



## CHATFIELD WATERSHED AUTHORITY

### Board Meeting Summary December 17, 2008

**Member ATTENDEES:**

Larry Moore (Roxborough)	Lissa Oelkers (PCWA, Castle Pines)
Don Moore (Douglas C. C.)	Diana Miller (Louviers, Perry Park)
Steve Koster(Douglas County)	Paul Grundemann (Centennial)
Kristi Livedalen()	Kevin Urie (Denver Water)
Ronda Sandquist (Dominion, Jackson Creek))	Penny Wilkinson (Lockheed Martin)
Tim Friday(Castle Rock)	

**OTHER ATTENDEES:** Bill Broderick (DRCOG)  
Amy Conklin (CWA Management Team)  
Julie Vlier (CWA Management Team)  
Trish Muller (PCWA, CPA)

#### Call to Order:

**Approval of November 19, 2008 Meeting Summary** – Kevin Urie moved and Larry Moore seconded approval of the meeting summary. The vote to approve was unanimous without even one change.

**Approval of Invoices and Payments:** Tim Friday moved and Penny Wilkinson seconded approval of the invoiced amounts shown below:

Jackson Kelly:	\$ 7,267.00
Tetra Tech:	\$ 5,775.62
CAS:	\$ 1,954.00
GEI:	\$ 6,266.32
Amy Conklin reimbursement for digital recorder:	\$ 64.40
<b>Totaling</b>	<b>\$21,327.34</b>

The vote was unanimous.

The Board had a lengthy discussion to understand what amounts had been billed versus what amount was still within budget. The board decided that invoiced amounts above budgeted line items would be addressed when special assessment revenues were decided and collected.

#### New Business:

**Update on Proposal for Rulemaking Hearing in November** – The management team reported that the Commission had postponed their continued deliberations until their meeting on January 12<sup>th</sup>. The other matters pertaining to the Rule-making hearing were discussed under the Executive Session agenda item.

## Budget:

### A. Budget

- a. **Special Assessment**—Larry Moore reported that the membership dues subcommittee had met on December 4<sup>th</sup> and developed a plan to address the \$55,000 budget shortfall created by efforts required to represent the Authority during the Rule-making hearing. Larry Moore moved and Paul Grundemann seconded to amend the 2008 budget to show special assessment revenues as presented in the board packet, totaling \$55,000, and to appropriate the funds where needed. The vote was unanimous.

Larry Moore described how we couldn't have anticipated all the expenses that resulted from the regulatory process. There was no argument over the quality or the need for the services. He elaborated that there were a number of action items discussed by the special committee regarding the special assessment. The committee recommended:

- Implementation of a streamlined regulatory interface and coordination for future rulemaking hearings which provides for a Board member liaison to lead discussions with the regulatory agency, recommending prudent legal and expert support as appropriate.
- Communicate monthly budget tracking in tabular and graphic format at Board meetings.
- Implementation of change order or scope of work amendment process for all contract/budget increases.
- Potential member dues credit for implementation of cost reduction activities in 2009.
- Discussion of how to handle non payment of dues. What should happen to waste load allocations for members that don't participate?

Paul Grundemann expressed support for the idea of one board member acting as a liaison for regulatory activities. A request was made to put budget information in graphic form such as graphs or pie charts. Kevin Urie noted that the board did anticipate expenditures for the Rule-making hearing and cut back in 2007 and 2008 to try to prepare for the expense. Ronda Sandquist emphasized that the costs were driven by the WQCD failure to deal in good faith, and failure to recognize the financial realities of the entities involved. The Authority's experience dealing with the WQCD needs to be communicated to political leaders.

