



**SPECIAL MEETING
of the
BOARD OF DIRECTORS**

MINUTES

Friday, 9:00 a.m.

June 11, 2010

Called to order at 9:01 a.m.

The meeting of the Boxelder Sanitation District Board of Directors was held at the Boxelder Sanitation District administrative office located at 3201 E. Mulberry, #Q, Fort Collins, CO 80524. Mr. Scott Taylor acting as the Chairman with Mr. Fred Walker acting as Secretary called the meeting to order.

Prior notice of the meeting was given in accord with §32-1-903 CRS.

1. Roll Call:

Directors Present: Mr. Scott Taylor, Chairman

Mr. Dennis Gatlin, Vice-Chairman

Mr. Steve Pink, Treasurer

Mr. Ray Piira

Mr. Gordon Woelfle

Staff Present: Mr. Fred Walker, Secretary, General Manager

Ms. Pat Mathena, Assistant Manager and Controller

Mr. Randy Siddens, District Engineer and Operations Manager;

9:38 am – 12:58 pm, 2:10 pm – 3:06 pm

Public Present: Mr. Rick Zier, District legal counsel

Mr. R. Kint Glover, 9:56 am – 12:00 pm

Mr. Andre Rowlett, 11:51 am – 12:55 pm

Roll was called and it was determined that a quorum was present.

2. Public comment: None

3. Mr. Woelfle moved to approve the minutes of the May 10, 2010 special meeting as corrected. Motion seconded. Minutes approved [5-0-0].

4. Mr. Gatlin moved to amend the agenda to add action item "Revision of Sections 608 and 804 of the District Rules and Regulations." Motion seconded. Motion passed unanimously [5-0-0].

5. Mr. Pink moved to amend the agenda to add an action item to authorize new director, Mr. Ray Piira, as signatory on the District's First National Bank accounts. Motion seconded. Motion passed unanimously [5-0-0].
6. Mr. Woelfle moved to authorize the General Manager to purchase Environmental Impairment Insurance from Westchester Surplus Lines Insurance Company, as quoted, and to investigate the terrorist provision interface with the general package insurance coverage. Motion seconded. Motion passed unanimously [5-0-0].
7. Mr. Pink moved to authorize the General Manager to purchase the general package insurance, as proposed, inclusive of the higher crime limit coverage quoted. Motion seconded. Motion passed [5-0-0].

Mr. Siddens joined the meeting at the start of the discussion regarding the wastewater treatment plant loan application. Mr. R. Kint Glover joined meeting during the discussion.

8. Mr. Gatlin moved to direct the General Manager to submit the loan application to the Colorado Water Pollution Control Revolving Fund for the plan, design and construction of a new wastewater treatment process, in an amount not to exceed \$11 million dollars. Motion seconded. Motion passed unanimously [5-0-0].
9. Mr. Gatlin moved to authorize the General Manager to sign the Colorado Water Pollution Control Revolving Fund loan application. Motion seconded. Motion passed unanimously [5-0-0].
10. Mr. Taylor invited public comment from Mr. Glover. Mr. Glover asked a) if the board would verify the motion of the previous minutes regarding the Wild Teal force main, b) who pays the utility bills at the Timnath Reservoir lift station, and c) has the Timnath Reservoir lift station been accepted by Boxelder Sanitation District. Mr. Glover was asked to provide the specifics of these questions in writing for District response.
11. There was discussion of the goals for the future treatment plant.
12. Mr. Woelfle moved to accept the 2009 Audit Report as presented. Motion seconded. Motion passed unanimously [5-0-0].
13. Mr. Pink moved to adopt changes to Sections 608 and 804 (as shown below) of the District Rules and Regulations.

Section 608A, in its entirety, now reads as follows:

A. *Basis of nonresidential wastewater treatment charges for B.O.D., C.O.D. and T.S.S. Loading:*

Basis A. Each nonresidential account shall be assigned by the Manager to the most appropriate category listed in Addendum B, attached hereto, and incorporated herein by reference, titled: "Excess Loading Surcharge Table". Values for concentration of BOD, COD, and TSS, are those terms as defined in Part Two of these rules and regulations.

