

RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
ASPEN PARK METROPOLITAN DISTRICT
HELD
FEBRUARY 21, 2017**

A regular meeting of the Board of Directors of the Aspen Park Metropolitan District was held on Tuesday, February 21, 2017 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.

Call to Order Director Sours called the meeting to order at 12:00 p.m. Director Shirilla reported this is his 10th anniversary with the District. The Board thanked and congratulated him.

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 recommended the addition of Mr. Fred Banfield to the Board. Mr. Waldron will advertise the Notice of Vacancy. Director Bates would like to resign at that time. It is anticipated Mr. Banfield will be appointed at the May Board meeting.

CONSENT AGENDA

Mr. Blodgett reviewed the items with the Board. Ms. Pangindian recommended a revision to page 6 of the November minutes.

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 with the change recommended by Ms. Pangindian.

IV. Review/Approve Minutes of the November 15, 2016 Regular Meeting

V. Engineering/ Construction Items

- A. Ratify Letters to Tenants Regarding Water usage
- B. Approve JVA's Updated Billing Rates for 2017
- C. Other

VI. Operations/Maintenance Items

- A. Accept October 17, 2016 Inland Potable Services Storage Tank Inspection Report
- B. Other

VII. Financial Items

- A. Ratify Approval of Current and Prior Claims Totaling \$118,349.99
- B. Ratify Approval of Directors' Fees
- C. Accept Final 2017 Budget
- D. Approval of CliftonLarsonAllen LLP Cash Access Addendum

VIII. Manager's Items

- A. Accept BCWA Information
- B. Ratify 2017 Insurance Policy

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IX. Attorney's Items

- A. Approve Resolution No. 2017-02-16, Designating the District's 24-Hour Posting Locations
- B. Approve Eight Amendment to Independent Contractor Agreement with Cummins Rocky Mountain, LLC

X. Director's Items

DISCUSSION AGENDA

XI. Aspen Park Station Updates – Director Davidson

A. Leasing Status

Director Davidson reported Aspen Park Station is working with a potential brewery in the Center. They are reviewing the estimated water and wastewater demands on the District's system to be sure that it can be handled. If all goes well, the brewery could be a tenant by this summer.

B. Other

None.

XII. Engineering Items

A. 2017 Capital Improvements Update – Michael Katalinich

Mr. Katalinich reviewed the 2017 budgeted capital improvements with the Board. He also noted that the CIP recommended a \$16,500 budget to paint the water and wastewater building in 2017. This is not in the 2017 budget. The Board agreed to evaluate the budget situation, the condition of the building and review this again at the May or August Board meeting.

Mr. Clodfelter reported that a fence fell down near the pump station. There have been some noise issues with the fan at this location. This will continue to be monitored for discussion at the May Board meeting.

B. Discuss Aspen Park Metropolitan District Irrigated Areas

Mr. Katalinich reported he is working with Mr. Berg, Ms. Whitmore and Director Davidson regarding the overage in irrigated areas. The system will be pressure tested in the spring and it is hoped that a leak can be discovered and repaired that is contributing to the high water usage.

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Mr. Blodgett reported the District is in overall compliance with the Water Rights Decree.

C. Other

None.

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

A. Discuss January Water Accounting Results

Mr. Clodfelter reviewed with the Board. Mr. Blodgett reported he has discussed the District's procedures with Ms. Whitmore and Mr. Berg. In the future Treatment Technology will provide the raw data to Mr. Berg who will prepare the accounting and water reports for the Water Commissioner. He will notify Treatment Technology and JVA if additional assistance is needed in preparing the information.

B. Status of Installation of Smart Water Meters

Mr. Clodfelter reported these will probably be installed in the spring or summer.

C. Status of Wastewater Influent Issues

Mr. Clodfelter spoke with King Soopers regarding their high usage. King Soopers modified their coolers and this issue has not reoccurred.

D. Other

Mr. Clodfelter reported the Elk Creek Fire District inspected the District's water and sewer facilities on February 8th. Their only recommendation was a new battery for a fan.

Mr. Clodfelter reported ammonia levels are still high in the District. The Board discussed the addition of a note to the utility bills asking that cleaning materials other than ammonia be used by the tenants.

XIV. Attorney Items

A. Approve Resolution Amending the District's Rules and Regulations

Mr. Waldron reviewed this Resolution with the Board. It clarifies the guidelines for collection of water, sewer and delinquency fees collected by the CLA utility billing department.

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Upon a motion duly made by Director Shirilla, seconded by Director Davidson, and upon vote unanimously carried, the Board approved the Resolution Amending the District's Rules and Regulations.

B. Discuss Residential Assessment Ratio Change for 2018

Mr. Waldron reviewed with the Board. He noted there is no direct impact to the District; however, the Board members may hear about this change being discussed during 2017 and 2018.

C. Landmark v. Marin Case

Mr. Waldron provided a brief update on the status of the Landmark case. A Brief from the plaintiffs is due in court today. The defendants represented by KutakRock have previously filed a Brief. The case has been appealed to the Supreme Court.

Mr. Waldron reminded the District Board members that they are obligated to pay property taxes under their option contracts. The Board members will make sure the taxes are paid.

XV. Manager's Items

A. Discuss Water Rights Accounting and Reporting Process

Previously discussed.

B. Website Updates

Mr. Blodgett reported he is updating the website.

C. SDA Annual Conference September 13 – 15, Keystone – Call for Presentations

The Board decided not to submit a presentation for the Conference.

D. Other

None.

XVI. Financial Items

A. Review December 31, 2016 Financial Statements and February 2017 Cash Position Report

Ms. Pangindian reviewed the Financial Statements and Cash Position with the Board. After review, upon a motion duly made by Director Shirilla, seconded by Director Davidson, and upon vote unanimously carried, the Board approved the

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December 31, 2016 Financial Statements and February 2017 Cash Position Report.

B. PIF Collection Report

Ms. Pangindian reviewed with the Board. PIF collections were up approximately 3% in 2016.

C. Sales Tax Collection Update

Ms. Pangindian reported that actual sales tax collection increased from a budget amount of \$132,000 to \$137,000 in 2016.

D. Status of 2016 Audit

Ms. Pangindian anticipates having the audit available for the May Board meeting.

E. Other

None.

XVII. Director's Items

A. Eye on Water Irrigation Management System

The Board discussed the benefits of this system. Mr. Clodfelter reported the Smart Meters to be installed will have many of the same advanced characteristics for the District.

B. Confirm Quorum for May 16, 2017 Regular Meeting

A quorum was confirmed.

C. Tenants Manual

Director Sours asked if the tenants manual had been updated to reflect the water usage allocation amounts. Director Davidson reported it has not yet been updated for Aspen Park.

D. Commercial Pretreatment Application

Mr. Katalinich recommended the District consider requiring its users to provide commercial pretreatment applications in the future to reduce the phosphorus

biosolids demands at the wastewater plant. The Board agreed to discuss this further at the May Board meeting.

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Mr. Waldron will provide Mr. Katalinich a copy of the 2005 District Rules and Regulations that may address this issue.


XVIII. Other Business

None.

XIX. Adjournment

Director Sours adjourned the meeting at 1:25 p.m.

Respectfully submitted,


Secretary for the Meeting