

Minutes
1st August meeting, August 7, 2007

The meeting was called to order at 7 p.m. Present were Directors Saltzman, Pfohl, Watts, Drennan and Morey. Superintendent Mitch Swenson and Attorney Dave Lindholm also attended.

Secretary's report:

The minutes of the July 17, 2007 meeting were read. Mr. Morey moved approval and Mr. Pfohl seconded. The motion passed.

Treasurer's report:

Payables for the period Aug. 7-15, 2007 were \$24,904.83, including checks #13928 for \$3,853 to McLemore Pump and #13932 for \$2,040 to Tech Control Ltd. for wastewater plant expenses. Mrs. Saltzman moved approval of the treasurer's report and Mrs. Drennan seconded. The motion passed.

Superintendent's Report:

Mr. Swenson submitted a report in writing and it is included in these minutes.

As required by the state, the consumer confidence report addendum and a notice of elevated fluoride levels at well#134-5 were sent to all district property owners.

The District repaired an asphalt area that had sunk due to a previous water main break.

A letter was sent to the Colorado Department of Health and Environment regarding the 2008 water and wastewater grant survey as discussed at the last Board meeting. The District declined participation this year.

Engineering consultant RTW has completed an application for site approval for the water treatment building and a hearing has been set for Aug. 22 at Jefferson County Planning and Zoning.

On July 26 a sewer main backup occurred on Bear Park Road and was repaired by Rescue Rooter and District staff.

The two fire hydrants damaged last winter by snow plows have been repaired and are now operational. A couple of others need repair due to seat leaks.

A meeting has been scheduled with the Colorado Department of Public Health and Environment, consultant GEI and a representative from EPA for 1:30 pm. on Aug. 9 to discuss ammonia in the wastewater and the study the District has been conducting.

As required, radionuclide testing of all nine well water sources were analyzed and reported to the Colorado Department of Public Health and Environment.

In cooperation with the Colorado Department of Public Health and Environment, the District participated in radionuclide sample variability study at the blending Tank #2. It appears the state report is based solely on our site and indicates variability in results depending on the lab doing the analysis.

Copies of the 2006 final financial audit report have been received and distributed to all directors and required government agencies.

Kum & Go did boring soil tests at the site of its proposed gas station/convenience store. The company sent a check to the District for \$132,000 for four water taps. The District has not cashed the check due to a number of concerns. First, under District policy, the property owner owns the tap, not the lessee. Second, in a letter accompanying the check, Kum & Go requested the ability to purchase another tap at the same price if they need it following one full year of monitoring after the facility opening. It is against board policies and procedures to guarantee the price of a future water tap. Mr. Swenson will contact property owner Steve Cohen and write a letter of response to Kum & Go before cashing the check.

Guests:

Peter Kula and Luke Davidson of Coldwell Banker Commercial reported that they have listed the 16.5-acre property on Pike View owned by the Brahinsky family. They have gone through the preliminary platting process with Jefferson County to build about 21 residential units.

Chris Teter asked the Board for a letter regarding water availability for his lot because he is considering selling it. There is a current agreement between Mr. Teter and the District for one well and septic for that lot. The District would require a new agreement with the landowner if the tract is subdivided.

The District has provided letters to the county saying a property is within the District and that MWSD has the legal right to provide water to this site. The District cannot guarantee future water and wastewater availability. Any developer would have to have a service agreement with the District.

Attorney's Report

The Colorado Department of Health and Environment approved the District's request to participate in the CORAD study and provided relief on the timeline for radionuclide removal. The construction deadline for compliance was amended from Aug. 15, 2008 to July 15, 2011.

Old Business:

The Board discussed the water pipeline proposed by John McMichael, manager, Conifer Water, LLC. Attorney Dave Lindholm drafted a non-binding letter for submittal to the state engineer confirming the District's interest in the potable water project. Mr. Pfohl moved that the District sign letter of interest, and Mr. Watts seconded the motion. The motion passed 4-0 with Mr. Morey abstaining.

The Board also discussed a second letter that Mr. Lindholm drafted regarding possible water pipeline costs. The letter will be rewritten to reflect the Board discussion and include the costs that Mr. McMichael verbally quoted. He agreed to charge \$200,000 for the additional 25 acre-feet for growth (creating a five-year option at a non-escalating price and allowing the District to purchase it an acre-foot at a time) and preserve the original cost of 50 acre-feet for \$1 million. He also agreed to guarantee the price of \$4 per 1,000 gallons for 10 years and to pay for the cost of pumping the wastewater. Conifer LLC investors are willing to provide financing, which the District would review as an option. The District will explore with Mr. McMichael the possibility of trading water augmentation to pay for some of the capital costs.

Mr. Lindholm noted that there would be many elements to a master agreement with Conifer LLC, and one idea was to request that a District representative be appointed to the Conifer LLC Board. This issue was not addressed with Mr. McMichael.

The Board set a budget retreat for Sept. 20 in Breckenridge.

New Business:

Mountain Mutual Reservoir Company is having its meeting on Thursday, Aug. 16, and Mr. Pfohl will represent the District.

Mr. Watts made a motion to adjourn, and Mr. Pfohl seconded. The meeting was adjourned at 9:52 p.m.