

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
NORTHWEST LAKEWOOD SANITATION DISTRICT
AND THE BOARD OF DIRECTORS OF THE
WASTEWATER UTILITY ENTERPRISE
HELD
JANUARY 27, 2010

A regular meeting of the Board of Directors of the Northwest Lakewood Sanitation District and the Board of Directors of the Wastewater Utility Enterprise (referred to hereafter as "Board") was convened on Wednesday, the 27th day of January, 2010, at 4:00 P.M., at the offices of the District, 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Anthony M. Dursey, President
Catherine "CiCi" Kesler
James D. "Jim" Zimmerman
Gregory A. "Greg" Fabisiak
Robert J. "Bob" Burm

Also In Attendance Were:

Lisa A. Johnson; Special District Management Services, Inc.

Tim Flynn, Esq.; Collins, Cockrel & Cole, P.C.

Wayne Ramey; Ramey Environmental Compliance

Bill Willis; Martin/Martin Consulting Engineers

ADMINISTRATIVE MATTERS

Minutes: The Board reviewed the minutes of the December 16, 2009 special meeting. Following discussion, upon motion duly made by Director Fabisiak, seconded by Director Burm and, upon vote, unanimously carried, the minutes of the December 16, 2009 special meeting were approved.

Resolution regarding 24-hour posting place: The Board considered adopting the Resolution designating the place at which notice will be posted at least 24 hours prior to each meeting.

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Following review, upon motion duly made by Director Kesler, seconded by Director Burm and, upon vote, unanimously carried, subject to revision by legal counsel to include certain changes necessitated by recent amendments to the Special District Act. Mr. Flynn will prepare a revised Resolution and bring it to the Board for signature at the February meeting, at which time an original of the Resolution will be attached hereto and incorporated herein by this reference.

District Website: Ms. Johnson reported that the revisions have been made on the District's website.

Facilities Renovation Fee Statement Format: The Board reviewed the facilities renovation fee statement format.

Following review and discussion, upon motion duly made by Director Kesler, seconded by Director Fabisiak and, upon vote, unanimously carried, the Board approved the facilities renovation fee statement format, as amended, and directed staff to include the February 2010 newsletter in the billing.

FINANCIAL MATTERS

Claims: The Board considered approval of the payment of claims through the period ending January 27, 2010, as follows:

General Fund	\$ 9,821.26
Enterprise Fund	152,927.22
Total	<u>\$ 162,748.48</u>

Following discussion, upon motion duly made by Director Kesler, seconded by Director Zimmerman and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending January 27, 2010.

Financial Statements: The Board reviewed the unaudited financial statements of the District setting forth the cash deposits, investments, and budget analysis, and accounts payable vouchers for the period ending December 31, 2009 and the schedule of cash position as of January 27, 2010.

Following discussion, upon motion duly made by Director Kesler, seconded by Director Zimmerman and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending December 31,

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2009 and the schedule of cash position as of January 27, 2010.

Investments: The Board directed staff to move the lockbox funds to ColoTrust and renew maturing certificates of deposit.

LEGAL MATTERS

Settlement Agreement with Denver Water regarding rates, tap fees and participation charges: Attorney Flynn reported that there are still two issues that still need resolution, the billing dates and amount to pay for 2010.

Following discussion, upon motion duly made by Director Kesler, seconded by Director Zimmerman and, upon vote, unanimously carried, the Board directed Attorney Flynn to advise Denver Water that they should be billed on a semi-annual basis and authorized Mr. Flynn to negotiate the best he could with respect to the amount of the payment Denver Water will make until metered flows can be used as the basis for billing.

Attorney's report: Municipal Exclusion of City of Lakewood Properties: Attorney Flynn reported that the exclusion has been completed.

Webster v. Polinsky: Attorney Flynn reported that Mr. Webster's attorney has offered to dismiss the case against the District if the District assigns its claims against the neighboring homeowners. The Board rejected this offer as it has in the past because it precludes the District from recovering any of the costs of correcting the defective sewer main that was installed for the purpose of serving the homeowners.

Attorney Flynn then reported that a settlement offer was made by one of the neighbors, Thomas Cryan. The offer was to pay to the District a lump sum equal to 1/3 of the approximately \$10,000 the District paid to repair the sewer line, plus Mr. Cryan would pay 1/3 of the costs incurred in defending the District against the litigation filed by Mr. Webster. Anthony Melonakis, the attorney handling this litigation on behalf of the District, believes that the Blessingers and the Polinskys would be willing to make similar offers to the District. The Board instructed legal counsel to negotiate the best deal he could get that arranged for the District's dismissal from

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the lawsuit and at the same time recover some money from the homeowners. The Board, however, wanted to make sure that the Cryans, the Polinskys, and the Blessingers were all aware that settling with the District would not necessarily preclude Mr. Webster from suing each of them directly.

Proposal from ERM-West, Inc. to clean site to residential standard: Attorney Flynn presented a proposal from ERM-West, Inc. to clean the site to a residential standard for \$89,300.00. The Board identified the following steps to prepare the 4101 Miller Street plant site to sell:

1. Remove structures.
2. Clean entire site to residential standard.
3. Relocate the existing sewer line.

The Board directed staff to solicit proposals for demolition and structure removal of the wastewater treatment plant.

