

RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
ASPEN PARK METROPOLITAN DISTRICT
HELD
AUGUST 15, 2017**

A regular meeting of the Board of Directors of the Aspen Park Metropolitan District was held on Tuesday, August 15, 2017 at 12:00 p.m. at the offices of White Bear Ankele Tanaka & Waldron, P.C., 2154 East Commons Avenue, Ste. 2000, Centennial, CO.

Attendance: In attendance were Directors:

Sam Sours
Dennis Shirilla
Eli Martinez

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
Marti Whitmore; MPW, LLC – via telephone
Mark Bossman; 9425 Eagle Cliff Road, Conifer, CO 80433

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

Upon a motion duly made by Director Martinez, seconded by Director Shirilla, the Board excused the absence of Director Davidson.

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 Board Vacancy

A. Consider Appointment of Fred Banfield

Upon a motion duly made by Director Shirilla, seconded by Director Martinez, and upon vote unanimously carried, Mr. Banfield was appointed to the Board.

B. Oath of Office

President Sours administered the Oath of Office to Mr. Banfield and he took his seat on the Board.

C. Election of Officers

Upon a motion duly made by Director Martinez, seconded by Director Shirilla, and upon vote unanimously carried, the Board appointed Director Banfield as Assistant Secretary/Assistant Treasurer.

CONSENT AGENDA

Mr. Blodgett summarized the Consent Agenda items for the Board. After discussion, upon a motion duly made by Director Banfield, seconded by Director Martinez, and upon vote unanimously carried, the Board approved the Consent Agenda as submitted.

IV. Review/Approve Minutes of the May 16, 2017 Regular Meeting

V. Engineering/ Construction Items

A. Accept 2018 Annual Wastewater Eligibility Survey

B. Accept 2018 Annual Drinking Water Eligibility Survey

VI. Operations/Maintenance Items

VII. Financial Items

A. Ratify Approval of Prior Claims Totaling \$76,246.18

B. Approve Directors' Fees

VIII. Manager's Items

A. Accept BCWA Information

IX. Attorney's Items

X. Director's Items

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DISCUSSION AGENDA

XI. Discuss Possible Future Services to Bossman Property – Mark Bossman

Mr. Bossman reported he is discussing a potential rezoning of his commercial property with Jefferson County to allow for 115 homes on 40 acres. The County has requested a Will Serve Letter from the Aspen Park Metropolitan District for the rezoning. He needs to know if the District could potentially provide water and wastewater services.

The Board indicated that the physical connections, at his expense, are capable of being made. Ms. Whitmore noted that the issue will be the additional discharge permits from the State to discharge additional wastewater effluent into South Turkey Creek. Mr. Berg reported the Water Rights Decrees will also need to be reviewed regarding additional water usage by the District. It may require a change in use of the water rights.

Mr. Blodgett noted the taps fees for 115 homes, at the out of District rate, would be \$3,450,000.

Mr. Bossman thanked the Board for their input. He will review further with Jefferson County and let the Board know if he is seeking any action in the future.

XII. **Executive Session pursuant to C.R.S. §24-6-402(4)(b), conference with an attorney for the District for the purpose of receiving legal advice on water rights related matters. Martha Whitmore and Bill Berg

Upon a motion duly made by Director Shirilla, seconded by Director Banfield, and upon vote unanimously carried, the Board adjourned into Executive Session at 12:50 p.m.

Ms. Whitmore reported the Executive Session was being conducted under attorney client privilege so no recording is necessary.

Upon a motion duly made by Director Banfield, seconded by Director Martinez, and upon vote unanimously carried, the board adjourned out of Executive Session at 1:12 p.m. No action was taken by the board.

XIII. Aspen Park Station Updates – Director Davidson

- A. Leasing Status
- B. Status of Potential Brewery

Deferred in the absence of Director Davidson.

XIV. Engineering Items

- A. Status of 2017 Capital Improvement Projects – Michael Katalinich
 - 1. Discuss Painting the Water and Wastewater Building

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Mr. Katalinich and Mr. Sucher reported on the very vile graffiti on the Water and Wastewater building and tanks. The Board asked that the graffiti be removed immediately. After discussion, upon a motion duly made by Director Martinez, seconded by Director Banfield, and upon vote unanimously carried, the Board authorized the painting of the Water and Wastewater building and tanks in a not to exceed amount of \$40,000 subject to quotes being received by Mr. Katalinich and final review of the bids by Director Martinez.

Director Sours asked that Mr. Blodgett coordinate with the insurance company to see if the graffiti damage is covered by insurance. Upon a motion duly made by Director Shirilla, seconded by Director Martinez, and upon vote unanimously carried, the Board authorized a not to exceed amount of \$2,500 to purchase a video camera and to have signs placed near the Water and Wastewater buildings to hopefully deter any future vandalism or graffiti. Mr. Sucher will coordinate this project.

2. Discuss PLC Replacement and Upgrade Options

Mr. Katalinich reported he has received quotes from Mountain Peak Controls for \$24,000 for the controller at the Water Plant and \$23,000 for the Wastewater Plant for a total of approximately \$47,000. He will plan on phasing these in during 2018 and 2019.

