

RECORD OF PROCEEDINGS

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

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

Attendance: In attendance were Directors:

William R. Frogge
Dennis Shirilla
William Mark
Sam Sours
Bill Bates

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
Nancy Craig; API/Hunt Properties
Christie Montague; Dunton Commercial Property Management

Call to Order Director Frogge called the meeting to order at 12:10 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 September 21, 2010 Regular Board meeting minutes as submitted.

RECORD OF PROCEEDINGS

API Updates

DISCUSSION:

A. Surface Discharge Permit Application

Director Sours reported Ms. Whitmore is meeting with Mr. Dave Akers, of CDPHE on November 29th on site. Representatives from TST and Treatment Technology will also attend. It is hoped that a decision will be made within the next few weeks as to whether a full site application for the Surface Discharge Permit or an Amendment process will be required.

B. Leasing Status

Mr. Allred reported that several retailers are looking at possibilities in the Villages of Aspen Park. Several retailers continue to look at 7B as a possibility in the future. There is also a pizza store that continues to be interested.

ACTION:

None.

Engineering /
Construction Items

DISCUSSION:

A. Exfiltration Gallery #1 Gallery #1

Mr. Goetz reported TST and Treatment Technology continue to monitor this Gallery. Overall effluent discharge is down during the last month. No trucking off site has been required this month.

B. Water Usage Tracking Reports

Mr. Goetz provided an update on this report.

C. October 2010 Exfiltration Gallery Monitoring Report

Mr. Goetz provided an update.

D. BCWA Meeting Items

The Board reviewed the Agendas and Minutes from the last two months. No action was taken.

E. Bank of the West Sanitary Sewer Connection

RECORD OF PROCEEDINGS

Mr. Goetz reported Bank of the West has met with the new Water Commissioner. He believes they are still interested, but have not made Applications to the District for future sewer service.

ACTION:

None.

Financial Items

DISCUSSION:

A. Review September 30, 2010 Financial Statement

Ms. Pangindian reviewed the Financial Statements with the Board. After discussion, upon a motion duly made and seconded, the Board approved the Statements.

B. Review November 16, 2010 Cash Position

Ms. Pangindian reviewed the cash position with the Board. After discussion, upon a motion duly made and seconded, the Board approved the Cash Position Report.

C. Review October 31, 2010 PIF YTD Collection Report

Ms. Pangindian reviewed the PIF report with the Board. After discussion, upon a motion duly made and seconded, the Board accepted the PIF YTD Collection Report.

ACTION:

D. Consider Approval of October Claims

Upon motion duly made and seconded, the Board approved the October Claims dated November 16, 2010 represented by checks 2235 through 2253 totaling \$44,936.55.

E. 2011 Accounting Services Engagement Letter with Clifton Gunderson, LLP

Upon a motion duly made and seconded, the Board approved the Accounting Services Agreement.

Manager's
Items

DISCUSSION:

A Review Draft 2011 Budget

RECORD OF PROCEEDINGS

Mr. Blodgett and Ms. Pangindian reviewed the Draft Budget with the Board. After discussion, the Board decided not to levy the Refund and Abatement Levy of 2.071 mills in 2011. The total Mill Levy will remain at 50 mills.

The Board also decided to reduce the PIF Compliance Review costs from a total of \$20,000 to a total of \$10,000. The Board decided to reduce management, legal and accounting from \$40,000 to \$35,000 in 2011. The Board determined that the proposed capital projects were not critical in 2011. The capital project budget was changed from \$77,000 to \$0 in 2011.

The contingencies within the Enterprise Fund categories were removed.

The Board also made other changes to operational items totaling approximately \$50,000. The Board asked Mr. Goetz to review the engineering budget for 2011 and recommended that he reduce the amount.

Mr. Blodgett reported the changes approved by the Board at this point approximate a 10% reduction in expenditures which would translate into a 10% reduction in rates. He noted that the District should be able to reduce expenses another 5% for a total of 15% and reduce rates by that much.

After discussion, the Board agreed to approve the budget with a minimum 10% reduction up to a maximum 15% reduction subject to a revised budget being prepared by Ms. Pangindian and sent to Mr. Blodgett and the Board with a recommendation as to whether 15% was manageable in 2011.

