

RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
ASPEN PARK METROPOLITAN DISTRICT
HELD
FEBRUARY 20, 2018**

A regular meeting of the Board of Directors of the Aspen Park Metropolitan District was held on Tuesday, February 20, 2018 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
Eli Martinez
Fred Banfield
Dennis Shirilla (via telephone)

Director Davidson was absent and excused.

Also in attendance were:

Bob Blodgett and Patrick Shannon; CliftonLarsonAllen LLP
Clint Waldron; White Bear Ankele Tanaka & Waldron P. C.
Michael Katalinich; JVA, Inc.
Jeff Sucher; Treatment Technology

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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CONSENT AGENDA

Mr. Blodgett reviewed the Consent Agenda with the Board. Mr. Katalinich reviewed the ammonia flyer, reporting the District has had two violations resulting from excess ammonia in the Wastewater Treatment Plant. He stated he will revise the District's Rules and Regulations to include more information on this issue. The Board asked that a letter be sent to each tenant in the center with the flyer in the next utility bill cycle regarding this issue. The Board recommended that the flyers be placed in each tenant's location and requested Treatment Technology and JVA meet with each tenant individually. The Board also recommended a meeting with the tenants in the future to discuss the seriousness of this issue for the District. The Board asked Mr. Katalinich to coordinate with Director Davidson and the shopping center owner, Phillips Edison, so they are aware of the steps the District is taking to try to prevent continuing violations to the Wastewater Treatment Plant.

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

- III Review/Approve Minutes of the November 14, 2017 Special Meeting
- IV. Engineering/ Construction Items
 - A. Accept Ammonia Flyer for Utility Bills
 - B. Update on WWTP Permit Extension
- V. Operations/Maintenance Items
 - A. Accept December 2017 Water Rights Usage Tracking Reports
 - B. Accept CDPHE Biosolids Annual Report
- VI. Financial Items
 - A. Ratify Approval of Prior Claims Totaling \$71,846.22
 - B. Approve Current Claims Totaling \$TBD and Directors' Fees
- VII. Manager's Items
 - A. Accept BCWA Information
 - B. Information Items
 - a. Senior Bear Creek Water Rights for Sale
 - b. Email Regarding Vandalism Claim
- VIII. Attorney's Items

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- A. Approve Resolution No. 2018-02-01, Designating the District's 24-Hour Posting Locations

IX. Director's Items

DISCUSSION AGENDA

X. Aspen Park Station Updates – Director Davidson

- A. Leasing Status

Deferred in the absence of Director Davidson.

- B. Other

Mr. Katalinich reported he had been contacted by Mr. Dies at Phillips Edison regarding their request to combine two remaining vacant lots into one lot for a potential national retail user near the Big R location. Mr. Katalinich referred him to Jefferson County regarding the lot line adjustment. The Board authorized JVA to work with Phillips Edison regarding necessary information on utilities and easements at no additional cost to the owner since this is an in District project.

XI. Engineering Items

- A. Review CIP Updates

- a. Status of Painting Tanks and Wells (W8-\$33,000 in CIP)

Mr. Katalinich reported this is on hold due to the cold weather.

- b. W2B – Install Blow-Off Valve in Distribution Line – Pipe to Parking Lot Median (\$17,594)

The Board asked that this item be deferred to the May Board Meeting. Mr. Katalinich will speak with general contractors and obtain bids for review in May.

- c. W10 – Replace Meters for Tenants (\$6,904)

Mr. Katalinich reported this project is 95% complete. Mr. Sucher reported that Anthony's Pizza left the center. Treatment Technology will relocate their meter to a more accessible location prior to the next tenant moving in.

- d. W11 – Water Treatment Building PLC Equipment Replacement (\$13,628)

Mr. Katalinich reported that the PLC replacement may include replacing two of the PLCs with equipment from one of the existing PLCs. This will be brought back to the May Board Meeting also.

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- e. WW6 – Replace Odor Control System Carbon Median (Correction to CIP needed)

Mr. Katalinich reported he has discussed this with Treatment Technology and this project will remain on hold since there has not been an odor issue to correct.

- f. WW15 – Replace Aeration Blower (\$6,712)

Deferred to the May Board Meeting.

- g. WW21 – Wastewater Treatment Building PLC Equipment Replacement (\$13,831)

Deferred to the May Board Meeting.

- h. Signage for the Center

Mr. Blodgett reported there is \$50,000 in the 2018 budget for signage. Director Martinez reported this project is not yet moving forward. He and Director Davidson will work on it. Action was deferred to the May Board Meeting.

