

RECORD OF PROCEEDINGS

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**MINUTES OF A REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
OF THE  
ASPEN PARK METROPOLITAN DISTRICT  
HELD  
FEBRUARY 16, 2010**

A regular meeting of the Board of Directors of the Aspen Park Metropolitan District was held on Tuesday, February 16, 2010 at 12:00 p.m. at R.S. Wells LLC, 8390 E. Crescent Parkway, Suite 500, Greenwood Village, CO.

Attendance: In attendance were Directors:

William R. Frogge  
Bill Wilson  
Bill Bates  
Dennis Shirilla  
William Mark

Also in attendance were.

Bob Blodgett; R.S. Wells, LLC  
Clint Waldron; White, Bear & Ankele Professional Corporation  
Bill Goetz; TST Infrastructure  
Gigi Pangindian; Clifton Gunderson LLP  
Sam Sours; Farnsworth  
Nancy Craig; Aspen Park Investors/Hunt Properties, Inc. (by telephone)

Call to Order Director Frogge called the meeting to order at 12:15 p.m.

Potential Conflicts  
Of Interest

The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest of the Board of Directors to the Secretary of State. Mr. Waldron noted that forms disclosing potential conflicts of interest had been filed in accordance with law. The Board Members were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, whereupon disclosure of any such matters was made. The Board noted, for the record, that these disclosures are restated at this time with the intent of fully complying with laws pertaining to potential conflicts.

Review/Approve  
Minutes

Upon a motion duly made and seconded, the Board approved the November 17, 2009 special Board meeting minutes as amended.

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### API Updates

#### **DISCUSSION:**

##### A. Exfiltration Gallery No. 2

Ms. Craig stated that API has requested a proposal from Kimley Horn to drill a test well in the hopes that it will hit a fracture to serve as a discharge point for the effluent for Exfiltration Gallery No. 2. Director Frogge asked about a timeframe? Ms. Craig reported that API anticipates executing a proposal by the end of February and finalizing the scope. The timeframe for the work is not yet clear.

##### B. As-Builts/Underdrain Acceptance

Mr. Sours reviewed his February 11, 2010 letter to the Board providing an update on the status of the jetting of the underdrains and recommending approval of acceptance of the underdrains for maintenance purposes by the District. The Board asked Mr. Goetz for his comments related to API's work. Mr. Goetz reported API has done about as much as can be accomplished with the current configuration of the underdrains. The current cleanouts do not allow access to all parts of the underdrain system for jetting. The Board asked for Mr. Goetz's recommendation. He reported that the system can be accepted with an acknowledgement of the risk regarding a potential back-up or blockage in the future.

Mr. Sours reported that it is probably cheaper for the District to flush the lines every year rather than videoing them every five years, which was the previous requirement by Jefferson County

Mr. Waldron reported that a starting point is the current County recorded plat requirements and verification by API that all of these conditions have been met.

Mr. Sours reported he could verify API's compliance with the Jefferson County plan requirements by the next Board meeting.

Mr. Waldron also stated that API could provide a warranty bond or maintenance bond for some number of years to ensure that adequate maintenance is provided in case of a blockage and the District has time to build a reserve for any future maintenance obligations on the underdrains.

The Board indicated they would like these issues resolved by the March 16, 2010 Board meeting so the Board can make a final determination as to whether to accept the underdrain system or not.

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Mr. Waldron summarized the actions to be conducted before the March Board meeting:

- 1) API to conduct a flow test per the maintenance plan.
- 2) Mr. Sours and Mr. Goetz are to meet to discuss acceptance options and the potential of a maintenance or warranty bond being posted by API for a period of five or ten years.
- 3) API to provide a certification from their engineer regarding compliance with the revised Jefferson County plat requirements for the underdrain system.
- 4) API to consider the possibility of an escrow (with a maintenance or warranty bond) provided to the District that decreases over time.

Mr. Blodgett will summarize these actions in an e-mail to Ms. Craig and Mr. Allred following the Board meeting. The Board will review these issues at the March 16, 2010 Board meeting.

C. Leasing Status

Ms. Craig reported there has been considerable activity recently. API is now using a new leasing company, David Hicks & Associates.

**ACTION:**

None.

Engineering /  
Construction Items

**DISCUSSION:**

A. Exfiltration Gallery No. 2 – Testing and Acceptance Status

Previously discussed

B. Underdrain Cleaning/Videoing/Acceptance - Status

Previously discussed.

