

RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
ASPEN PARK METROPOLITAN DISTRICT
HELD
NOVEMBER 15, 2016**

A regular meeting of the Board of Directors of the Aspen Park Metropolitan District was held on Tuesday, November 15, 2016 at 12:00 p.m. at the offices of White Bear Ankele Tanaka & Waldron, PC, 2154 East Commons Avenue, Ste. 2000, Centennial, CO.

Attendance: In attendance were Directors:

Sam Sours
Dennis Shirilla
Eli Martinez
Nikki Davidson

Director Bates was absent and excused.

Also in attendance were:

Bob Blodgett, Patrick Shannon and Gigi Pangindian; CliftonLarsonAllen LLP
Clint Waldron; White Bear Ankele Tanaka & Waldron P. C.
Bob Clodfelter and Mark Cleaveland; Treatment Technology
Michael Katalinich; JVA, Inc.
Nancy Craig; Hunt Properties, Inc. (via telephone)
Marti Whitmore; Martha Phillips Whitmore (via telephone)
Bill Berg; Martin and Wood Water Consultants, Inc. (via telephone)

Call to Order Director Sours called the meeting to order at 12:00 p.m.

Director
Qualifications/
Disclosure Matters

The Board discussed the requirements of Colorado law for Board members to disclose any potential conflicts of interest to the Board of Directors and to the Secretary of State. The Board reviewed the agenda for the meeting, following which each Board member confirmed the contents of written disclosures previously made, stating the fact and summary nature of any matters, as required under Colorado law, to permit official action to be taken at the meeting. Mr. Waldron noted that forms disclosing potential conflicts of interest had been filed in accordance with law.

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III. Discuss Potential Future Board Candidates

Director Sours stated he is still reviewing possible candidates. Mr. Fred Barnhill is a potential candidate for the Board to consider in the future. At this time Director Bates is still on the Board.

CONSENT AGENDA

Following review and discussion, upon a motion duly made by Director Davidson, seconded by Director Martinez, and upon vote unanimously carried, the Board approved the Consent Agenda as submitted.

- IV. Review/Approve Minutes of the August 16, 2016 Regular Meeting
- V. Engineering/ Construction Items
- VI. Operations/Maintenance Items
 - A. Other
- VII. Financial Items
 - A. Ratify Approval of Prior Claims Totaling \$119,767.74
 - B. Ratify Approval of Directors' Fees
 - C. Approve 2016 Audit Agreement with Haynie and Company - \$4.300
- VIII. Manager's Items
 - A. Consider Adoption of the 2017 Annual Administrative Matters Resolution
 - B. Accept BCWA Information
 - C. Other
 - 1. Colorado Rural Water Association's Source Water Protection Program
 - 2. December 2, 2016 Water Conservation Summit
 - 3. Water Quality Improvement Fund Grants
- IX. Attorney's Items
 - A. Ratify Approval of First Amendment to Martinson Services Snow Removal Contract for 2016 – 2017

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- B. Approve First Amendment to Independent Contractor Agreement with JVA, Inc. for Engineering Services
- C. Accept Jefferson County Approved Service Plan Amendment
- D. Ratify Agreement with CM Landscaping & Maintenance for Landscape Improvements - \$24,350
- E. Ratify Jefferson County Development Permit Approval for Landscaping Modifications

X. Director's Items

DISCUSSION AGENDA

XI. Aspen Park Station Updates – Director Davidson

A. Leasing Status

Director Davidson reported that the bakery will be leaving the center. Big R will likely take their space since they are continuing to grow.

B. Other

None.

XII. Engineering Items

A. Water Rights issues Update

Ms. Whitmore recommended that the Board go into Executive Session to discuss issues related to water rights decrees under Section 24-6-402-4(b). She reported since it is attorney-client privilege the Executive Session will not be recorded. Upon a motion duly made by Director Shirilla, seconded by Director Davidson, and upon vote unanimously carried, the Board adjourned into Executive Session at 1:34 p.m.