B. Status of Commercial Pretreatment Rules and Regulations

1. Draft Rules and Regulations Update

Mr. Katalinich reviewed the draft Rules and Regulations. He indicated they were based on review of City of Longmont, Breckenridge and Boulder rules. The Board asked that they continue to be refined and Phillips Edison as property owner be informed. Action was deferred to the May Board Meeting.

C. Update on Sampling Efforts

Mr. Katalinich reported on the results of the initial sampling. Three of the four quadrants have been sampled. One of the four quadrants has excessive BOD which has caused the violation in the plant.

The Board reiterated the need to have a letter which communicates the issues to the tenants and owners and that this information is provided to the tenants as soon as possible. Director Sours asked that a time line for action related to sampling and potential fines be included in the cover letter.

Mr. Katalinich will inform the State of the District's efforts to correct the problem with the violations in the wastewater treatment plant.

D. Discuss CDPHE Policy 17-1

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Mr. Katalinich reviewed the policy with the Board. The District may be able to take advantage of incentives related to compliance with this policy in the future.

E. Update on Request for Softening System within District

The Board concurred with Mr. Katalinich's recommendation regarding usage of softener systems in the District. The Board asked that this information be included in the Rules and Regulations. Softening systems will be approved on a case-by-case basis by Treatment Technology.

F. Request for Engineering Review for New Development

Previously discussed.

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

A. Discuss January 19, 2018 CDPHE Notice of Significant Non Compliance and January 27, 2018 Response Letter

a. Updated Mailer, Letter, Sampling Efforts, Letter to CDPHE

Previously discussed. The Board asked that the monitoring schedule of Treatment Technology required by the State be sent to Mr. Blodgett for inclusion on the website. Mr. Sucher reported that lead and copper testing will be required for the first time in five years in the third quarter of 2018. The Board would like all the testing schedule requirements placed in one location within the District.

Mr. Katalinich noted that the maintenance items required by Treatment Technology are included in the CIP as additional costs.

B. Discuss January Draft Water Accounting Results

The board asked that the prior year information for 2017 for each month be included in future reports for 2018.

C. Status of Video Cameras for Water and Wastewater Buildings

Mr. Sucher reported the video cameras are operational. The Board asked that Treatment Technology place a sign indicating the area is under video surveillance.

XIII. Attorney Items

A. Consider Approval of Third Amendment to Independent Contractor Agreement with JVA, Inc.

Mr. Waldron reviewed with the Board. Upon a motion duly made by Director Shirilla, seconded by Director Martinez, and upon vote unanimously carried, the

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Board approved the Third Amendment to the Independent Contractor Agreement with JVA, Inc.

B. May 8, 2018 Directors' Election Update

Mr. Waldron reported that the terms of Director Sours, Martinez and Banfield expire in May 2018.

C. Other

None.

XIV. Manager's Items

A. Website Update

Mr. Blodgett reported the website is up-to-date. Additional information will be added based on today's Board Meeting.

B. Consider Increase of Water Rates Effective March 1, 2018

1. Accept Rate Structure Methodology

Mr. Blodgett reported the rate increase is for 5% of the usage and capacity fees monthly. There is no increase to the other general fees within the District. After discussion, upon a motion duly made by Director Banfield, second by Director Martinez, and upon vote unanimously carried, the Board approved the new water rate schedule effective March 1, 2018 with the addition of a new category entitled "other uses not identified above will be approved on a case-by-case basis by the Board."

C. Other

None.

XV. Financial Items

A. Review December 31, 2017 Financial Statements and February 2018 Cash Position Report

Mr. Blodgett reviewed with the Board. The Board accepted the December 31, 2017 Financial Statements and the February 2018 Cash Position Report.

B. PIF Collection Update

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

C. Sales Tax Collection Update

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Mr. Blodgett reported District sales tax collections increased approximately 11% in 2017.

D. Other

The Board asked that CLA add an item for chemical testing in the Enterprise Fund in the 2019 budget.

XVI. Director's Items

A. Confirm Quorum for May 15, 2018 Meeting

A Quorum was confirmed.


XVII. Other Business

Upon a motion duly made by Director Banfield, seconded by Director Martinez, and upon vote unanimously carried, the Board approved \$600 for a heat detector replacement in the Wastewater Treatment Plant as recommended by Mr. Sucher.

XVIII. Adjournment

Upon a motion duly made by Director Sours, the Board adjourned the meeting at 1:30 p.m.

Respectfully submitted,



Secretary for the Meeting