

PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF BEAR CREEK WATER AND SANITATION DISTRICT, CONVENING ON MONDAY, DECEMBER 12, 2011, AT 7:00 P.M. AT THE DISTRICT OFFICE, 2517 SOUTH FLOWER STREET, LAKEWOOD, CO, 80227-2912, CHAIRMAN LIGHTHART PRESIDING.

CALL TO ORDER AND ROLL CALL

Present:	David W. Lighthart	President/Chairman
	Ernest G. Clore	Vice-President/Vice-Chairman
	Charles M. Dwyer	Treasurer
	Barbara J. Coria	Director
	Dale L. Miller	Director
Also Present:	Sandra M. Boster	Board Secretary & District Manager
	Barney J. Fix, P.E., PMP	District Engineer, Merrick & Co.
	Michael D. Boster	Legal Counsel

ACCEPTANCE OF MINUTES

R-11-090 RESOLVED, upon motion by Treasurer Dwyer, seconded by Vice-Chairman Clore and unanimously carried, that the Minutes of the Regular Meeting held on November 14, 2011, be approved as presented.

CALL TO PUBLIC / PUBLIC PRESENTATIONS—None.

DISTRICT ENGINEER'S REPORT

The District Engineer presented his report of activities for November 2011, a copy of which is attached hereto and made a part of the record.

Award 2012 Field Operations and Maintenance Contract to C&L Water Solutions, Inc.

R-11-091 RESOLVED, upon motion by Treasurer Dwyer, seconded by Director Miller that the 2012 Field Operations and Maintenance Contract be awarded to C&L Water Solutions, Inc., in the amount of \$137,414.42 for Schedule I Field Operations and Maintenance and up to \$276,745.00 for Schedule III Capital Water and Sanitary Sewer Improvements, plus an undetermined amount under Schedule II Emergency Repairs and Field Operations and Maintenance of the public water and sanitary sewer systems subsequently approved based upon time and materials; and,

FURTHER RESOLVED, that the Chairman and Secretary be authorized to sign the Contract between Bear Creek Water and Sanitation District and C&L Water Solutions, Inc. for 2012 Field Operations and Maintenance; and,

FURTHER RESOLVED, that the Chairman be authorized to sign the Notice to Proceed on the 2012 Field Operations and Maintenance Contract effective January 1, 2012.

FURTHER RESOLVED, that the Chairman be authorized to sign letters of guarantee to the City of Lakewood and Jefferson County for work in public ways under the District's 2012 Field Operations and Maintenance Program; and,

FURTHER RESOLVED, that the Chairman be authorized to sign a letter to Denver Water authorizing use of hydrants by C&L Water Solutions, Inc., associated subcontractors and District representatives for the District's 2012 Field Operations and Maintenance Program.

Upon the motion, all voted Aye except Vice-Chairman Clore who abstained from voting since he was out of town and had not reviewed the O&M Manual. **MOTION CARRIED.**

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Authorize Purchase of Valves for Capital Projects in Hampden Frontage Road

R-11-092 RESOLVED, upon motion by Treasurer Dwyer, seconded by Vice-Chairman Clore and unanimously carried, that purchase of two (2) 18-inch butterfly valves be authorized for the capital projects to relocate valves in the Hampden frontage road in the vicinities of South Wadsworth Boulevard and South Carr Street. **FURTHER RESOLVED**, that C&L Water Solutions, Inc., be authorized to proceed with the replacement of the 18-inch valve in the Hampden frontage road in the vicinity of South Carr Street under Schedule III, Part 4, of the Field Operations and Maintenance Contract.

Preceding this action, District Engineer Fix had proposed ordering 18-inch valves for both capital projects as soon as possible inasmuch as it would take 10 weeks to receive the valves after placing the order. At the meeting held on November 14, 2011, the Board of Directors authorized proceeding with replacement of the valve in the West Hampden frontage road at South Wadsworth Boulevard. Due to the lead time required to get the valves, this project could not start in 2011. Mr. Fix requested authorization also to proceed with the replacement of the 18-inch valve in the West Hampden frontage road at South Carr Street upon delivery of the two valves.

Authorize Change Order to C&L Contract for Relocation of Hampden Avenue Gas Line

R-11-093 RESOLVED, upon motion by Treasurer Dwyer, seconded by Director Miller and unanimously carried, that Change Order No. 1 to Schedule III, Part 4, of the 2012 Field Operations and Maintenance Contract with C&L Water Solutions, Inc., in an amount not to exceed \$15,000 be authorized to relocate an existing Xcel gas line away from an 18-inch valve vault in the West Hampden Avenue frontage road from South Wadsworth Boulevard to South Yarrow Street in conjunction with a valve relocation capital project. **FURTHER RESOLVED**, that the Chairman and Secretary be authorized to sign the Change Order.