B Referrals

None

C. Website Update

The Board discussed the website status. No action was taken.

ACTION:

A. Public Hearing to Amend the 2010 Budget

The public hearing on the 2010 budget amendment was opened at 12:40 p.m. There was no public comment. It was closed at 12:41 p.m.

RECORD OF PROCEEDINGS

Ms. Pangindian reported the Enterprise Fund would need to be amended for 2010.

Upon a motion duly made and seconded the Board approved an amendment to the 2010 Enterprise Fund budget.

B. Public Hearing on the 2011 Budget

The public hearing on the 2011 budget was opened at 12:45 p.m. There was no public comment. The hearing was closed at 12:46 p.m. Upon a motion duly made and seconded the Board approved the 2011 budget and budget resolutions as amended, appropriated expenditures and certified a Mill Levy of 50 mills and approved a reduction of rates and costs of a minimum of 10% up to maximum 15%.

C. 2011 Rate and Fee Schedule

Motion by Director Frogge, seconded by Director Shirilla the Board approved a reduction in rates and fees of a minimum of 10%, up to maximum 15% depending on the analysis to be provided.

Attorney's Items

DISCUSSION:

A. Approve Agreement with Jackson Kelly for Water Rights Counsel - \$4,000 (est.) (Subject to Reimbursement by API)

Upon a motion duly made and seconded, the Board approved the Agreement subject to reimbursement by API.

B. Approve Agreement with Martin & Wood for Ground Water Engineering Services - \$4,000(est.) (Subject to reimbursement by API)

Upon a motion duly made and seconded, the Board approved the Agreement subject to reimbursement by API.

C. Approve Second Amendment of Agreement with Weston Landscape for Snow Removal Services

Upon a motion duly made and seconded, the Board approved the Amendment.

D. Approve Modified Scope of Work in Treatment Technology Agreement for Plant Operation Services

RECORD OF PROCEEDINGS

Upon a motion duly made and seconded, the Board approved the Modified Scope.

E. Approve Indemnification Resolution

Upon a motion duly made and seconded, the Board approved the Resolution.

F. Approve 2011 Annual Service Contracts

Mr. Waldron explained the Annual Service Contracts renew automatically. At this time, the District is not aware of any other rate increases. Upon a motion duly made and seconded, the Board confirmed the renewal of the other annual service contracts.

The Board asked Mr. Goetz about his work related to the \$150.00 monthly fee for the website maintenance. Mr. Goetz explained. No changes were made at this time.

Mr. Waldron reported that he is working with SIFA to prepare websites for other Districts. This may be a resource for the District in the future. SIFA is a governmental agency that does not charge to set up and host websites for governmental entities.

The Board discussed authorizing two officers of the Board to execute any necessary agreements and claims to be paid between now and the February meeting, as necessary. Upon a motion duly made and seconded, the Board approved the President and Secretary to execute any necessary agreements, and payment to be made of claims between now and the February meeting, as necessary, subject to ratification of the Board at the next special or regular board meeting.

Director's Items

A. Establish 2011 Regular Meeting Schedule.

After discussion, the Board decided to meet quarterly. Upon a motion duly made and seconded, the Board decided to meet quarterly in 2011 in February, May, August and November on the third Tuesday of each month at 12:00 noon at R.S. Wells, L.L.C.

B. Confirm Quorum for December 21, 2010 Board Meeting

The Board agreed that this meeting is not necessary unless Ms. Whitmore requires agreements or a meeting based on her discussion with CDPHE to continue moving the surface discharge permit project forward.

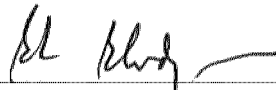
RECORD OF PROCEEDINGS

Director Sours asked that R.S. Wells ensure they are monitoring the engineer and accountant work related to issues and the claims. It was noted that Exfiltration Gallery #2 work by Treatment Technology is being charged to the escrow on Ms. Pangindian's report. Ms. Pangindian and Mr. Goetz will review and report back to Mr. Blodgett and the Board.

Adjournment

Upon motion duly made and seconded, the Board adjourned the meeting at 2:05 p.m.

Respectfully submitted,



Secretary for the Meeting