3. Plant Upset – Renewed Flow-Contribution Sampling

Mr. Katalinich reviewed the proposed budget for the \$15,000 authorized for sampling. After discussion, the Board deferred action on the sampling at this time.

Mr. Blodgett will check with the insurance company to see if the damages to the wastewater treatment plant biological population by illegal discharge is also covered by insurance.

4. Other

Mr. Sucher recommended moving forward with blow out valves for the system. This is a major issue at least twice a year. Mr. Katalinich reported the cost was estimated at \$20,000 in the 2024 CIP budget. After discussion, but Board agreed to move this expenditure into the 2018 capital budget.

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B. Water Rights Reporting Update - Bill Berg

Mr. Berg reported that the irrigation excessive flows have declined in 2017. The leaks seem to have been fixed.

1. Status of Operating Meyer Pond for Augmentation Purposes..

Mr. Berg recommended that the Meyers Pond augmentation be deferred at this time. The Board concurred.

C. Discuss Commercial Pretreatment Rules and Regulations

1. Rules and Regulations Update

Mr. Katalinich reported he is reviewing rules and regulations of other water districts and municipalities of a similar size to Aspen Park. Director Sours asked about using the section from the Denver Regulations.

Mr. Katalinich will review and circulate drafts prior to the November meeting. This will be placed on the November meeting agenda for review and approval.

D. Discuss Irrigated Areas Water Use Analysis – Status of Leak Detection Work

Mr. Katalinich reported he has been coordinating with the landscape maintenance contractor. It appears the leaks have ceased. Director Sours asked to confirm if a rain sensor is installed and operational on the system. Mr. Katalinich will review.

E. Status of Developer Inquiries

Mr. Katalinich reported that the Phelps engineering inquiry was on behalf of the Bossman property.

F. Status of October 31, 2017 WWTP Permit Renewal

Mr. Katalinich reported he is working on the permit renewal. The State is requesting additional soil information for the exfiltration gallery. The new permit is expected to be a five-year permit. He will submit it by the deadline of October 31st.

G. Other

None.

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

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A. Discuss July Water Accounting Results

Previously discussed.

B. Status of Installation of Smart Water Meters

Mr. Clodfelter reported they should be installed within two weeks and should be available for the October meter readings.

C. Other

Mr. Sucher recommended installation of blow out valves in 2018. Mr. Katalinich reported that the CIP estimate is \$19,798. The Board confirmed installation in 2018.

XIV. Attorney Items

A. Other

Mr. Waldron reported on the agreement with the Bossman property in 2005 that expired in 2015 regarding the potential connection to the Aspen Park Metropolitan District system.

XV. Manager's Items

A. 2018 Budget Process

1. August 25- Preliminary 2017 Assessed Value Received
2. October 15- 2018 Draft Budget Due to Board
3. November 21- Public Hearing To Review and Approve 2018 Budget
4. Discuss 2018 Budget Guidelines

Mr. Blodgett reviewed with the Board. The Board accepted the information.

B. Website Update

The Board asked that Mr. Blodgett obtain information on the number of hits/traffic for the website monthly. They also asked that the home page contain information about the recent upset in the wastewater system. The Board also asked that a strongly worded letter regarding the plant upset be included in the next utility billing mailing to the customers in the District.

C. SDA Annual Conference September 13 – 15, Keystone

No Board members are attending at this time.

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D. Other

None.

XVIII. Financial Items

A. Review June 30, 2017 Financial Statements and August 2017 Cash Position Report

Ms. Pangindian reviewed with the Board. The Board accepted the June 30, 2017 Financial Statements and August 2017 Cash Position Report.

Director Sours asked if a percentage of year to date revenues and expenditures can be included for each column. Ms. Pangindian will review.

B. PIF Collection Report

Ms. Pangindian reviewed with the Board.

C. Sales Tax Collection Report

Ms. Pangindian reviewed with the Board.

D. Other

None.

XIX. Director's Items

A. Confirm Quorum for November 21, 2017 Regular Meeting

There was discussion about changing the November 21st Regular Board Meeting to November 14th. Upon a motion duly made by Director Shirilla, seconded by Director Banfield, and upon vote unanimously carried, the Board called a Special Meeting and 2018 Budget Public Hearing for November 14, 2017 at 12:00 p.m. at White Bear Ankele Tanaka & Waldron, P.C., 2154 East Commons Avenue, Suite 2000, Centennial, Colorado.

XX. Other Business

None.

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XXI. Adjournment

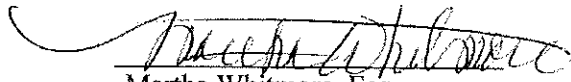
Director Sours adjourned the meeting at 1:45 p.m.

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 Aspen Park Metropolitan District convened at 12:50 p.m. on August 15, 2017. I further attest it is my opinion that the executive session discussion constituted a conference with an attorney for the purpose of receiving legal advice on specific legal matters as provided by Section 24-6-402(4)(b), C.R.S., and the discussion constituted a privileged attorney-client communication. Based on that opinion, no further record, written or electronic, was kept or required to be kept pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S.


Martha Whitmore, Esq.