Basis B. At the option of the non-residential user and at the written request of the user, the values may be determined by the Manager based on

actual sampling of the effluent. Any sample taken for such purposes shall be a composite sample, as defined in Part 2. Analysis shall be done in accordance with the procedures described in the latest edition of "Standard Methods for the Examination of Water and Wastewater" as published by the American Public Health Association, The American Water Works Association and the Water Pollution Control Federation. Such individual sampling and analysis will be performed by a State certified laboratory, at such user's expense and if requested, the sample will be split and half of the sample will be given to such user for analysis by an independent laboratory. If analysis ordered by the Manager and that obtained by user are significantly different, the Manager may accept the user's analysis, or may order a new sample and analysis done at the District expense. Each nonresidential customer must provide suitable access and adequate sampling infrastructure, as determined by the Manager, for the sampling proposed.

Section 804, in its entirety, now reads as follows:

804: POINT OF DISCHARGE; LIMITATIONS:

A. It shall be unlawful for any person to discharge any substance directly into a manhole or other opening in the wastewater treatment system other than through an approved service line.

B. Liquid wastes, from chemical toilets, and trailers, campers or other recreational vehicles which have been collected and/or held in tanks or other containers shall not be discharged into the wastewater system, except at locations authorized by the Manager to collect such wastes within the District. The rate of discharge into the system will be proscribed by the Manager.

C. At the discretion of and to the satisfaction of the Manager, non-residential users will be required to provide unimpeded District access, at all times, to the user's discharge and to ensure that sufficient sewer infrastructure is installed (i.e. sampling manhole or sewer clean-out). The sampling point must contain only the non-domestic wastewater.

Motion seconded. Motion passed unanimously [5-0-0].

14. Mr. Gatlin moved to remove Mr. Leslie Gelvin as a signatory of District First National Bank accounts and to add Mr. Ray G. Piira as a signatory for District First National Bank accounts as of June 11, 2010. Motion seconded. Motion passed [4-0-1, Mr. Piira abstained].

15. Financial Information:

Presented to the board was information on financial status.

- Cash and Cash Equivalents as of May 31, 2010;
\$3,916,030.02 Ending Cash, April 30, 2010
184,198.82 May Receipts
-230,213.18 May Cash Disbursements
\$3,870,015.66 Ending Cash, May 31, 2010
- Details of revenues, including components of cash received monthly, monthly sewer billings and # of sewer accounts, current monthly charges, fee revenues, delinquent billings and delinquency statistics, monthly delinquent

letters, hangtags, liens and service disconnections, and projected WDRs purchased vs. actual purchases were presented.

16. Mr. Gatlin moved to adopt the Boxelder Sanitation District Wastewater Treatment Plant Replacement Project goals, values, and objectives, as revised, and as shown below:

*Boxelder Sanitation District Wastewater Treatment Plant Replacement Project
Adopted by the Board of Directors June 11, 2010*

Board Goal: *Design, build, and operate a safe, reliable, and fiscally responsible replacement Wastewater Treatment Plant (WWTP) within Boxelder Sanitation District that: 1) exceeds all current regulatory requirements; 2) is adaptable to new processes; 3) expandable for future growth needs. This goal will be achieved through the following planning values and objectives.*

Board Values: *As guiding principles for the replacement of the Boxelder Sanitation District WWTP, the Board of Directors has outlined the following project planning principles to ensure that the District's customers receive a responsible, safe, dependable and long-term value:*

1. *The WWTP should operate within all current discharge permit limits and (reasonably anticipated) regulatory requirements.*
2. *The WWTP must provide a high level of sustainability in design and operation.*
3. *The WWTP must be expandable to meet the anticipated long-term growth of the District over the lifetime of the facility.*
4. *The design for the WWTP should be energy efficient and environmentally conscious.*
5. *The design for the WWTP must incorporate best practices for operational safety, efficiency, and security.*
6. *The design of the WWTP must provide the District long-term cost efficiencies.*
7. *The design, construction, and operation of the WWTP should use qualified local resources as a commitment to local economic development and support for local businesses.*

BOARD PROJECT PLANNING OBJECTIVES:

1. *The WWTP must exceed all existing federal and State regulations for the treatment of wastewater.*
 - 1.1 *Fulfill all requirements of the Colorado Department of Public Health and Environment specified in the District's discharge permit.*
 - 1.2 *Fulfill all requirements of the US Environmental Protection Agency.*
 - 1.3 *Fulfill all requirements of local and regional regulatory and planning agencies.*
 - 1.4 *Design the WWTP to allow the opportunities to comply with possible increased regulation.*

