

RECORD OF PROCEEDINGS

**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS
OF THE
ASPEN PARK METROPOLITAN DISTRICT
HELD
SEPTEMBER 21, 2010**

A special meeting of the Board of Directors of the Aspen Park Metropolitan District was held on Tuesday, September 21, 2010 at 10:30 a.m. at DW's 285 Diner, 25597 Conifer Road, Ste. 105, Conifer, CO.

Attendance: In attendance were Directors:

William R. Frogge
Bill Bates
Dennis Shirilla
Sam Sours

Director Mark was absent.

Also in attendance were:

Bob Blodgett; R.S. Wells, LLC
Clint Waldron; White, Bear & Ankele Professional Corporation
Bill Goetz; TST Infrastructure
Gigi Pangindian; R.S. Wells, LLC
Don Murray; Treatment Technologies
Al Allred; API/Hunt Properties
Nancy Craig; API/Hunt Properties
Christie Montague; Dunton Commercial Real Estate
Anne Boseman; Adjacent Property Owner

Call to Order Director Frogge called the meeting to order at 10:50 a.m. and the Board excused the absence of Director Mark.

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.

RECORD OF PROCEEDINGS

Review/Approve
Minutes

Upon a motion duly made by Director Bates and seconded by Director Shirilla, the Board approved the June 15, 2010 regular Board meeting minutes as submitted.

API Updates

DISCUSSION:

A. Injection Well Update

Mr. Allred reported that the injection test well has not proven any additional capacity for wastewater effluent discharge.

B. Exfiltration Gallery #2 – Kleinfelder Report Results

Mr. Allred reported that Exfiltration Gallery #2 has also proven to only have a minimal daily discharge capacity.

As a result, Mr. Allred recommended a three pronged approach: 1) An emergency surface discharge permit from the state health department, 2) a permanent surface discharge permit for the 25,000 gallons required at the build-out of the center in the future, and 3) amending both water rights decrees to give permanent surface discharge capabilities to both. Mr. Sours indicated that this process could take 12-18 months.

Mr. Allred believes the state will be receptive to this since API has exhausted two very expensive options with the test injection well and the Exfiltration Gallery #2 and neither of these were successful.

Mr. Goetz indicated that he had discussed this briefly with Mr. O'Connell from the Jefferson County Health Department. Mr. O'Connell appears receptive to reconsidering this issue at the Bear Creek Water Association due to API's extraordinary efforts over the last few years to strive to create additional effluent discharge capacity.

Mr. Goetz reported Exfiltration Gallery #1 continues to run within approximately 1 foot of the surface. This is necessitating 2000 gallons per day of excess effluent to be trucked offsite once a week. Mr. Goetz will discuss this with the Health Department to obtain formal approval since it is beyond the temporary status at this time.

RECORD OF PROCEEDINGS

C. Leasing Status

Mr. Allred reported a slight up tick in leasing activity and interest over the past year. There is a pizza restaurant that will be at the former Domino's location. API continues to discuss with Murdock's (Big R) possibilities about using the vacant 7A building. DW's 285 Diner recently opened.

ACTION:

None.

Engineering /
Construction Items

DISCUSSION:

A. Exfiltration Gallery #2

Mr. Goetz will continue to use Exfiltration Gallery #2 occasionally to determine if some capacity can be provided in addition to Exfiltration Gallery #1.

B. Injection Well Update

Previously discussed.

C. Water Usage Tracking Reports

Mr. Goetz reviewed the reports with the Board.

D. August 2010 Exfiltration Gallery Monitoring Report

Mr. Goetz reviewed the report with the Board.

E. BCWA Meeting Items

Mr. Goetz is attending meetings occasionally to monitor activities of BCWA. The District is a member of this group.

F. Bank of the West Sanitary Sewer Connection

Mr. Goetz reported that Bank of the West will be meeting with the new Water Commissioner to determine if their potential connection to the District facilities will cause a change in their water rights decree.

It is doubtful any such connection can be realized until current wastewater discharge issues are resolved.

RECORD OF PROCEEDINGS

ACTION:

G. Ratify Prior Work Orders

Mr. Blodgett reported that several work orders were approved by him for TST and other contractors for routine repair and maintenance items since the last Board meeting.

Upon a motion duly made by Director Bates, seconded by Director Shirilla, the Board ratified the submitted work orders.

Financial Items

DISCUSSION:

A. Review June 30, 2010 Financial Statements

Ms. Pangindian reviewed the financial statements with the Board.

