

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
SOUTH METRO WATER SUPPLY AUTHORITY**

HELD: Monday, October 20, 2014 at 1:00 p.m. at the South Metro Water Supply Authority, 2nd Floor Conference Room, 8400 East Prentice Avenue, Greenwood Village, Colorado 80111.

ATTENDANCE:

The regular meeting of the Board of Directors of South Metro Water Supply Authority ("Authority"), Douglas and Arapahoe Counties, Colorado, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting:

Dave Kaunisto, East Cherry Creek Valley
Ron Redd, Parker Water & Sanitation District
Mark Marlowe, Town of Castle Rock
Mitch Chambers, Stonegate Village Metro District
John Kaufman, Centennial Water & Sanitation

Also present were:

Eric Hecox, SMWSA, Executive Director
Rick Marsicek, SMWSA, Director of Engineering
Logan Burba, SMWSA, Water Resources
Mikal Martinez, SMWSA, Assistant
Pat Ratliff, Ratliff & Associates
Russ Dykstra, Spencer Fane Britt & Browne LLP
Heather Beasley, Pinery Water
Pat Mulhern, Cottonwood & Inverness
Jim Nikkel, Castle Pines North Metro District
Mary Kay Provaznik, Dominion Water & Sanitation
Mark Harding, Rangeview Metro District
Katie Spahr, ACWWA
Matt Benak, Town of Castle Rock
Kevin Collins, CliftonLarsonAllen LLP
Catherine Kornbrust, BT Construction
Kate Henske, Burns McDonnell
Jason Curl, CH2M Hill
Rene Santin, CH2M Hill
Doug Brown, CDM Smith
Joy Thompson, Water Ambassadors

CALL TO ORDER:

Director Kaunisto noted that a quorum was present for the purpose of conducting a meeting of the Board of Directors and called the meeting of the South Metro Water Supply Authority to order at 1:04 p.m.

APPROVE/REVISE AGENDA:

The Board reviewed the Agenda. Upon motion duly made, seconded, and unanimously carried, the Board approved the Agenda.

PUBLIC COMMENT:

None.

MINUTES:

Minutes from the September 15, 2014 Board Meeting were reviewed. Upon motion duly made, seconded, and unanimously carried, the Minutes were approved.

CLAIMS:

The Board reviewed the claims presented for payments represented by check numbers 3987 through 3999 for monthly payables. The September 30, 2014 Financial Statement was also presented to the Board. Following a brief discussion and upon a motion duly made, seconded, and unanimously carried, the Board approved the interim and present claims in the total amount of \$62,749.53 and the Financial Statement for the period ending September 30, 2014.

COMMITTEE REPORTS:

Legislative Report – Pat Ratliff provided an update on the Colorado Water Congress (CWC) State Affairs and Federal Affairs Committees. Eric Hecox summarized the efforts being made with the CWC relating to the Water of the U.S. definition changes. John Kaufman suggested that Eric circulate the base materials to the membership and also create a write-up summarizing the documents. Eric and Logan Burba will prepare a summary and response for the Board. Pat summarized and explained six interim committee bills currently under consideration. John Kaufman described a case going before the Supreme Court where the AG wants unused water rights included in the math for consumptive use. Upon motion duly made, seconded, and unanimously approved, the Board voted to authorize Pat Ratliff to work on the proposals in concept prior to the legislative session.

Attorney's Report – Russ Dykstra had nothing to report at this time.

EXECUTIVE DIRECTOR REPORT:

WISE Partnership: Rick Marsicek updated the Board by saying that the WISE Authority continues to work on completing the Water Delivery Agreement Contingencies. The purchase and sale of the Western Pipeline should close tomorrow (21st). Staff is working with the Corps to finalize a draft permit agreement for Rueter-Hess Reservoir storage.

Chatfield Reallocation Project: Eric Hecox explained that staff is finalizing the transaction conveying Chatfield storage shares with Mt. Carbon. He stated that the individual agreements between SMWSA and the members selling shares are executed and the agreements with Mt. Carbon are complete but awaiting execution.

Eric directed the Board to a letter and an agreement of consent to a transaction between CCWCD and Western Mutual Ditch Company. Upon a motion duly made, seconded, and unanimously carried, the Board voted to approve the Consent, Waiver, and Release Agreement for Central Colorado Water Conservancy District to purchase 1,425 acre feet of Chatfield shares from Western Mutual Ditch Company.

Colorado/Wyoming Coalition: Eric Hecox gave a brief summary of the current activities involving the Flaming Gorge model. As a reminder, Bruce Lytle will be doing statistical analysis on the results of the baseline model, which was done by Hydros Consulting. No additional work has been done at this time.

Metro Roundtable / IBCC / State Water Plan: Eric Hecox updated the members on the State Water Plan activities to date. The draft chapters described in last month's update are now available for review. HDR has begun work on Phase 2 of the South Platte Basin Implementation Plan (BIP).

Regional Messaging: Eric Hecox updated the Board on the work being done on the messaging efforts with GBSM. Eric encouraged the membership to complete the four question survey recently circulated and thanked the Pinery for being the first to submit their survey. Dave Kaunisto and Mitch Chambers addressed the membership to highlight some of the issues the subcommittee has been grappling with. Eric explained that GBSM will attend the November board meeting to discuss draft messages and tactics.

Water Ambassador's program: Eric explained that the Water Ambassador high school training is underway again and he gave information on future training sessions that members can attend. Eric also reminded the Board that the W.A. program will be conducted under a participation agreement for those members who are interested. There will be a meeting on October 24th for interested members to discuss a participation agreement and to consider cost split scenarios.

Conservation Initiatives: Logan Burba thanked members who have met with her on conservation plans so far and she encouraged the other members to get scheduled in the near future.

SMWSA Master Plan Update: Logan Burba provided an update on the work in progress CH2M Hill has made in finding out demands. Next month, there will be a more robust update given by CH2M. Rick reminded the members that it is important that they communicate and work with the consultants so that our picture of demands, etc. are clear and accurate. Jason Curl was present and he answered questions asked by the Board and members.

AUTHORITY BUSINESS:

2015 Budget Prep: Eric Hecox reminded the group of the process for budget preparation and approval. Eric stated that staff would like to hold the public budget hearing at the November board meeting and have a budget approved by 12/31/14. Upon motion duly made, seconded, and unanimously approved, the Board voted to hold a Public Budget Hearing at the time of the regular board meeting on November 17, 2014.

SMWSA Committees: Eric Hecox reminded everyone that with the multiple efforts being made (master plan, regional messaging, conservation plans), he asked the Board and Members to include themselves or names of those on staff who might be interested in serving on a SMWSA subcommittee.

SMWSA Master Plan Update and Discussion: Jason Curl was present to provide summaries of CH2M Hill's master planning work completed to date. Jason distributed graphs of members' demands and supply and answered questions as they arose.

UPCOMING EVENTS:

- 10/21 – Western Pipeline Closing
- 10/22-10/23 – Rick Marsicek will be at the South Platte Forum
- 10/24 – Water Ambassador Program Participation Agreement meeting
- 10/27-10/28 – Eric is out

OTHER BUSINESS:

None.

ADJOURNMENT:

There being no further business to come before the Board, upon a motion duly made, seconded and unanimously carried, the meeting was adjourned at 2:23 p.m. The next regularly scheduled board meeting will be held on November 17, 2014 at 1:00pm at 8400 East Prentice Avenue, Greenwood Village, CO 80111.

The foregoing minutes constitutes a true and correct copy of the minutes of the above-referenced meeting and was approved by the Board of Directors of the South Metro Water Supply Authority.



Director of the Authority