- 2 *The WWTP must provide a high level of sustainability in design and operation.*
 - 2.1 *The core infrastructure of the WWTP should have a minimum life expectancy of 30 years.*
 - 2.2 *The WWTP design must provide for on-site administrative and laboratory facilities.*
 - 2.3 *The WWTP design must provide efficient land use on the existing site.*
 - 2.4 *The WWTP design must have the capacity to accommodate seasonal, natural, and unplanned/emergency event influent fluctuations.*
 - 2.5 *The WWTP design must include high quality materials and equipment to maximize useful life expectancy of the facility.*
- 3 *The WWTP must be expandable to meet the anticipated long-term growth of the District over the lifetime of the facility.*
 - 3.1 *The WWTP design must incorporate opportunities for expansion within the available site through build-out of additional treatment plant components and process improvements.*
- 4 *The design for the WWTP should consider opportunities for use of "Green" alternative power sourcing (including wind, solar, and hydro resources) for plant operations.*
 - 4.1 *Design will assess, evaluate, and incorporate feasible alternative energy sources and methods.*
 - 4.2 *Design will assess, evaluate, and use energy efficient materials and equipment.*
- 5 *The design for the WWTP must incorporate best practices for operational safety, efficiency, and security.*
 - 5.1 *The WWTP design must include safety systems, procedures and equipment to protect the facility staff and the natural resources into which the District discharges.*
 - 5.2 *The WWTP design will minimize the need for use and storage of dangerous chemicals and processes in the treatment of wastewater.*
 - 5.3 *The WWTP design will include provisions for efficient staffing.*
 - 5.4 *The WWTP design will provide operational controls to simplify otherwise complex treatment processes.*
 - 5.5 *The WWTP design will capitalize on automated operational systems (such as SCADA) with redundancies and manual operational capabilities.*
 - 5.6 *The WWTP design will accommodate a wide range of operational contingencies, including natural disasters and other emergency situations.*
- 6 *The design of the WWTP must provide the District long-term cost efficiencies.*
 - 6.1 *The WWTP design must be consistent with the Board's accountability for fiscal, funding/rate structure, and budget policy.*

6.2 *The WWTP design must be completed in a timely manner allowing the Board to capitalize on available funding sources and favorable financing costs.*

7. *The WWTP design and construction shall consider the use of qualified Larimer County and Weld County businesses, all things being equal, to deliver the replacement WWTP.*

8. *The WWTP design and construction process shall use the most efficient methods to ensure a "team" approach is used by all design consultants, architects, construction companies, project managers, engineers, financing, suppliers, inspectors, and other project partners.*

Motion seconded. Motion passed unanimously [5-0-0].
(Copy given to Mr. Glover at his request)

17. Financial Information presented to the board:

- Details of outflow of funds were presented; including contract status, contingent commitments, purchase orders, cash disbursement listing, and credit card detail for the month ended May 31, 2010.
- The unaudited financial statements and related graphs for the four months ended April 30, 2010 were not completed due to time constraints in time for them to be presented to the Board at the Special Meeting. They will be forwarded to directors when completed.

Lunch is brought in and Mr. Rowlett joins the meeting. Mr. Glover leaves the meeting. Mr. Rowlett presents an overview to the directors of his presentation given to the R8 Industrial Pretreatment Program conference in Grand Junction during the week of May 24, 2010.

Messrs. Rowlett and Siddens left the meeting.

18. Operations: Information on the treatment plant, industrial pretreatment program, wastewater collection system, and administration operations for the preceding month was presented.

19. Information Transfer:

- Consideration of Health Insurance Budgetary Surplus and Employee Medical Benefit Compensation
- District Project Update as of May 31, 2010
- Public Communications
- Email regarding Proposition 101 and Amendments 60 and 61 from Mr. Josh Magden presented.

Mr. Siddens joined the meeting.

20. Discussion of the Maple Hill development was held.

21. Discussion of the Wastewater Treatment Plant Upgrade timeline occurred.

22. Mr. Gatlin moved to adjourn the meeting. Motion seconded. Motion approved unanimously [5-0-0].

Meeting adjourned at 3:06 pm.

These minutes were approved on the 15th day of July, 2010 by an action of the Board of Directors.

/s/ Scott Taylor
Scott Taylor, Chairman of the Board

/s/ Fred E. Walker
Fred E. Walker, Secretary

TO: Board of Directors of Boxelder Sanitation District
FROM: Rick Zier, Counsel to the Board
RE: Executive Session of the Board
DATE: July 15, 2010

No record of the executive session (including electronic recording or otherwise) held on the above date 7/15/10 was kept. The executive session was for the purpose of "Conferences with an attorney for the public entity for the purposes of receiving legal advice on specific legal questions." §24-6-402(4)(b), C.R.S.

SIGNATURE: /s/ Richard F. Zier
DATE: 7/15/10