



Revised 12/19/07

Minutes of the Southeast Metro Stormwater Authority Board Meeting November 28, 2007

The Board Meeting of the Southeast Metro Stormwater Authority (SEMSWA) was held on Wednesday, November 28, 2007, at 76 Inverness Drive East, Suite A, Englewood, CO, 80112. A full and timely notice of this meeting had been posted and a quorum was present. The meeting was called to order by Board Chairman Bart Miller at 1:32 p.m.

Those present were: Board Member Bart Miller
Board Member Jim Dyer
Board Member Ron Weidmann
Board Member Andrea Suhaka
Board Member Rod Bockenfeld
Board Member Sue Bosier/Alternate
Board Member Alan Leak

Also present were: Jed Lugod, SEMSWA Executive Director
Steve Gardner, SEMSWA Director of Operations
David Agee, SEMSWA Interim Finance Director
Ed Krisor, SEMSWA Attorney
RoxAnna Jones, SEMSWA Administrative Assistant
Mason Staub, SEMSWA Maintenance Program Manager
Cindy Edwards, SEMSWA Water Quality Program Manager

SIGN-IN SHEET SUMMARY

Name	Representing	Phone/E-mail
Jon Sorensen	AMEC	jon.sorensen@amec.com
Michelle Troy	AMEC	michelle.troy@amec.com
Gary Atkin	ACWWA	gatkin@arapahoewater.org
Jennie Achee	ACWWA	303-790-4830
Casey Henderson	City of Centennial	303-808-9277
Dave Berwanger	DAB Engineering, Inc.	303-791-0183

1. Administrative Items

- a. Motion to accept the October 24, 2007, meeting minutes as provided in the backup materials:

Motion for acceptance of minutes as presented: Board Member Rod Bockenfeld

Seconded: Board Member Andrea Suhaka

Discussion: Board Member Suhaka requested the following sentence be added to the minutes at the end of Paragraph 6. a. on Page 3:

“Board Member Suhaka remarked that developers were only doing what was required then and should not be given credits now.”

In favor of motion as amended: Board Members Bockenfeld, Suhaka, Miller, and Dyer
Abstained: Board Member Weidmann

Motion Passes: 4 Votes In Favor, 1 Abstention

2. Public Comments

- Dave Berwanger, DAB Engineering, Inc., spoke regarding concerns he had about Pond W-4 and projects that he felt were being held up because of detention capabilities.
 - **Action Item:** Board Member Miller asked Jed Lugod and Steve Gardner to contact Mr. Berwanger regarding his concerns.
- Board Member Bockenfeld asked if SEMSWA is requiring a higher service level than what is required by law. Mr. Gardner replied that SEMSWA’s level of service is what is required by Arapahoe County criteria.

3. Cash Disbursements & Summary of Financial Reports

- a. Motion to accept the List of Cash Disbursements as presented by Dave Agee, with the addition of a disbursement of \$51,094.20 for the vehicle/equipment purchases approved in Resolutions 55 and 56, Series of 2007, for a total disbursement amount of \$380,443.59:

Motion for acceptance: Board Member Ron Weidmann
Seconded: Board Member Andrea Suhaka
Approved: All

- b. The Financial Reports were presented by Mr. Agee.

(The following Board Meeting Agenda items were rearranged, due to time constraints.)

11. Executive Session

- b. Motion to move into Executive Session at 2:03 p.m. regarding negotiations with ACWWA (pursuant to 24-6-402 (4)(e) C.R.S.):

Motion for approval: Board Member Bart Miller
Seconded: Board Member Ron Weidmann
Approved: All

Motion to close Executive Session at 2:48 p.m.:

Motion for approval: Board Member Bart Miller

Seconded: Board Member Jim Dyer

Approved: All

The Board Members requested that SEMSWA staff continue to move forward on its current course in implementing the current IIGA with ACWWA.

