



CHATFIELD WATERSHED AUTHORITY

Board Meeting Minutes January 27, 2010

**MEMBER
ATTENDEES:**

David Van Dellen (Castle Rock)
Andy Hough (Douglas County)
Patrick O'Connell (Jefferson
County)
Harold Smethills (Dominion)
Ronda Sandquist (Jackson Creek)
Rick McCloud (Centennial)

Larry Moore (Roxborough)
Bob Deeds (Littleton)
Diana Miller (Perry Park and
Louviers)
Kevin Urie (Denver Water)
Matt Krimmer (Larkspur)

OTHER ATTENDEES:

Amy Conklin (CWA Management Team)
Julie Vlier (CWA Management Team)
Karlie Mark (CWA Management Team)
Esty Atlas (Hughes & Stuart)
Jeanne Dassel (Bell Mountain Ranch)
Dennis Stowe (L/E WWTP, BMW)
Bill McKee (CO Watershed Assembly)
Holly Huyck (CDOT)
Carrie DeJacomio (CDOT)

Call to Order:

The meeting was called to order at 2:00 p.m. by Kevin Urie. Kevin Urie requested a moment of silence in memory of Paul Grundemann. It was determined that there was a quorum and the Board could conduct its work. Introductions followed with everyone in the room introducing themselves and the organization they represented.

Items Requiring Board Action:

- A. Approval of November 12, 2009 Meeting Summary** – Ronda Sandquist noted that the meeting summary should reflect that the 319 commitment letter include language to reflect that the Authority's commitment was conditional upon funding, not that the letter needed to be reviewed by counsel. She further noted that the first paragraph on the third page state that Amy Conklin will revise the scope of work to make it a phased approach. Diana Miller wanted the final meeting summary to include that Tom Wiens was also a former State Senator. Ronda Sandquist wanted the meeting summary to reflect that the suggested keynote speakers were made by the Management Team. Ronda Sandquist moved and Larry Moore seconded to approve the December 9, 2009 meeting summary with the noted changes. The vote was unanimous.
- B. Lockheed Martin Resignation** – Julie Vlier noted that a copy of the January 21, 2010 Lockheed Martin resignation letter and withdrawal from the Chatfield Watershed Authority was included in the packet and the proposed 2010 budget included the assumption that Lockheed Martin would not be paying its 2010 dues. Ronda Sandquist

stated that in the past when other Authority members have tried to resign, the Authority reported it to the Water Quality Control Commission. The WQCC had indicated that the benefits the organization enjoyed as a member of the Authority would then be the resigning organization's responsibility. When the full cost of assuming responsibility for the benefits enjoyed through membership of the Authority were realized, prior organizations chose to remain members of the Authority. Because Lockheed Martin holds two CDPS permits in the Chatfield watershed, a discharge permit and a MS4 permit, if they leave the Authority, there is the possibility that the permits may be re-opened and the requirements of the permit changed to reflect Lockheed Martin's added responsibilities.

Rick McLoud asked if Lockheed Martin was in danger of losing their wasteload allocation. Ronda Sandquist answered that would take regulatory action. However, since Lockheed Martin does have the third largest wasteload allocation in the basin, their resignation should be included in the 2009 Annual Report and a letter should be drafted and sent to Lockheed Martin. The Annual Report and the letter should clearly identify the benefits Lockheed Martin enjoyed through membership in the Authority and what responsibilities they may now have to assume. The goal and tone of the letter should reflect the Authority's desire to meet with appropriate representatives at Lockheed Martin to inform decision makers who may not be familiar with the benefits of Authority membership.

On the topic of wasteload allocation, Jeanne Dassel inquired if there is a process through which organizations that want to purchase a wasteload allocation from organizations that are not using theirs, such as Lockheed Martin, can pursue. Any sale of a wasteload allocation would have to be approved by the Authority.

- C. Approval of 2010 Budget** – David Van Dellen reported that the Budget Subcommittee and TRC had met on January 14, 2010 and recommended approval of the 2010 budget. The Budget Subcommittee and TRC had also discussed what would happen if Lockheed Martin resigned and reviewed budget scenarios. The TRC recommended revisions to the Public Outreach and Bios Scopes of Work which were reflected in the budget documents and the Scopes of Work. As shown in the budget documents, the Authority is projected to have a \$19,000 carry forward at the end of 2010. Larry Moore requested that future budget documents be rounded to the nearest whole dollar and not include cents.

