

RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
ASPEN PARK METROPOLITAN DISTRICT
HELD
MAY 16, 2017**

A regular meeting of the Board of Directors of the Aspen Park Metropolitan District was held on Tuesday, May 16, 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
Nikki Davidson

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 Jeff Sucher; Treatment Technology
Michael Katalinich; JVA, Inc.
Fred Banfield
Bill Berg; Martin and Wood Water Consultants, Inc.- via telephone
Bill Bates; Former Board Member

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

The Board excused the absence of Director Martinez.

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.

RECORD OF PROCEEDINGS

III. Discuss Board Vacancy

A. Accept Resignation of Director Bill Bates

The Board acknowledged the resignation of former Director Bates.

Director Sours thanked Mr. Bates for his nine years of service to the District. He was also involved in the project in his role as Construction Manager at King Soopers. The Board presented a thank you card, a restaurant gift card and an engraved crystal paper weight to former Director Bates in appreciation for his many years of service to the District.

B. Consider Appointment of Fred Banfield

Mr. Waldron reported that the necessary contract had not yet been finalized by counsel for the property owner. Action was deferred to the August meeting.

C. Oath of Office

This item was deferred to the August meeting.

D. Election of Officers

This item was deferred to the August meeting.

CONSENT AGENDA

Mr. Blodgett reported Director's fees would total \$277.05 for three Directors.

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

IV. Review/Approve Minutes of the February 21, 2017 Regular Meeting

V. Engineering/ Construction Items

VI. Operations/Maintenance Items

A. Accept Ammonia Free Cleaner Flyer on April Utility Bills

B. Accept 2016 Biosolids Land Application Report

VII. Financial Items

A. Ratify Approval of Prior Claims Totaling \$38,489.44

B. Approve Directors' Fees

RECORD OF PROCEEDINGS

VIII. Manager's Items

- A. Accept BCWA Information
- B. Accept Safety and Loss Prevention Grant Allocation - \$553.36

IX. Attorney's Items

X. Director's Items

DISCUSSION AGENDA

XI. Aspen Park Station Updates – Director Davidson

A. Leasing Status

Director Davidson reported that Aspen Park Station (APS) is negotiating a new lease with a coffee shop and a yogurt shop.

B. Discuss Potential Brewery Water and Wastewater Issues

Mr. Katalinich reported his review of issues related to wastewater from the proposed new brewery. Treatment or disposal of some of the waste prior to entering the District's treatment plant will be important for the brewery to succeed within the District's plant criteria. Mr. Berg reported that the water issues can be resolved within the context of water use in the entire project.

Director Davidson reported that negotiations are continuing with the potential brewery. Further action was deferred to the August meeting.

C. Discuss Tenant Delinquency Bill Issues

Director Davidson reported that APS is addressing the delinquent utility bills of two tenants. APS does desire that the District continue to bill the tenants directly for water and waste water use.

XII. Engineering Items

A. Status of 2017 Capital Improvement Projects – Michael Katalinich

1. Discuss Painting the Water and Wastewater Building

Mr. Katalinich reported this was discussed briefly at the February meeting. No action has yet been taken. This will be discussed at the August meeting. This was not budgeted in the 2017 CIP Budget.

2. PLC Upgrades

RECORD OF PROCEEDINGS

Mr. Clodfelter reported that Allen Bradley will not be servicing the PLC (Program Mobile Logic Computers) after 2017. He reported there is one in the water plant and two in the waste water plant. Former Director Bates suggested that perhaps one could be replaced and the parts be used for the other two in the future. Mr. Clodfelter estimated the cost could be approximately \$20,000 to \$25,000 each. Mr. Katalinich reported this was not included in the 2017 or the future CIP.

After discussion, the Board directed Mr. Katalinich to discuss the PLC's with Allen Bradley regarding the possibility of replacing one and using the parts on the other. He will also discuss with other suppliers the potential cost of new PLC's. This will be further discussed at the August meeting.

B. Water Rights Reporting Update - Bill Berg

Mr. Berg reported that during the last few months there has been a trend towards "creating" additional water in the system beyond what is being pumped from the wells. He reported there was a 31,000 gallon "gain" in the month of April 2017.

After discussion, the Board directed Mr. Katalinich to review these issues with Mr. Berg and Treatment Technology and determine what the potential cause might be.

Mr. Berg recommended the District operate the Meyer pond. With that, the District's conditional water right use can be changed to an absolute water right use and not be required to be reprovien every seven years.

After discussion, the Board authorized Mr. Katalinich to work with Treatment Technology and fill the Meyer pond as an augmentation source and utilize it as a part of the operation system. They will do so this summer.