- b. **2009 Budget** – Larry Moore presented the Authority's 2009 budget that the membership dues subcommittee had developed. Paul Grundemann moved and Steve Koster seconded approval of the 2009 budget as amended. Julie Vlier noted that the budget assumes a starting balance of \$0.
- i. The budget was amended to show DWD's dues as an in-kind payment of monitoring services. DWD is willing to do monitoring because their lab is state certified and adding on the Chatfield program is not a huge additional level of effort. DWD may be able to provide even better data than the Authority is

accustomed to. The board expressed their desire to have occasional split samples, sent to the Authority's lab, to measure any discrepancies in data created by switching to a new monitoring program. The Management Team was directed to send a letter thanking DWD.

- ii. The budget was amended to increase the legal budget to \$55,000, increase the Rulemaking hearing Support to \$40,000, reduce revenues from member's dues by \$3,600 to reflect the change in DWD in-kind contribution, reduce the monitoring line item to \$10,000 and leave the remainder \$7,400 as Excess Revenues over Expenditure. The entire amount in the Excess Revenues over Expenditure line item would be unappropriated until there was board action. The resulting budget is shown in Table 1.
- iii. The Board discussed the \$5,000 line item for Audit/Accounting. This service had been donated as an in-kind service from PCWA. It was important to begin tracking hours spent on this task because it had grown into a larger effort than had previously been required. The Board thanked PCWA for their willingness to continue providing the service.

**TABLE 1 CHATFIELD WATERSHED AUTHORITY  
2009 Budget**

Description	2009 Budget
Beginning Fund Balance	0.00
<b>Revenues</b>	
Jefferson County	31,800.00
Douglas County	31,800.00
Lockheed Martin Astronautics	29,520.00
Town of Castle Rock	23,760.00
Plum Creek Wastewater Authority	19,680.00
Roxborough Park	9,510.00
Castle Pines Metro District	8,160.00
Castle Pines North	840.00
Perry Park W&S District	4,920.00
Denver Water Department	0.00
City of Littleton	2,220.00
Centennial W&S District	2,220.00
Town of Larkspur	840.00
Jackson Creek Ranch	840.00
Louviers Mutual Service Company	840.00
South Santa Fe Metro District	840.00
Sacred Heart Retreat House	690.00
Ponderosa Center	690.00
Law Enforcement Center	690.00
Dominion W&S District	690.00
Sedalia W&S District	690.00
State of Colorado NPS Study	
Douglas County NPS Project	
Interest Income	1,700.00
Total Revenues	172,940.00

**TABLE 1 CHATFIELD WATERSHED AUTHORITY  
2009 Budget**

Description	2009 Budget
<b>Expenditures</b>	
Operational	
RNC Consulting	
Management	49,900.00
Audit/Accounting	5,000.00
Legal	55,000.00
Website Re-design/Hosting/Maintenance	1,800.00
Misc. Administrative	500.00
Total Operational	112,200.00
<b>Contractual</b>	
Base Monitoring Program CAS	10,000.00
Post-Nonpoint Source Monitor Runoff Quality in Massey Draw (NPS Cash Match)	0.00
Special Implementation Project (NPS Cash Match)	0.00
Rulemaking Hearing/Regulatory Support	40,000.00
<b>Contingency</b>	2,000.00
Total Contractual	52,000.00
Total Expenditures	164,200.00
Excess Revenues over/under Expenditures	8,740.00
Ending Fund Balance	

Trish Muller cautioned the Board that there may be complications if the Authority's 2008 budget shows a negative balance. However, all the Auditor can do is send notice in violation of budget law. Ronda Sandquist clarified that the Authority filed an annual request for audit exemption but it remains unclear whether the Authority, because of its composition, is required to comply with such local governmental budget and accounting rules.

- c. **Contracts** – The board discussed DWD's offer to take over monitoring for 2009. Larry Moore moved and Paul Grundemann seconded a motion to approve DWD doing monitoring in 2009. The Board expressed its sincere gratitude to DWD to take on this additional work. Their highly qualified personnel and lab should provide higher quality results than the Authority could normally afford.