4. Executive Director's Report

- a. Executive Director Lugod presented a draft of SEMSWA's Annual Report for 2007. A copy of the draft report will be added to the packet materials on the SEMSWA website for the Board's review.
- b. Mr. Lugod reported that final stormwater fee information has been sent to the Arapahoe County Treasurer's office for the 2008 billing process.
- c. Mr. Lugod informed the Board that SEMSWA had received \$500,000 for the Goldsmith Gulch Project and \$100,000 for the Dove Hill Project from Arapahoe County. He also remarked that SEMSWA was looking forward to the transfer of \$1.4 million that is pending from Arapahoe County. Discussion followed regarding the status of the \$1.4 million and what the Arapahoe County/City of Centennial transfer process involves. Casey Henderson, City of Centennial, reported that the City's segment of the transfer process should be completed by the end of 2007 and that the City is going to ask the County to transfer the funds directly to SEMSWA.

5. 2008 Budget and Public Hearing

- a. Mr. Agee summarized the Vehicle/Mileage Analysis that was requested at the October board meeting by Board Member Bockenfeld. Discussion was held regarding personal and business use vehicle insurance and also mileage rates. Mr. Agee also indicated that even though the budget includes new vehicle purchases, each individual vehicle purchase must be accompanied by an additional recommendation and resolution.
- b. The Professional Services Detail that was requested by Board Member Bockenfeld at the October board meeting was reviewed and discussed.
 - o **Action Item:** Board Member Dyer requested itemization regarding the \$680,000 expenditure in the Administration portion of the 2008 Proposed Budget Highlights. He specifically requested to see the nexus between the budgeted funds and the consultants' scope of work. Board Member Weidmann also requested information on the amount of the \$680,000 that would be carryover from 2007 and the amount that was new for 2008.
- c. Mr. Agee presented Resolution No. 57, Series of 2007, (Adoption of 2008 Budget and Appropriation of Funds) which would adopt and appropriate SEMSWA's 2008 Budget in the amount of \$11,214,604. This resolution follows and executes what is required by the

State of Colorado budget laws. He also gave a brief overview of the 2008 budget, as presented in the backup materials.

- Mr. Agee answered questions that Board Member Weidmann had sent to him by e-mail as follows: Mr. Agee calculated salaries and benefits to be approximately 27% of the budgeted expenditures for 2008 and 46% of the budgeted non-capital expenditures. This was compared with similar entities by Mr. Agee and he reported that SEMSWA's percentages are in line with those entities. Fixed expenses were also identified by Mr. Agee and they totaled a little over \$4.7 million, which is 43% of the total budget or 71% of the operating budget. Mr. Agee indicated that those percentages were comparable to other governmental entities. Mr. Agee then discussed the CIP and Maintenance Program Budgets, the balance between direct operating costs and construction costs, and the consequences of funding projects with long-term debt. Finally, Mr. Agee explained that SEMSWA has assumed that most of the 2007 CIP Budget will be spent in 2007 but any unspent funds will be re-appropriated in 2008.
- Board Chairman Bart Miller opened the Public Hearing at 3:32 p.m.:
 - Gary Atkin, ACWWA, addressed the Board regarding the Windmill Creek and Dove Hill Creek Ponds which both appear in the 2007 CIP and 2008 Proposed CIP Budgets. Mr. Gardner replied to Mr. Atkin's concern later in the meeting by explaining that this project was intended for 2007 but will actually not be done until 2008.
 - Mr. Atkin also stated that ACWWA CIP projects (Ponds L-1, W-1, and W-2) had been specifically budgeted by ACWWA to be completed in 2008. With the transfer of ACWWA's responsibility to SEMSWA, he was concerned that those projects did not appear in SEMSWA's 2008 Proposed CIP Budget. Mr. Atkin wanted to know if sufficient system development fees that ACWWA had collected for these projects could be transferred to SEMSWA, and if SEMSWA could allocate that money to complete the projects in 2008. Mr. Agee indicated that the IGA is still in being negotiated but this money could be re-appropriated as unanticipated revenue in 2008. Ed Krisor suggested that a separate IGA be prepared between ACWWA and SEMSWA to transfer the funds and complete the projects. Mr. Atkin also indicated that it was important to be aware of the use of professional services and how that money is being spent.
 - Dave Berwanger, DAB Engineering, Inc., indicated that he felt it was important to complete the above-mentioned CIP projects.
 - **Action Item:** Board Member Miller asked that the CIP Project Budget provide more detail as to design/construction phases in future reports.
- Board Chairman Bart Miller closed the Public Hearing at 4:21 p.m.
- Board Member Weidmann asked if the 2008 Draft Budget was a financially balanced budget and Mr. Agee replied that it was financially balanced but was not structurally balanced.