C. Discuss Commercial Pretreatment Application Process

Mr. Katalinich reported he is continuing to research this issue. He will provide recommendations regarding commercial pre-treatment processes at the August meeting. This will most likely effect King Soopers and the potential brewery.

1. Rules and Regulations Update
2. Requirements/Application Process

D. Irrigated Areas Water Use Analysis

Mr. Katalinich reported that one leak has been found and repaired. He will continue to evaluate the possibility of other leaks.

Upon a motion duly made by Director Shirilla, seconded by Director Davidson, and upon vote unanimously carried, the Board authorized not to exceed \$2,500 for leak detection for a contractor to check the District's system for potential leaks.

RECORD OF PROCEEDINGS

Mr. Katalinich will then coordinate with Mr. Berg regarding necessary water rights reporting impacts.

E. Discussions with Developers Regarding Ability to Hook up to APMD Water/Sewer Systems

Mr. Katalinich reported that developers have contacted the District regarding using the District's plant. The waste water plant has the capacity to be expanded to approximately 60,000 gallons per day treatment (currently permitted for 25,000 gallons/day, but JVA believes there is capacity to increase to 30,000 gallons/day without expansion, and ability to double capacity with next expansion). However, the District's decrees do not allow others to use any of the decreed water for the shopping center. Any future users must bring their own water to the District for their project.

XIII. Operations/Maintenance Update – Bob Clodfelter/ Jeff Sucher

Mr. Sucher introduced himself as the new owner of Treatment Technology. He had owned Treatment Technology prior to 2012 when he sold it. He has recently returned from Florida and repurchased the company. The Board welcomed back Mr. Sucher to the District.

A. Discuss April Water Accounting Results

No discussion.

B. Status of Installation of Smart Water Meters

Mr. Clodfelter reported Treatment Technology is still evaluating the best meter for placement within the District. He indicated the meters at several locations within the shopping center are very difficult to access. Director Davidson will assist him with accessing these meters.

After discussion, the Board authorized Mr. Clodfelter to recalibrate all of the meters now rather than waiting until the end of the year.

C. Other

None.

XIV. Attorney Items

A. Discuss and Consider Approval of Amended and Restated 2017 Annual Administrative Resolution

Mr. Waldron reported this resolution replaces the newspaper, High Timber Times with the Canyon Courier since the High Timber Times went out of business.

RECORD OF PROCEEDINGS

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 Amended and Restated 2017 Annual Administrative Resolution.

B. Discuss Hiring Consultant to Review District Property for ADA Compliance

Mr. Waldron reported that several Districts have been sued over ADA Compliance issues. The Aspen Park Metropolitan District does not have many of these issues since they have only open space, streets and water and sewer facilities. Mr. Waldron will continue to monitor on behalf of the District. The Board took no action at this time.

C. Landmark v. Marin Case

Mr. Waldron reported that the Supreme Court has accepted the case. The case has been briefed, but oral arguments have not yet been scheduled.

D. Other

Mr. Waldron reported the residential assessment ratio throughout the state will decline from 7.96% to 7.20 % for collection in 2018. He also reported that the state statute regarding District Board meetings has been amended to provide for a maximum of 24 Board meetings annually to pay District Board members at \$100.00 per meeting. The prior maximum was 16.

XV. Manager's Items

A. Website Updates

Mr. Blodgett reported the website is up to date.

B. SDA Annual Conference September 13th to 15th, Keystone

At this point, no Board members are attending.

C. Other

None.

XVI. Financial Items

A. Review March 31, 2017 Financial Statements and May 2017 Cash Position Report

Ms. Pangindian reviewed with the Board.

Upon a motion duly made by Director Davidson, seconded by Director Shirilla, and upon vote unanimously carried, the Board approved the March 31, 2017 Financial Statements and May 2017 Cash Position Report.

RECORD OF PROCEEDINGS

B. PIF Collection Report

Ms. Pangindian reviewed with the Board.

C. Sales Tax Collection Update

Ms. Pangindian reviewed with the Board.

D. Status of 2016 Audit

Ms. Pangindian distributed copies to the Board.

Upon a motion duly made by Director Shirilla, seconded by Director Davidson, and upon vote unanimously carried, the Board approved the 2016 audit and authorized Ms. Pangindian to file the audit, subject to legal review by Mr. Waldron, by the July 31, 2017 deadline.

E. Other

None.

XVII. Director's Items

A. Confirm Quorum for August 15, 2017 Regular Meeting

A quorum was confirmed.

XVIII. Other Business

None.

XIX. Adjournment

Director Sours adjourned the meeting at 1:45 p.m.

Respectfully submitted,



Secretary for the Meeting