



Minutes of the Southeast Metro Stormwater Authority Board Meeting
September 23, 2009

The Board Meeting of the Southeast Metro Stormwater Authority (SEMSWA) was held on Wednesday, September 23, 2009, 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 1:30 p.m.

Directors Present: Director Bart Miller/Chair
 Director Rod Bockenfeld/Vice-Chair
 Director Ron Weidmann/Secretary-Treasurer
 Director Jim Dyer (left @ 4:15 p.m.)
 Director Linda Lehrer (left @ 3:55 p.m.)
 Director Andrea Suhaka
 Alternate/Jacque Wedding-Scott (left @ 4:15 p.m.)

Staff present: John A. McCarty, Executive Director
 David Agee, Director of Finance and Administration
 Ed Krisor, SEMSWA Attorney
 Mike Vinson, CIP Program Manager
 Denny Welker, Land Development Program Manager
 RoxAnna Jones, HR/Office Manager

SIGN-IN-SHEET SUMMARY:

Name Information	Representing	Contact
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None

1. Administrative Items

- a) Motion to approve the August 26, 2009 meeting minutes:

Motion for approval: Director Weidmann
Seconded: Director Bockenfeld
In favor: All

2. Public Comments for Non-Agenda Items - None

3. Cash Disbursements & Summary of Financial Reports

- Dave Agee reported that the disbursement on Line 128 for \$105,000 was a release of collateral for a development project.

- Director Weidmann inquired about two expenditures: Line 89/Grand Lodge in Crested Butte, which was for staff lodging at the CASFM Annual Conference; and Line 58/Nelson Pipeline, Inc., which was for construction on Euclid at Heritage Place.
- a) Motion to approve the Cash Disbursement Detail, as presented by Mr. Agee, in the amount of \$789,750.95:

Motion for Approval: Director Weidmann
 Seconded: Director Suhaka
 Approved: All

- b) Financial Reports: The lag in capital spending was reflected in SEMSWA's strong cash position in the financial reports, as the money is committed but not actually spent. Storm drainage fees exceeded budget and were on track with projections, due in part to collection of delinquent Arapahoe County storm drainage fees. The remaining 2007 delinquencies will be taken to tax sale in November. Nearly 100% of delinquencies that go to tax sale will be purchased and SEMSWA will be paid.

4. 2010 Proposed Budget Discussion and Reduction in Automatic Fee Increase

- Mr. McCarty and Mr. Agee summarized the September 17, 2009 Budget Committee meeting comments and recommendations. The Budget Committee had asked that staff prepare two draft budgets, the first reflecting a 1% fee increase for 2010-2014 and the second reflecting a 0% fee increase for 2010-2014. Both included a 1% increase in impervious area, a 2% salary increase in 2010, and a 3% salary increase in the following 4 years. Both scenarios paid off SEMSWA's debt early and added the savings to the Capital Improvement Program.
- Stormwater fee increase: Discussion was held regarding a 1% stormwater fee increase, which would result in an average household increase of \$0.82 per year. Directors Dyer, Bockenfeld, and Wedding-Scott supported a 0% fee increase in the 2010 budget. Director Dyer remarked that SEMSWA should respect the market, that people are struggling to pay fees, and that we are responsible to the ratepayers. Director Miller supported a 1% fee increase, if it were applied to the maintenance budget. Director Bockenfeld remarked that SEMSWA doesn't need to raise its fees if it can pay off its debt early. Director Lehrer supported a 1% fee increase, if SEMSWA were to focus those dollars on maintenance and rebuilding current infrastructure.
- Salary Increase: Directors Weidman and Suhaka supported a 2% budget increase in salaries, based on merit. Director Dyer supported a 0-1% merit-based budget increase in salaries. Director Bockenfeld supported a 1% merit-based budget increase in salaries, and suggested a possible lump sum salary increase, so as to not increase base salary. Director Miller remarked that a 1% salary increase is not enough for staff to work with. Director Lehrer supported a 1-2% salary increase. Director Wedding-Scott supported a 2% salary increase, using the MSEC benchmark. Mr. McCarty remarked that the Board had directed SEMSWA to complete a yearly job classification and salary study and reported that MSEC's 2010 pay increase projection was 2%, which matched SEMSWA's study. Mr. McCarty's recommendation was to recognize the 2% market adjustment and

include an additional 1% for performance, which would require a 3% budget increase in salaries. He noted that his recommendation was made keeping the classification/salary study, board instruction, SEMSWA's funding mechanism, and the current economy in mind.

- a) Motion to approve **Resolution No. 09-41** (Reduction in Automatic 5% Fee Increase for the 2010 Budget Year) with approval of a 1% stormwater fee increase:

Motion for Approval of 1% fee increase: Director Weidmann
Seconded: Director Miller
Yay: Directors Miller, Suhaka, and Weidmann
Nay: Directors Bockenfeld and Dyer

1% stormwater fee increase for 2010 approved by a vote of 3-2

- b) Motion to prepare 2010 Budget reflecting a 2% merit-based salary increase, said budget being considered for adoption at the October 28, 2009 Board Meeting:

Motion for Approval: Director Suhaka
Seconded: Director Weidmann
Yay: Directors Miller, Suhaka, and Weidmann
Nay: Directors Bockenfeld and Dyer

2010 Budget to be prepared for Board consideration with a 2% merit-based salary increase for 2010 approved by a vote of 3-2

- c) Motion to delete Paragraph 4 of Resolution No. 5, Series of 2006 thus terminating the automatic 5% increase in fees each year:

Motion for Approval: Director Miller
Seconded: Director Dyer
Approved: All

This motion will be formalized by resolution at the October 28, 2009 Board Meeting.

5. Acceptance of Drainage Easements for the Cottonwood Creek, Easter to Briarwood Design Project

- a) Motion approve **Resolution No. 09-42** (Authorization to Accept Drainage Easements for the Cottonwood Creek, Easter to Briarwood Design Project):

Motion for Approval: Director Weidmann
Seconded: Director Suhaka
Approved: All

6. Executive Director Update

- a) Mr. McCarty reported that he attended the APWA conference in Columbus, Ohio and made a presentation at the Stormwater Summit, organized by Paul Hindman of Urban Drainage and Flood Control District.
- b) Mr. McCarty thanked the Board for making tough decisions and assured the Board that staff was willing and able to carry out its direction.

7. Legal Counsel Update

- a) Update on CDOT: Ed Krisor reported that he had talked to Randy Jensen at CDOT and that SEMSWA will be paid for all but two parcels. Further discussion and investigation is needed regarding this issue.
- b) Mr. Krisor is working with the Post Office on its delinquencies.
- c) South Nome and East Peakview/Wyndham Garden at the Ridge: Ed Krisor updated the Board on SEMSWA's continuing efforts to have the owner and / or the Bankruptcy Court fund the necessary remedial work in regard to the water quality improvements on this abandoned hotel construction site.

8. Land Development Program Presentation by Dennis Welker

9. CIP Presentation by Mike Vinson

10. Other Items

11. Adjournment - The Board Meeting was adjourned at 3:20 p.m.

12. 2009 Board Meeting Schedule

Board meetings will be held at 1:30 p.m. on the following dates:

- October 28, 2009
- November 18, 2009 (please note change to 3rd Wednesday of the month)
- December 16, 2009 (please note change to 3rd Wednesday of the month)