Rick McLoud asked about the Management fees. The Management fee increased because the Scope of Work changed to include different tasks and a different mix of staff to complete the specified tasks than in the 2009 scope of work. By comparison, the Management Contract for Cherry Creek is \$324,000.

The group discussed breaking out the budget into more detail. Julie Vlier commented that the intent is to provide a high level of detail on the second sheet of the budget documents that include graphics. If more detail is desired, this can be discussed, but it may incur additional expense.

David Van Dellen moved and Larry Moore seconded a motion to approve the 2010 budget. The vote was unanimous.

Ronda Sandquist noted that the Hughes & Stuart contracts included provisions that were inconsistent with Authority policies and standards. Esty Atlas responded that the unacceptable provisions could be crossed out on the contracts and initialed.

David Van Dellen moved and Larry Moore seconded a motion to approve the contracts with the proposed revisions and that Kevin Urie be authorized to sign the contracts as Chair of the Authority. The vote was unanimous.

- D. Approval of December 2009/January 2010 Invoices**– Larry Moore moved and Harold Smethills seconded a motion to approve the invoices as presented. The vote was unanimous.
- E. Financial Matters**– Julie Vlier reported for Lissa Oelkers who was absent. Member dues for 2010 are already coming in. Members who have paid include PCWA, Ponderosa, Roxborough, Sacred Heart Retreat, and the City of Littleton.
- F. Request for Audit Exemption**– Ronda Sandquist suggested that while we want to file for an audit exemption, we may want to consider conducting an internal control review, since this has not been completed since the inception of the Authority, finance laws have changed, and new financial and accounting models may be better suited to the Authority and its organizational structure. The group discussed the option of getting the opinion of counsel as to whether or not the Authority is required to complete an audit but concluded that the opinion they received several years ago is sufficient. Most members of the Authority have met any legal financial reporting requirements through the organizations they represent. The Management Team was tasked with getting proposals for an internal control review for the next meeting. Members were asked to send names of possible firms to do the work to the Management Team.

Harold Smethills moved and Ronda Sandquist seconded a motion to file an Audit Exemption. The vote was unanimous.

- G. Proposed Water Quality Enhancement Project in Memory of Paul Grundemann** – Julie Vlier reported that she had met with Centennial Water and Sanitation District representatives to discuss the memorial project. John Hendrick has agreed to coordinate with the Grundemann family. There are a lot of ideas and energy to complete a project but timing is a sensitive issue. Since it can take a year or more for construction of a water quality enhancement project, Julie Vlier researched the potential of preparing a bench or plaque, as an initial step, in time to be incorporated into the Chatfield Summit. A subcommittee was formed to continue to represent the Authority on appropriate projects and includes Tim Friday, Rick McLoud, and Bob Deeds. Ronda Sandquist offered to coordinate efforts as she had done with the Holly Holder project. Barbara Biggs may also be interested in serving on the subcommittee. Dennis Stowe commented that the Waste Water Utility Council had established a scholarship fund in Paul's memory. Harold Smethills commented on the appropriateness of a scholarship fund in light of Paul's encouragement and support of young people.
- H. Election of Financial Officer** – Ronda Sandquist moved and Larry Moore seconded a motion to elect Kevin Urie as a Financial Officer for the Authority. The vote was unanimous.

- I. **Board Contact Information and Member and Alternate Designation** – The Management Team requested that members update information in the files identifying contact information and designating voting members and alternates. One hard copy of the files was passed among members present to make corrections.

Informational Updates

Briefing from the Colorado Department of Transportation – Ms. Holly Huyck and Ms. Carrie DiJiacomo updated the Board on CDOT activities in the basin. Currently, CDOT is working on three (3) projects in the basin: I-25 at Lincoln to County Line; I-25 at Happy Canyon and US85 Cook Ranch to Louviers. Most of the Chatfield basin is not included in CDOT's MS4 permit but they are adopting the same procedures and requirements as if it were within their MS4 boundary because of the Control Regulation. They do not use sand for traction in the basin. Their goal is for 100% containment of storm runoff. In 2009, they removed 36 tons of dirt from the basin.

A. Water Quality Summary – Julie Vlier presented the results of the 2009 sampling. She reported that the Total Phosphorus standard of 30ug/L was met, while the Chlorophyll a standard of 10 ug/L was exceeded. The Management Team is evaluating the data relationships but chlorophyll only weakly correlates to nitrogen and the relationship of chlorophyll to phosphorus was even more weakly correlated. While it is unlikely that Chatfield Reservoir will be placed on the 303(d) impaired list with only one year of chlorophyll data exceeding new standards, it is likely that there will be additional guidance and requirements to protect water quality in the future.