The board discussed the Scope of Work (SOW) prepared by Tetra Tech to provide management services in 2009. Larry Moore moved and Penny Wilkinson seconded a motion to approve the SOW as specified for management including Option 2 to provide regulatory support for a total of \$67,400 (\$49,900 Management and \$17,500 for Regulatory Support – Regulation # 38). The SOW identifies a total of 16 meetings in 2009. Any additional meetings will need to be approved as a change order. The SOW includes implementation of the Member Dues subcommittee recommendations listed above as well as following any previously existing Authority policies regarding charging non members for assistance with phosphorus trades and Utility Plan reviews.

- B. Referral Letters – Amy Conklin reported that she had met with Ed Kinerk regarding obtaining a permanent wasteload allocation for Sacred Heart Retreat. Mr. Kinerk would be negotiating with other members to obtain the 15 pounds of phosphorus they would need to complete their discharge permit.
- C. Monitoring Report sampling was completed on November 21<sup>st</sup>. Flow in the outfall was almost nothing. No Nitrogen data is available due to technician error. There will be one more sampling event by CAS before the end of the year.

**Old Business:**

- A. **Updates from Water Quality Control Division Staff:** No WQCD staff was in attendance, nor had they been since May.
- B. **Update on Massey Draw Sampling Efforts** – Amy Conklin went out with staff from PCWA and Centennial on December 10<sup>th</sup> to collect data on Massey Draw. Both staffs have now worked together to identify sampling sites and how to collect data. It is a very cooperative effort.
- C. **Letter from WQCD on Massey Draw 319 grant** – Lucia Machado sent a letter to the Authority implying that the reason we weren't awarded the grant was due to a difference in approach. The letter also stated that the WQCD would be collecting data and would share it with us. The Management team was directed to send a response letter referencing our original letter stating that there was no difference in approach and questioning why scarce public funds were being spent to duplicate sampling efforts. Our original letter would be attached and the response letter would be sent to everyone included on Ms. Machado's letter.

**Management Team** – The Management Team reported on their activities. For the reporting period, the bulk of the effort involved developing budget solutions and options for the board to consider. During 2008 the Management Team has worked over 1250 hours, not including the hours provided pro bono due to the tremendous amount of work for the rulemaking hearing and regulatory process.

**2009 Schedule –**

**The next Authority Board meeting is scheduled for January 28<sup>th</sup> at PCWA at 2:00 p.m.**

**No TRC meeting is planned in January**

**The WQCC hearing is scheduled for Monday, January 12<sup>th</sup>.** It is anticipated that the Commission will get to the Authority agenda item close to 9:00 a.m. The Management Team was directed to send a reminder notice to the members to attend the continued hearing.

**Financial Matters** – Information from the Book keeper was prepared and distributed during discussions earlier in the meeting.

**Other** – Amy Conklin reported that Harold Smethills had forwarded her information about a fees bill the WQCD may be pursuing with the legislature. Larry Moore moved and Paul Grundemann seconded a motion to direct the Management Team to prepare a letter to Steve Arndeman opposing the fee increases. The Management Team was directed to coordinate letter drafting with the Chairs and legal team. The vote was unanimous. The Management team was directed to encourage CDOW to begin attending our meetings.

**Executive Session** – A motion to go into Executive Session pursuant to C.R.S. 24-6-402(3)(a) to develop strategy for the upcoming Rulemaking Hearing before the WQCC was made by Kevin Urie and seconded by Larry Moore. The vote was unanimous. Larry Moore moved to come out of executive session. Paul Grundemann seconded the motion. No one objected that anything discussed during the executive session was not pursuant to developing a strategy for the upcoming Rulemaking Hearing. The vote was unanimous.

Larry Moore moved and Diana Miller seconded a motion to (i) authorize Jackson Kelly and Tetra Tech to proceed with preparing the Authority’s proposal for the South Platte rulemaking hearings, specifically proposals regarding temperature standards, and (ii) appoint Martha Hahn as the liaison to the Board for the South Platte hearing. The vote was unanimous.

**Adjournment** –The meeting was adjourned at 4:30 p.m. by acclamation.