Sewer Service Agreement: Attorney Flynn reviewed the agreement with College Park Water and Sanitation District ("CPWSD") that went into effect January 1, 2010. Attorney Flynn reported that CPWSD's capacity in the Northwest Interceptor needs further refinement and that he is working with the engineers for both Districts to further refine that provision in the Agreement and also to further refine the provision that requires each District to maintain a reserve to fund future capital improvements.

OPERATIONS MATTERS

Operations Monthly Report: Mr. Ramey presented the December 2009 monthly report. A copy of the report is attached hereto and incorporated herein by this reference.

Grease trap inspections at Abrusci's Restaurant. Mr. Ramey presented the grease trap inspection report for Ambrusci's Restaurant. Mr. Ramey reported that he has provided a profile to Abrusci's on how the trap fills and when pumping is necessary. Mr. Ramey also reported that the manager has been very difficult to work with and the restaurant continues to fail inspections. Attorney Flynn will review the statutes and other information, to be provided by Mr. Ramey, and report to the Board in February.

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Engineer's report: 2009 Improvements. Mr. Willis reported that the recommendations for re-habilitation are complete and ready to be advertised next week. The engineers estimate is \$300,000, for the re-habilitation of 31st Place the cost is \$180,000 and the estimate for the rehabilitation of Kipling street is in phases:

Phase A - from south of 29th Avenue to 32nd Avenue - cost \$800,000

Phase B - from 25th Avenue to south of 29th Avenue - cost \$620,000

Phase C - West 23rd Avenue, Lewis Street and 25th Avenue - cost \$720,000

Following discussion, upon motion duly made by Director Burm, seconded by Director Kesler and, upon vote, unanimously carried, the Board authorized staff to advertise for the 2010 improvements estimated at \$300,000.

Tap Fee Study. Mr. Willis presented to the Board a study prepared to review the current tap fee of \$2,600 for 2010. The Board reviewed the report. No action was taken or needed by the Board.


Reserve Fund Study. Mr. Willis presented the capital improvement reserve fund study to the Board. The Board reviewed the study. No action was taken or needed by the Board.

Northwest Lakewood/College Park Inceptor Reserve Fund Study. Mr. Willis presented the inceptor reserve fund study to the Board. Mr. Willis recommends that each District have a 10% reserve fund to be used for repairs or for an emergency situation. Attorney Flynn will review the study and share with College Park.

ADJOURNMENT

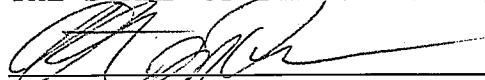
There being no further business to come before the Board at this time, upon motion duly made, seconded and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

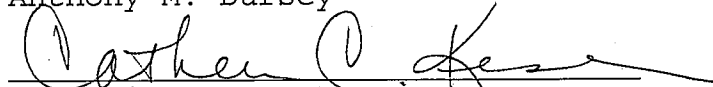
By  Secretary for the Meeting

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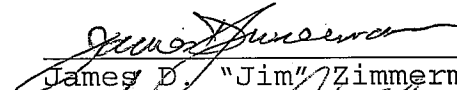
THESE MINUTES APPROVED AS THE OFFICIAL JANUARY 27, 2010
MINUTES OF THE NORTHWEST LAKEWOOD SANITATION DISTRICT BY
THE BOARD OF DIRECTORS SIGNING BELOW:



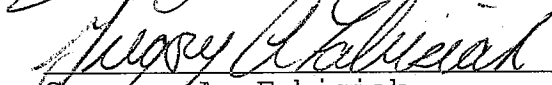
Anthony M. Dursey



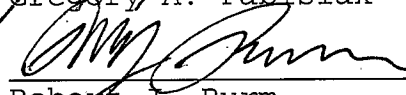
Catherine C. Kesler



James D. "Jim" Zimmerman



Gregory A. Fabisiak



Robert J. Burn



Northwest Lakewood Sanitation District Monthly Report December 2009

- Tue 12/1:** Processed 1 locate.
- Wed 12/2:** Processed 7 locates.
- Thu 12/3:** Processed 4 locates.
- Fri 12/4:** No District activity
- Mon 12/7:** Processed 4 locates. Received a call from SDMS about a backup that happened over the week end at 2525 Routt St. Bert went on site and checked flows in main. No problems were observed.
- Tue 12/8:** Processed 2 locates.
- Wed 12/9:** Processed 2 locates. Received a call from SDMS about water coming out of a crack between the curb and the street at 11884 W. 27th Ave. Bert went on site and this is a recurring problem with ground water in the area of Quail and 27th Ave. Bert placed a call to home owner and explained the situation.
- Thu 12/10:** Processed 1 locate.
- Fri 12/11:** Processed 3 locates.
- Mon 12/14:** Processed 2 locates.
- Tue 12/15:** Processed 5 locates.
- Wed 12/16:** Processed 4 locates.
- Thu 12/17:** Processed 2 locates.
- Fri 12/18:** Processed 3 locates.
- Mon 12/21:** Processed 1 locate. Performed 12 grease trap inspections:

Smash Burger	3356 Youngfield St.	Pass
Pizza Hut	3352 Youngfield St.	Pass
Tafolino's	2001 Youngfield St.	Pass
Tafolino's Too	1901 Youngfield St.	Pass
Jimmy's Wings	2050 Youngfield St.	Pass
China Garden	2098 Youngfield St.	Pass
Papa John's	1921 Youngfield St.	Pass

Food Concepts	2545 Kipling St.	Pass
Senior Burritos	2953 Kipling St.	Pass
Gold's Grocery	10021 W. 26 th Ave.	Pass
N.Y. Pizza	10081 W. 26 th Ave.	Pass
Paramount Lanes	10021 W. 26 th Ave.	Pass

Tue 12/22: Processed 4 locates. Performed a lateral replacement inspection at 2525 Routt St.

Wed 12/23: Processed 1 locate. Performed a lateral replacement inspection at 13185 W. 15th Dr. Received an after-hours page for a UNCC emergency locate at 10695 W 17th Ave for an XCEL gas main repair. John went to site and met with crew to clear the district. Processed 4 locates for 12/24.

Sun 12/27: Received an after hours page from Consolidated Mutual Water company about an overflowing manhole at 32nd and Ward Road. John went on site and determined the manhole was storm water and not sanitary. Received an after-hours page for a UNCC emergency locate for a water main repair at 12395 W. 34th Place for Consolidated Mutual Water. John went on site and met the crew and painted district mains in area.

Mon 12/28: Processed 2 locates.

Wed 12/30: Processed 4 locates.

Thu 12/31: Processed 1 locate.

	Projected ft. - 2009	YTD actual ft. - 2009	Current 2009 ft.	%YTD - 2009
Cleaning & Hot Spots	124,817	82,096	0	65.77%
14" less				
15" more				
Root Cutting	48,000	43,829	0	91.31%
14" less				
15" more				
Televising	64,380	62,840	0	97.61%
Total	272,442	188,765	0	80%

2605 Vivian St.	2	12/1/09
10695 W. 17 th Ave.	1	12/2/09
10695 W. 17 th Ave.	1	12/2/09
11345 Benthaven Dr.	2	12/2/09
11874 Applewood Knolls Dr.	2	12/2/09
3210 Oak St.	2	12/2/09
17 Hillside Dr.	3	12/2/09
1395 Normandy Rd.	3	12/2/09
1810 Zinnia St.	2	12/3/09
1820 Zinnia St.	2	12/3/09
11200 W. 20 th Ave.	3	12/3/09
11383 W. 28 th Ave.	3	12/3/09
W. 41 st Ave. & Kipling St.	1	12/7/09
13772 Denver West Pkwy.	1	12/7/09
13922 Denver West Pkwy.	1	12/7/09
W. 41 st Ave. & Kipling St.	3	12/7/09
3210 Oak St.	2	12/8/09

W. 26 th Ave. & Kipling St.	3	12/8/09
W. 41 st Ave. & Kipling St.	1	12/9/09
2589 Ward Dr.	2	12/9/09
W. 26 th Ave. & Kipling St.	2	12/9/09
W. 41 st Ave. & Kipling St.	1	12/11/09
13922 Denver West Blvd.	2	12/11/09
13772 Denver West Blvd.	2	12/11/09
11091 W. 27 th Pl.	2	12/11/09
W. 41 st Ave. & Kipling St.	1	12/14/09
W. 27 th Ave. & Youngfield St.	2	12/14/09
3605 Owens St.	1	12/15/09
2896 Zang Way	1	12/15/09
10565 W. 26 th Ave.	2	12/15/09
12125 W. 26 th Ave.	2	12/15/09
1635 Winfield Dr.	2	12/15/09
9900 W. 41 st Ave.	1	12/16/09
3076 Nelson Ct.	2	12/16/09
3126 Nelson Ct.	2	12/16/09
10220 W. 25 th Ave.	3	12/16/09
2567 Hoyt St.	1	12/17/09
2035 Rosewood Dr.	2	12/17/09
W. 38 th Ave. & Kipling St.	1	12/18/09
1240 Orchard Rd.	2	12/18/09
12134 Applewood Knolls Dr.	2	12/18/09
W. 27 th Ave. & Youngfield St.	3	12/21/09
2525 Routt St.	2	12/22/09
13185 W. 15 th Dr.	2	12/22/09
10888 W. 30 th Pl.	2	12/22/09
1635 Winfield Dr.	3	12/22/09
9900 W. 41 st Ave.	1	12/23/09
2600 Vivian St.	2	12/24/09
2025 Miller St.	2	12/24/09
3031 Oak St.	2	12/24/09
1546 Cole Blvd.	2	12/24/09
W. 27 th Ave. & Youngfield St.	2	12/28/09
W. 34 th Pl. & Ward Rd.	3	12/28/09
3470 Miller St.	1	12/30/09
14005 W. Colfax Dr.	1	12/30/09
12 Hillside Dr.	2	12/30/09
2881 Youngfield St.	2	12/30/09
2290 Iris St.	2	12/31/09