Upon a motion duly made by Director Davidson, seconded by Director Shirilla, and upon motion duly carried, the Board adjourned out of Executive Session at 1:51 p.m. The Board directed Mr. Katalinich to continue to work with Mr. Berg and Ms. Whitmore on the water matters.

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1. Review Letter to Tenants regarding Water Usage

The Board reviewed the draft letter to all tenants regarding the District's water use guidelines. They asked that Mr. Katalinich consult with Ms. Whitmore and Mr. Berg regarding the guidelines as to whether they were allowed, required, encouraged or what the proper term is to describe them.

After discussion, the Board authorized Mr. Katalinich to revise the letters for each tenant and review with Mr. Berg and Ms. Whitmore and provide them to the Board. The Board authorized Director Davidson to review them on behalf of the Board and approve the letters to be sent to the tenants in the future. The Board stated they wanted the letters to take on a tone of conservation rather than enforcement.

2. Discuss Revised Water Rights Tracking Report

Mr. Katalinich reviewed with the Board. The Board accepted the report.

B. Review 2017 Capital Improvements Report

Mr. Katalinich reviewed with the Board. After discussion, upon a motion duly made by Director Shirilla, seconded by Director Davidson, and upon vote unanimously carried, the Board accepted the report. The Board authorized Mr. Katalinich to provide a comprehensive update every two years.

The Board discussed possible insurance issues for some items as opposed to repair and maintenance. Mr. Blodgett will review with the insurance carrier.

C. Update on Underdrain Inspections

Mr. Katalinich reviewed with the Board. The Board accepted the report. Director Sours stated Mr. Blodgett and Mr. Katalinich should ensure that documentation is provided so that this work is done every five years, in compliance with Jefferson County's Subsurface Groundwater Collection System Maintenance Plan. No other action is required at this time on the underdrains.

D. Update on JVA Year to Date Billings

Mr. Katalinich reviewed with the Board the reasons for JVA being over their budget. The Board acknowledged the report and thanked JVA for their additional work this year on the paper plant expansion, underdrains and other projects.

E. Other

Director Sours noted that the parcel inquired about is not in the District. Mr. Katalinich will revise the information to the broker to include out of District tap and service fees.

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XIII. Operations/Maintenance Update –Bob Clodfelter/Mark Cleaveland

A. Status of Separate Water Meter for Irrigation Usage in Each Decree

Mr. Clodfelter reported this work has been completed.

B. Discuss October Water Accounting Results

Mr. Clodfelter reported this report has been revised at Mr. Berg's direction.

C. Update on Wastewater Influent Issues

Mr. Clodfelter reported that the BOD loading has been recently at 800 milliliters rather than 500 which is about a 60% increase. The Board asked Mr. Katalinich and Director Davidson to work together regarding information for restaurants as to what they are putting in their disposal that could be adding to the BOD load.

D. Status of Plumbing Audit of District Tenants

Director Davidson reported this work was completed and no leaks were discovered.

E. Discuss Replacement of Water Meters with Smart Meters

Mr. Clodfelter reported on the cost of the Badger smart meters. He stated the cost of 32 meters is approximately \$26,400. After discussion, upon a motion duly made by Director Davidson, seconded by Director Sours, and upon vote unanimously carried, the Board approved the replacement of 32 smart meters at a cost of \$26,400 in the 2017 capital budget. Mr. Clodfelter recommended the master meters not be replaced with smart meters. The Board concurred.

XIV. Attorney Items

A. Status of Work Following Landmark v. Marin Metropolitan District Decision

Mr. Waldron provided an update on this effort by general counsels throughout the State.

B. Review and Consider Approval of Resolution Approving a Schedule of Fees and Charges for 2017

After review, upon a motion duly made by Director Martinez, seconded by Director Davidson, and upon vote unanimously carried, the Board approved the Resolution approving a Schedule of Fees and Charges for 2017 with a 5% increase.

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C. Discuss and Approve 2017 Service Contracts

After discussion, upon a motion duly made by Director Martinez, seconded by Director Shirilla, and upon vote unanimously carried, the Board approved the 2017 service contracts.

