012 Budget

Upon a motion by Director Mirabella with a second by Director Bucknam the Board set the Public Hearing on the Budget for 2012 for November 16, 2011 at 7:00p.m., at the Phillip S. Miller Building, 100 Third St., Castle Rock, CO 80104.

Report of Committees

IGA (Rural Water Supply Act) Committee Update

Director Withers reported that the next IGA meeting is set for October 28, 2011 and the BOCC Hearing room. The meeting will include the engineering portion of the Feasibility Study by URS Engineering, a brief overview of SMSWA plans and potential connections, main facilities and corridors, environment/stream crossings, and water provider/well owner service configuration, and interest by the State in providing grant funds for implementation of the 1st phase of design work in Douglas County. An outreach proposal will be presented. Mr. Shively has suggested that the State has come to him with a deal to do a design for a water delivery system in Douglas County. Discussion followed regarding the breadth and extent of their plans. Director Withers invited URS Engineering to attend the next RWADC meeting to present the Feasibility Study's engineering work.

Water Temporal Needs by Subdivision

Director Mirabella reported that the Susanne Pashke report is forthcoming. Commissioner Board said he thought an updated map of needs by subdivision can be ready for the January meeting.

USGA Well Monitoring Program

Director Mirabella asked Commissioner Board how often USGS researchers have been to his place to monitor his wells. Director Board thought three times. He added it appears significant findings can be reported soon in comparison with state data.

Director Withers reported that Susanne Pashke asked CWCB for an additional \$9,000 for the well-monitoring program with a match from the USGS, extending the RWADC program from 12 to 21 months. This will require amending the existing contracts to continue the program for nine more months. Director Withers said we may want to apply for a new grant in the fall of 2012 for continuation of the program.

Outreach Committee

Commissioner Board made a presentation to the Douglas County Conservation District at its meeting in October 12. Director Hashimoto said that water conservation was ranked as the highest need in a recent survey, second to fire suppression. She said she would like to sensitize folks and have asked if we might apply for a grant for water conservation education. It would be good

publicity for the organization. Commissioner Board said conservation measures will not have a significant impact on our water problems.

Old Business

Participant Withdrawal

No discussion.

Board Liability and E & O Insurance

Mr. Shepherd provided the Board with insurance proposals through T. Charles Wilson. Discussion followed. Continental Western Group provided a bid of \$3,561 for its annual premium. The premium through the Colorado Special District Property & Liability Pool came in at \$1,777.61 with the additional requirement of joining the Special District Association at ½ of the \$855 annual membership fee for the first year. **Director Mirabella said it is important to bind insurance. Upon a motion by Commissioner Board with a second by Director Mirabella the Board voted to join the SDA and to go with the Colo. Sp. Districts Property & Liability Pool coverage to begin January 1, 2012.**

Long-Range Planning

Director Withers introduced the structure of a Water Conservancy District as an option for the RWADC to solve its long-range financial needs. Discussion followed. He distributed an outline of the functions, powers, and services of a water conservancy district and discussed the steps that would be necessary to create a district. Commissioner Board said a Water Conservancy District cannot overlap existing boundaries without their permission. He estimated that the RWADC assessed valuation would be about \$740,131,630. Discussion followed.

New Business:

Cost-Saving Measures

Mr. Shepherd presented his management proposal from Circuit Rider to perform services at a not-to-exceed amount of \$950/month for 2012. Discussion followed. Mr. Shepherd emphasized the importance of management oversight and provided examples such as meeting the October 15 deadline on the draft budget. Director McCormick asked about the possibility of going to fewer regular meetings per year. Director Mirabella said a lot of work can be done with work sessions. **Commissioner Board made the motion to commit to monthly meetings in 2012 and to accept the management agreement with Circuit Rider of**

Colorado. Director Bucknam seconded the motion. Director Mirabella asked to table the motion until the Board had an opportunity to review the proposal compared to the existing contract. The Board concurred.

Other New Business

By-Law Revision

Director Withers presented the new language in the by-laws to be consistent with the Board's decision last month regarding the Withdrawal Petition. Discussion followed. Director Bucknam noted that the change requires a two-week notice and a first and second reading of the By-laws revisions. **The first reading will be scheduled for the November regular meeting.**

Electronic Mail Meetings Proposal. Discussion followed as to what makes a public meeting, and how to avoid an improper electronic discussion. Director Bucknam said if information is disseminated, there should not be a response, that is, a give and take, among Board members. **Upon a motion by Commissioner Board with a second by Director McCormick, the Board approved the concept of electronic meetings for e-Referrals, delegating review to Charles Bucknam and the e-Referral Committee..**

Commissioner Board left at 8:53 p.m.

Douglas County
Referrals:

Regarding State & County permit applications
Referral

Discussion followed on the specific projects.

US2011-015 Rectory to be built in a 15.16 acre A1 Use by Special Review parcel served by N. Douglas County Water & Sanitation District; DR2011-10 requesting comments to zoning regulations; SB2011-44 a replat of four lots into a single lot under Article 7 of the sub-division resolution; and DR2011-008 changing the procedure for amending zoning regulations.

Upon a motion by Director Mirabella with a second by Director Hashimoto the Board accepted the recommendations on issue 1, 3, and 4 from the report by Director Bucknam.

Number 2 was discussed. **Upon a motion by Director Mirabella with a second by Director McCormick** the Board recommended a “No comment.” Director Gager abstained.

Director Hashimoto reported that King Ranch was monitoring its wells with meters.

Director Mirabella said she found a policy draft. We should revisit it at the beginning of the year.

Adjournment

Upon a motion by Director Bucknam with a second by Director Mirabella, the meeting was adjourned at 9:07 p.m.

The Board set a special meeting for October 31, 2011 at 7p.m. at the Castle Rock Fire Headquarters, 300 Perry St., Castle Rock, CO to discuss long-range financial strategies.

The next regular meeting of the Rural Water Authority of Douglas County shall be held November 16, 2011 at the Phillip S. Miller Building, 100 Third St., Castle Rock, CO 80104.