Preceding this action, District Engineer Fix reported that an approximate 60-foot length of 4-inch Xcel gas line located next to the District's waterline cannot be shifted around a vault in the West Hampden frontage road as had been proposed for an 18-inch valve relocation capital project. Upon question, Mr. Fix said that Xcel would relocate the gas line as a sub-contractor to C&L Water Solutions, Inc.

Acceptance of the District Engineer's Report

R-11-094 RESOLVED, upon motion by Treasurer Dwyer, seconded by Director Coria and unanimously carried, that the District Engineer's Report be accepted.

TREASURER'S REPORT

Approval of Payment of Invoices and Payroll

R-11-095 RESOLVED, upon motion by Vice-Chairman Clore, seconded by Director Miller and unanimously carried, that invoices and payroll presented for approval in the amount of \$55,974.73 be approved. A list is attached hereto and made a part of the record.

Preceding this action, Treasurer Dwyer reported that upon review of the payment requests, they were found to be in order for approval by the Board.

ColoTrust Changes Fund Management Firm

T-11-056 DISCUSSION. Treasurer Dwyer reported that the Board of Directors of ColoTrust contracted with Public Trust Advisors LLC to manage the ColoTrust portfolio and provide administrative services beginning on January 1, 2012. Public Trust Advisors is a newly created Colorado based investment advisor—the principals are Greg Wright and Randy Palomba who are former employees of MBIA where they were responsible for the management and administration of ColoTrust. The MBIA/Cutwater commitment that began with George Nielsen not to “break the buck” is now invalid. Given the interest rate of 0.05% at ColoTrust compared to the 0.80% earnings on the Operating Account, Treasurer Dwyer stated that CSafe, an interest-earning bank account or Certificates of Deposit will be considered for some or all of the District funds on deposit at ColoTrust.

Upon question about the funds invested with ColoTrust, Treasurer Dwyer stated that in addition to an account for general funds, two other accounts are used to segregate funds held for specific purposes from general funds: the Ridgepoint Sewer Relocation Fund and the Heritage/Celebrity Homes Future Sewer Upgrade Fund. Legal Counsel Boster explained that these two accounts resulted from preemptive action by the Board to hold the developers responsible for future improvements needed for capacity in the District’s public water and sanitary sewer systems. The Ridgepoint deposit and interest earned are to be used to relocate the public sanitary sewer main in Morrison Road in the event the State or County require it to be moved as part of a widening project. If those funds are not used by 2049, or sooner if the Board determines the relocation will not occur, the funds are to be distributed to the property owners in Ridgepoint at Bear Creek. The funds deposited by Heritage/Celebrity Homes are not subject to refund and will be applied to a future upgrade of the public sewer line crossing Bear Creek.

Accept Treasurer's Report

R-11-096 RESOLVED, upon motion by Director Miller, seconded by Vice-Chairman Clore and unanimously carried that the Treasurer's Report, based on unaudited financial reports for November 30, 2011, be accepted as presented. A copy is attached hereto and made a part of the record.

Presentation of the Fourth Draft of the Proposed Annual Budget for 2012

C-11-015 CONCURRENCE. The Directors concurred that the Fourth Draft of the Proposed Annual Budget for 2012 be acknowledged as presented by Budget Officer Sandra Boster.

Preceding this acknowledgment, District Manager Boster reported that the 2011 property tax levy for collection in 2012 had been recalculated using the revised assessed valuation of \$127,041,362 which was certified by the Jefferson County Assessor on November 29, 2011. This assessed value is less than reported in October and there is now a \$7,484,938 reduction in assessed value since last year. [See action under Legal Counsel’s Report]

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LEGAL COUNSEL'S REPORT

Adoption of the 2012 Annual Budget

R-11-097 RESOLVED, upon motion by Treasurer Dwyer, seconded by Director Coria and unanimously carried, to adopt the 2012 Annual Budget in the amount of \$3,259,859 of which \$564,062 is to be collected from general property taxes. The sum of \$1,141,232 is appropriated and expended from existing reserves to balance budgeted expenditures.

FURTHER RESOLVED, that the Chairman be and is hereby authorized to sign the Letter of Budget Transmittal to the Colorado Department of Local Affairs.

Copies of this Resolution, Letter of Transmittal, Budget Message and Official Budget are attached hereto and made a part of the record. Legal Counsel Boster will file the Official Budget with the Colorado Department of Local Affairs.