D. Discuss Cancun and Raven's Tavern Delinquent Utility Billing Accounts

After discussion, upon a motion duly made by Director Shirilla, seconded by Director Martinez, and upon vote unanimously carried, the Board decided to write off the Cancun and Raven's Tavern delinquent utility billing accounts from 2011.

XV. Manager's Items

A. Conduct Public Hearing to Consider Amending the 2016 Budget; Consider Adoption of Resolution to Amend 2016 Budget

Director Sours opened the public hearing at 12:57 p.m. There were no public comments.

Upon a motion duly made by Director Sours, the public hearing was closed at 1:02 p.m.

Ms. Pangindian reviewed the need to amend the Enterprise Fund in 2016. She recommended the addition of another \$26,000 so that the amended budget will be \$385,000.

Following review and discussion, upon a motion duly made by Director Shirilla, seconded by Director Davidson, and upon vote unanimously carried, the Board approved the Resolution Amending the 2016 Enterprise Fund Budget

B. Conduct Public Hearing to Consider Adoption of 2017 Budget, Appropriate Expenditures and Certify Mill Levies; Consider Approval of Resolution to Adopt 2017 Budget

Director Sours opened the public hearing at 1:03 p.m. There were no public comments. Director Sours closed the public hearing at 1:04 p.m.

Ms. Pangindian reviewed with the Board. After discussion, upon a motion duly made by Director Shirilla, seconded by Director Davidson, and upon vote unanimously carried, the Board approved a mill levy of 60 mills, 45 Debt Service and 15 Operations and Maintenance. The Board also authorized 1/3 of the management, legal, engineering and accounting annual costs be allocated to the Sales Tax Revenue Fund for work performed related to the streets, storm drainage, landscaping, and retaining walls and other than water and sewer improvements. The Board also asked that a line item be added in the Sales Tax Revenue Fund for streets with a zero amount budgeted in 2017.

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C. Review and Discuss Insurance Limits

Mr. Blodgett will provide the property insurance policy to Treatment Technology and JVA for review.

D. Website Update

Not discussed.

XVI. Financial Items

A. Accept September 30, 2016 Financial Statements and November 15, 2016 Cash Position Report

Ms. Pangindian reviewed with the Board. The Board accepted the September 30, 2016 Financial Statements. The November 15, 2016 Cash Position Report was not provided.

B. PIF Collection Update

Ms. Pangindian reviewed with the Board. The Board accepted the report.

C. Sales Tax Collection Update

Ms. Pangindian reviewed with the Board. The Board accepted the report.

D. Other

None.

XVII. Director's Items

A. Status of Landscaping Construction Upgrades

Director Davidson reported this work is complete.

B. Discuss 2017 Regular Meeting Schedule Presently at 12:00 p.m. on the 3rd Tuesday of February, May, August and November at White Bear Ankele Tanaka & Waldron

Upon a motion duly made by Director Shirilla, seconded by Director Davidson, and upon vote unanimously carried, the Board approved the 2017 meeting schedule.

C. Confirm Quorum for February 21, 2017 Meeting

A Quorum was confirmed.

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XVIII. Other Business

None.

XIX. Adjournment

Upon a motion duly made by Director Sours, Board adjourned the meeting at 2:30 p.m.

Respectfully submitted,


Secretary for the Meeting

**ATTORNEY STATEMENT
REGARDING PRIVILEGED ATTORNEY-CLIENT COMMUNICATION**

Pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., I attest that, in my capacity as special counsel to Aspen Park Metropolitan District, I attended the executive session meeting of the District convened on November 15, 2016, for the sole purpose of discussing specific legal questions regarding water rights pursuant to Section 24-6-402(4)(b) C.R.S. I further attest it is my opinion that all of the executive session discussion constituted a privileged attorney-client communication as provided by Section 24-6-402(4)(b), C.R.S. and, based on that opinion, no further record, written or electronic, was kept or required to be kept pursuant to Section 24-6-402(2)(b), C.R.S., or Section 24-6-402(2)(d.5)(II)(B), C.R.S.

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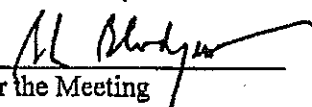
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Michael Whitmore