B. Review September 21, 2010 Cash Position

Ms. Pangindian distributed copies of the August 31, 2010 cash position, updated as of September 21, 2010. After discussion, the Board authorized Ms. Pangindian to invest available cash in Centennial Bank and Colorado Capital Bank for certificates of deposit to earn greater returns on the District's idle cash. Approximately \$25,000 will be retained in the checking account for needed water well maintenance projects before year end.

C. Review August 31, 2010 PIF YTD Collection Report

Ms. Pangindian distributed copies of the August 31, 2010 PIF Summary report to the Board. The District was up approximately 7% in PIF receipts from July 2010 over July 2009.

It was noted that the UPS Store and Fiesta Jalisco are delinquent in PIF submittals. Mr. Blodgett reported the collection letters will be sent.

ACTION:

D. Consider Approval of August Claims and Ratify Payment of June and July Claims

Upon motion duly made and seconded, the Board approved the August claims dated September 21, 2010 represented by checks 2200 through 2219 totaling \$44,161.33 and ratified payment of the June/July claims.

Manager's
Items

DISCUSSION:

A. Review Draft 2011 Budget

Ms. Pangindian distributed copies of the draft 2011 budget. Mr. Blodgett reported that it is due to the Board no later than October 15, 2010. This is a preliminary draft to meet that required deadline. The draft budget will be discussed today and the final budget will be presented at the Board's November meeting for approval at the required public hearing.

Mr. Blodgett reported that the draft contains a mill levy increase from 50 to 52.701 mills to recapture refunds and abatements granted by Jefferson County to property owners within the District during 2010. These additional 2.7 mills equate to \$20,343. The Board took no action on the additional mill levy increase at this time.

Ms. Pangindian reviewed the remaining items in the draft budget. Mr. Sours asked for additional clarification on the Enterprise expenditures by TST through June 30th and projected for year end. Ms. Pangindian will provide this to Mr. Sours for further review.

B. 2011 Budget Adoption Schedule

Mr. Blodgett reported that the November Board meeting will be held at Aspen Park for approval of the 2011 budget.

C. Referrals

Mr. Blodgett reported the Conifer Recreation District final service plan has been received by the District. Mr. Waldron reviewed it and found no changes from the service plan previously reviewed by the District. There are no impacts on our District.

D. Website Updates

Mr. Blodgett reported that Mr. Goetz would review the website and make any necessary updates prior to the November meeting. Board members were also encouraged to go online to www.aspenparkmetropolitandistrict.org to review the site for any changes or additions.

RECORD OF PROCEEDINGS

ACTION:

None.

Attorney's Items

DISCUSSION:

A. 2011 Consultant/Contractor Agreements

Mr. Waldron reported the list of current consultant/contractor agreements is in the Board packet. All of these are on an automatic annual renewal basis unless terminated by the District. At this point, these agreements will continue into 2011. Any price changes will be brought back at the November Board meeting.

ACTION:

B. Approve Resolution Creating Water Activity Enterprise

Mr. Waldron reported that this resolution officially creates the District's water activity enterprise. Upon a motion duly made and seconded, the Board approved the resolution.

C. Approve Resolution Opposing Amendments 60 and 61 and Proposition 101

Mr. Waldron reported this resolution is consistent with the resolution recommended by the Special District Association Board of Directors for all districts to adopt. These amendments and proposition severely and negatively impact the state, cities counties and districts if passed. Upon a motion duly made and seconded, the Board approved the resolution.

D. Authorize Transfer of Files From Jackson Kelly, P.C.

Mr. Waldron reported that his office had requested and is in possession of the Jackson Kelly files.

E. Executive Session

No Executive Session was held.

RECORD OF PROCEEDINGS

Director's Items A. Confirm a Quorum for the October 19, 2010 or November 16, 2010 Board Meeting

Upon a motion duly made and seconded, the Board canceled the October 19, 2010 Board meeting and confirmed a quorum for the November 16, 2010 Board meeting and the 2011 budget advertised public hearing to be held at a location in the Villages of Aspen Park shopping center to be determined.

Other Business Ms. Boseman asked about the status of the injection well, Exfiltration Gallery #2, and the hauling of excessive sewage effluent from the site.

Mr. Goetz, Director Sours and Mr. Waldron will meet with Ms. Boseman following the Board meeting to review these issues.

Adjournment Upon motion duly made and seconded, the Board adjourned at 12:10 p.m.

Respectfully submitted,


Secretary for the Meeting