Set General Property Tax Mill Levies for 2012

R-11-098 RESOLVED, upon motion by Vice-Chairman Clore, seconded by Director Miller and unanimously carried, that based upon an assessed valuation of \$127,041,362, General Property Tax Mill Levies for collection in 2012 be set at 4.417 mills to collect \$561,141 for general operating expenses and 0.023 mills to recover \$2,921 in lost revenue due to 2011 refunds and abatements for a total levy of 4.440 mills to collect \$564,062 in total property taxes. A copy of this resolution is attached hereto and made a part of the record.

Certification of Tax Levies

R-11-099 RESOLVED, upon motion by Director Miller, seconded by Treasurer Dwyer and unanimously carried, that the Chairman be authorized to sign the Certification of Mill Levies for Budget/Fiscal Year 2012.

A copy of the Certification of Mill Levies is attached hereto and made a part of the record. Legal Counsel Boster will file the Certification of Mill Levies with Jefferson County.

Appropriate Sums of Money for 2012

R-11-100 RESOLVED, upon motion by Treasurer Dwyer, seconded by Director Coria and unanimously carried, that sums of money in the amounts of \$1,507,665 for operating expenses and \$1,752,194 for capital outlay, for a total of \$3,259,859 be appropriated for expenditure in 2012.

A copy of this Appropriations Resolution is attached hereto and made a part of the record.

DISTRICT MANAGER'S REPORT

District Manager Boster presented the report of activities for November 2011, a copy of which is attached hereto and made a part of the record.

Authorize Tier 1 Membership in UNCC—Colorado 811

R-11-101 RESOLVED, upon motion by Treasurer Dwyer, seconded by Director Miller and unanimously carried that the District switch from Tier 2 to a Tier 1 membership in the Utilities Notification Center of Colorado (UNCC), known as *Colorado 811*, effective January 1, 2012.

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Authorize Tier 1 Membership in UNCC—Colorado 811 [CONTINUED]

Preceding this action, District Manager Boster reported that as a Tier 1 member of UNCC, the District would pay a \$1.61 charge for each ticket for locate requests received by the UNCC Colorado 811 call center and transmitted to the District. Whereas the District's Log shows 203 calls for locates from December 2010 through November 2011, a report generated by UNCC shows that 1,256 calls were referred to the District. Only 16 percent of the calls were received. If the District had been a Tier 1 member, the cost for that 12-month period would have been \$2,022.16. Treasurer Dwyer noted that once an entity signs up as a Tier 1 member, that membership must run two years—it is worth a two-year trial period to see how effective a Tier 1 membership would be.

DIRECTORS' REPORTS

Letter to CDPHE regarding a Coordinated Statewide Medication Collection Program

R-11-102 RESOLVED, upon motion by Director Miller, seconded by Treasurer Dwyer and unanimously carried that Chairman Lighthart be authorized to send a letter to the Executive Director and Chief Medical Officer of the Colorado Department of Health and Environment, in support of a sustainable, state-wide medication collection program.

Preceding this action, Chairman Lighthart asked that the Board consider a request from Christopher E. Urbina, MD, MPH, Executive Director and Chief Medical Officer of the Colorado Department of Health and Environment, for support of a sustainable, state-wide medication collection program. In view of H.R. 2939—the proposed Pharmaceutical Stewardship Act of 2011, the letter would offer support but also request Dr. Urbina's opinion on the proposed national program. Copies of Dr. Urbina's letter and Chairman Lighthart's response are attached hereto and made a part of the record.

Verify Number and Locations of Fire Hydrants Adequate for Fire Flow

T-11-057 DISCUSSION. Chairman Lighthart reported that there was a fatal fire in Kittredge recently. The fire district called about a broken water pipe, but did not mention that they were using the hydrants to fight a fire. No requests were made by the fire district for more hydrants. Upon question if the District has verified that there is a sufficient number of hydrants and that they are adequately spaced for effective fire flow, District Engineer Fix replied that the hydrants are to be spaced approximately every 600 feet and should be situated to cover a 300-foot radius around the hydrant for adequate protection. The District hydrants have been spot-checked, but a formal study for all areas of the District has not been prepared.

COMMUNICATIONS

Communications from the preceding month were presented, a list of which is attached hereto and made a part of the record.

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ADJOURNMENT

R-11-103 RESOLVED, upon motion by Treasurer Dwyer, seconded by Vice-Chairman Clore and unanimously carried that the meeting be adjourned.

David W. Lighthart, President/Chairman

Ernest G. Clore, Vice-President/Vice-Chairman

Charles M. Dwyer, Treasurer

Barbara J. Coria, Director

Dale L. Miller, Director

Attest:

Sandra M. Boster, District Manager
Secretary, Board of Directors

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