C. Water Usage Tracking Reports

Mr. Goetz reviewed reported water usage is up slightly from January 2009.

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D. January 2010 Exfiltration Gallery Monitoring Report

Mr. Goetz reported nothing unusual with the January report

E. BCWA Meeting Items

No current items affect the District.

F. Bank of the West Sanitary Sewer Connection

Mr. Goetz reported he has contacted Bank of the West to determine if they still want to proceed given the Water Commissioner's requirement for Bank of the West to modify their water rights decree in order to connect to the District's system.

**ACTION:**

G. Accept Upper Mountain Counties Aquifer Sustainability Study Survey

Upon a motion duly made and seconded, the Board accepted the survey report by TST.

Financial Items

**DISCUSSION:**

A. Review December 31, 2009 Financial Statements

Ms. Pangindian reviewed the financial statements with the Board. Mr. Waldron recommended that the Board consider the implementation of a capital replacement plan in the future.

B. Review February 16, 2010 Cash Position

Ms. Pangindian reviewed the cash position report with the Board

C. Review January 31, 2010 PIF YTD Collection Report

Ms. Pangindian distributed copies of the PIF YTD collection report. Collections are up approximately 6% over the same month in 2009.

D. Review Updated Subordinate Bond Projections

Ms. Pangindian will distribute to the Board for discussion at the March Board meeting.

**ACTION:**

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E. Consider Approval of December/January Claims

Upon a motion duly made and seconded, the Board approved the December/January claims dated February 16, 2010 represented by checks 2060 through 2083 totaling \$50,698.64, the December 31, 2009 financial statements and February 16, 2010 cash position report.

Manager's  
Items

**DISCUSSION:**

A. Accept Final 2010 Budget

Mr. Blodgett reported the final 2010 budget is in the packet for the Board's information.

B. Update on May 4, 2010 Board of Director's Election

Mr. Blodgett reported Mr. Wilson and Mr. Bates have submitted self nomination forms for the two vacancies. If there are no more candidates than vacancies by February 26, 2010, the election will be cancelled.

**ACTION:**

C. Ratify Letter of Support Re: Proposed CAPRD

Upon a motion duly made and seconded, the Board ratified the letter of support for the proposed Conifer Area Park and Recreation District.

D. Referrals

Mr. Blodgett reported the referral received regarding the Lions Ridge Metropolitan District does not impact Aspen Park Metropolitan District.

Attorney's Items

**DISCUSSION:**

A. Status of Easements

Mr. Waldron reported he has reviewed the easement submitted by Jefferson County and recommended changes. He will discuss with the County and bring back for Board approval at the March meeting. The easements require a \$1,500 fee to be paid by the District. This is included in today's claims.

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B. Status of Water Court Due Diligence Filing

Mr. Waldron reported the Water Court has ruled in favor of the District's conditional water rights. They are good through 2016 on the west decree. Mr. Goetz reported the easterly decree will now go through the due diligence process.

Mr. Goetz will address with Mr. Fendel the possibility of some of the District's rights being recorded as absolute in the future.

**ACTION:**

C. Consider Approval of API Request for 2<sup>nd</sup> Subordinate Bond Issue

Deferred to the March Board meeting.

D. Accept Water Court Referee Report on Water Rights Due Diligence Filing

The Board accepted this report.

E. Executive Session (if needed)

None required.

F. Approve Assignment of Trustee from American National Bank to UMB

Upon a motion duly made and seconded, the Board approved the assignment of trustee from American National Bank to UNB.

G. Board of Director's Pay Status

Mr. Waldron reported that different attorneys and accountants are debating whether or not Directors are employees or contractors. If Directors are employees, they will receive W2's and FICA will be withheld from their monthly \$100 checks. If they are contractors, they receive 1099's at year end and there will be no deductions from their monthly \$100 checks. The IRS has audited some Districts and raised this issue. Mr. Waldron will discuss with Mr. Collins and Ms. Pangindian and provide an update at the March Board meeting.

Director's Items

A. Confirm a Quorum for the March 16, 2010 Board Meeting

A quorum was confirmed for March 16, 2010.

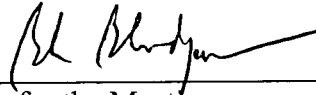
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Other Business        None.

Adjournment        Upon a motion duly made and seconded, the meeting adjourned at 2:00 p.m.

Respectfully submitted,



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Secretary for the Meeting