- Board Member Bockenfeld stated that he would be voting against the budget resolution, in principle, because of his opposition to the 5% fee increase for 2008.
- d. Resolution No. 57, Series of 2007, (Adoption of 2008 Budget and Appropriation of Funds):

Motion for Adoption: Board Member Ron Weidmann
 Seconded: Board Member Andrea Suhaka
 Board Discussion Followed.

Board Member Jim Dyer called for a Roll Call Vote:

Board Member Jim Dyer:	No
Board Member Rod Bockenfeld:	No
Board Member Bart Miller:	Yes
Board Member Ron Weidmann:	Yes
Board Member Andrea Suhaka:	Yes

In favor: Board Members Bart Miller, Ron Weidmann, and Andrea Suhaka
 Opposed: Board Members Rod Bockenfeld and Jim Dyer

Motion for Adoption of Resolution No. 57, Series of 2007, Passed:
 3 Votes In Favor
 2 Votes Opposed

6. AMEC Credit Policy and PMP Scope

- a. Jon Sorensen, AMEC, gave a presentation regarding possible credit policies for study and consideration. Discussion followed regarding stormwater improvement credits.
 - **Action Item:** Board Member Miller asked Mr. Sorensen if this study of credits could be rolled into the current Stormwater Development Fee study. Mr. Sorensen stated that AMEC would structure a plan and return to the Board with this information.
- b. A Program Management Plan (PMP) update was added to the Agenda. Mr. Sorensen made a short presentation regarding the scope of a Program Management Plan for SEMSWA's CIP, remedial and maintenance programs.
 - **Action Item:** Board Members asked that SEMSWA acquire bids for the PMP study and implementation.

7. Muller Engineering Agreement/Resolution and MS4 Permit Transfer

- a. Cindy Edwards gave a presentation regarding the proposed professional services agreement with Muller Engineering.

- b. Motion to Approve Resolution No. 58, Series of 2007, (Authorization to Execute an Agreement for Services with Muller Engineering for Professional Services related to Stormwater Manual Design Checklists):

Motion for approval: Board Member Andrea Suhaka

Seconded: Board Member Rod Bockenfeld

Approved: All

8. CIP Update

- a. The CIP update was deferred to the December meeting due to time constraints.

9. Maintenance Program Update Presentation

- a. Mason Staub made a presentation on SEMSWA's Maintenance Program accomplishments.
 - o **Action Item:** Board Members requested that Mr. Staub routinely send the Maintenance Program's weekly work schedule to the Board.

10. Cherry Creek Conference and CASFM Project

- a. The Cherry Creek Conference Update was deferred to the December meeting due to time constraints.
- b. The CASFM Report was deferred to the December meeting due to time constraints.

(The following Board Meeting Agenda items were rearranged, due to time constraints.)

12. Proposal of Board Member Alan Leak for the Board to consider requesting all Governmental Entities in SEMSWA to amend the SEMSWA IGA to permit non-voting Board Members to become employees or consultants to SEMSWA

- a. Discussion was held regarding this item. Alan Leak, Special Districts SEMSWA Board Representative, stated that unless the SEMSWA IGA was amended he would resign from the SEMSWA Board because the language of the IGA prevents any SEMSWA Board Member (voting or non-voting) from holding a consultancy position with SEMSWA. Mr. Leak also noted that he is President of WRC Engineering, Inc. and his company would like to secure contracts with SEMSWA and it would be prevented from doing so because of his position on the Board.
- b. The Board took no action on Mr. Leak's request.

11. Executive Session

(Board Member Alan Leak left the meeting after Item 12 (above), before Executive Session Item 11a.)

- a. Motion to move into **Executive Session** at 5:15 p.m. regarding personnel issue (pursuant to 24-6-402 (4)(f)(I) C.R.S.):

Motion for approval: Board Member Bart Miller
Seconded: Board Member Ron Weidmann
Approved: All

Motion to close **Executive Session** at 5:26 p.m.:

Motion for approval: Board Member Bart Miller
Seconded: Board Member Ron Weidmann
Approved: All

- b. This item was discussed earlier in the meeting.

12. Adjournment

The Board Meeting was adjourned at 5:26 p.m. by Board Chairman Bart Miller.

The next SEMSWA Board Meeting will be held at 1:30 p.m., December 19, 2007.