B. TRC Report – David Van Dellen, the TRC Chair, provided a brief summary of the highlights and recommendations of the TRC meeting. The Management Team was requested to convene the Budget Subcommittee on March 11, 2010, in conjunction with a scheduled TRC, in an effort to get an early start on 2011 dues structure and 2011 budget process. Establishing a strategy for revised dues calculations will be a complex process and requires additional time and discussion. Prior to the meeting, dues-related metrics developed in 2009 will be distributed to TRC/Budget Subcommittee members. Jeanne Dassel mentioned that her goal is to represent her constituents by getting the fairest value for any phosphorus they purchase. She suggested this be one of the issues the Budget Subcommittee consider in its discussions. She also expressed her desire for the Budget Subcommittee to consider gallons of water consumed per capita in its deliberations to establish membership dues. Historically, the Budget subcommittee considered the amount of wasteload allocation each entity owned and their discharge. Assessed valuations had also served as the frame in which dues were assigned but since so much of the phosphorus comes from nonpoint sources, other factors should be included. One new approach could be to try to reward dischargers for not using their entire wasteload allocation with reduced dues.

C. Point Source Trade Application – Ronda Sandquist reported on the trade that was approved by the Board in December 2009. The trade was a five (5) year lease. This trade was simpler than other recent trades because it was from one point source to another.

D. Update on Regulatory Activities – Ronda Sandquist provided a brief update of some relevant regulatory activities of interest, namely, a Colorado Discharge Permit System (CDPS) regulatory proposal with respect to whole effluent toxicity (WET) and consideration of *Daphnia magna* which is slightly more resistant to salinity toxicity;

nutrients standards; the Basic Standards hearing in June and the WQCD proposing inclusion of discharge specific variances to water quality standards, recognizing that temporary modifications provide flexibility but are not always the best approach to long term flexibility due to socio-economic impact; and the impending loss of DRCOG as the region's 208 Planning Agency. Dennis Stowe commented that Segment 14 of the South Platte River may be listed as impaired for Arsenic and require development of a TMDL.

- E. 2009 Annual Report** - Julie Vlier reported on progress of getting information from members to complete a draft of the 2009 Annual Report by the February meeting. Because of conflicting reporting timelines for MS4 permit holders, the Authority may want to consider requesting a change in the timing of submittal of the Annual Report until later in the year.
- F. Update on the Chatfield Reallocation Project** – Rick McCloud reported that the project was moving slowly along with public release of the draft EIS expected in May or June. The water quality section of the EIS has been completed for some time and will be included in the release. This is a standing agenda item, so more reports will be made as the project proceeds.
- G. USFS Comment Letter** – Amy Conklin reported that the Authority is planning to submit a comment letter to request to be added as a referral agency for any development or revisions to Forest Management Plans. Andy Hough commented that the letter should specify we are interested only in the Pike National Forest.
- H. Massey Draw BMP letter** – Julie Vlier reported that she had sent the letter as directed by the TRC to Ken Caryl about construction disturbances in Massey Draw and request for installation of construction BMPs. Upon further investigation, Patrick O'Connell had discovered that the construction disturbances had been caused by Denver Water. Kevin Urie reported that Denver Water had already taken steps to stabilize the disturbed area. The Authority should have already been added to notification lists for future construction activities in the area.
- I. Update on Keynote Speaker for the Chatfield Summit** - Julie Vlier reported that Jim Martin and Martha Rudolph had declined an invitation by the Authority to be the Keynote Speakers. Larry Moore would contact Anne Castle. Amy Conklin expressed her concern that it was already late in the process. Ronda Sandquist requested that an e-mail request be sent to member soliciting ideas on potential Keynote Speakers. The group would prefer not to have Keynote Speakers with political agenda or platforms.
- J. 2010 Authority Meeting Schedule** – Julie Vlier re-iterated that the 2010 schedule was included in their packets and posted on the web page.
- K. Management Team Update** – The Management Team report was included in the packet and highlighted work efforts through December of 2009.
The next **Authority Board meeting is on February 24, 2009**, 2:00 p.m. at PCWA.
The **Budget Subcommittee** is tentatively scheduled to meet **Thursday, March 11, 2009**, 2:00 p.m. at PCWA.
The **Technical Advisory Committee** is tentatively scheduled to meet on **Thursday, March 11, 2009**, 1:00 p.m. at PCWA.

L. Other Member Updates – Rick McLoud requested that Denver Water follow up with the potential that they could conduct the analyses for samples collected at Massey Draw.

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