

**MINUTES OF SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF
SOUTHGATE WATER DISTRICT
ARAPAHOE AND DOUGLAS COUNTIES, COLORADO**

March 26, 2010

The Board of Directors of the Southgate Water District, Arapahoe and Douglas Counties, Colorado, met in special joint session with the Board of Directors of the Southgate Sanitation District on Friday, March 26, 2010, at the office of the Districts, 3722 East Orchard Road, Centennial, Colorado 80121. The meeting was called to order at 12:03 p.m., by the President and Chairman, John J. Herbolich. These minutes reflect the proceedings of the Board of the Southgate Water District.

Notice of the meeting was duly posted as required by law. The agenda for this meeting was posted at the District office more than 24 hours before the meeting convened. The purpose of the meeting was stated to be for consideration of any and all business that may come before the Board of Directors of the Southgate Water District.

The following Directors were present:

David Bickham
John J. Herbolich
Terry Kirkpatrick
George J. MacDonald
Don E. Winslow (arrived as noted below)

Also present were:

Duane Tinsley, District Manager
Crick Sheffer, District Engineer
Kirk McClurkin, Woolpert, (Asset Management Consultant)
Mike Sweeney, Woolpert, (Asset Management Consultant)
Jonas Svoboda, Woolpert, (Asset Management Consultant)

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Chairman Herbolich extended welcome to the visitors and introductions were made.

Approval of Agenda:

Director MacDonald MOVED to approve the agenda as presented. Director Kirkpatrick SECONDED the motion. Upon a call of the vote, all Directors present voted "AYE", and the motion was declared UNANIMOUSLY PASSED.

Public Comment:

No public comment was offered.

Administrative:

Asset Management (10-07):

District Manager Tinsley reported that phase IV of the Geographic Information System (GIS) program is to focus on development of tools (data and mapping) in support of the asset management efforts of the Districts. Early in Phase III the GIS consultant (Woolpert) advised that the Phase III development of the GIS on the ESRI platform and of work management on the CityWorks platform would serve as a strong foundation for Phase IV asset management without the need for additional software. A high priority goal for 2010 is implementation of the asset management tools.

With belief that the developer of the current GIS and work management programs should be the developer of the asset management tools; the Manager (at the February 9, 2010 Board meeting), presented a work proposal from Woolpert for such asset management development.

The Board expressed: 1) the need to make certain that the project outcomes expected by Southgate are consistent with Woolpert's expected work effort, and 2) desire to meet with the key Woolpert representatives prior to engagement.

Such is the purpose of this Special Meeting.

Director Kirkpatrick requested focus on what will be done, why it will be done, and what the effort will accomplish. Director Herbolich added the need to specify the time frame for completion.

Director Winslow arrived at this point.

At this point the discussion was turned over to the Woolpert representatives.

Kirk McClurkin expressed appreciation for the opportunity to submit a proposal for consulting services and to meet with the Directors. He and Mike Sweeney used a PowerPoint presentation entitled "Rehabilitation and Replacement Decision and Documentation Methods" to introduce the project team members (*Michael Sweeney, Jonas Svoboda and Kirk McClurkin*), the challenge (*"to leverage the investment in GIS and Work Management to make more informed decisions relative to facilities rehabilitation and*

replacement”), the approach to the work, and the deliverables. He indicated that the work would be complete within five (5) months of engagement.

Detailed discussion followed, with emphasis on team member experience/expertise, assumptions, and methodology.

Manager Tinsley recommended authorization to engage Woolpert as per the proposal; with clarification of outcomes per the Southgate “Asset Management Tools” graphic and the Woolpert PowerPoint presentation.

Director MacDonald MOVED to approve the engagement of Woolpert, in the lump-sum amount of \$110,639 (to be paid 50% by the Southgate Water District and 50% by the Southgate Sanitation District), for consulting services in the development and implementation of asset management tools as per the Woolpert proposal (as clarified by Southgate's “Asset Management Tools” diagram and by Woolpert's “Rehabilitation and Replacement Decision and Documentation Methods” PowerPoint presentation); with the work to be complete within five (5) months. Director Kirkpatrick SECONDED the motion. Upon a call of the vote, all Directors present voted "AYE", and the motion was declared UNANIMOUSLY PASSED. Notice to proceed was verbally issued.

Other Matters:

Manager Tinsley distributed copies of Mike Smith's summary of the Strategic Plan discussions. He suggested that the Directors individually review the draft and that the matter be added to the April agenda for discussion. The Directors agreed.

Adjournment:

There being no further business to come before the Board of Directors, Director MacDonald MOVED to adjourn the meeting. Director Kirkpatrick SECONDED the motion. By UNANIMOUS vote the meeting was adjourned at 1:15 p.m.

Director

President & Chairman

Director

Director

Director