

RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
ASPEN PARK METROPOLITAN DISTRICT
HELD
NOVEMBER 15, 2018**

A regular meeting of the Board of Directors of the Aspen Park Metropolitan District was held on Tuesday, November 15, 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
Dennis Shirilla
Eli Martinez
Nikki Davidson
Fred Banfield

Also in attendance were:

Patrick Shannon, Gigi Pangindian and Vy Nguyen; CliftonLarsonAllen LLP
Bob Clodfelter; Treatment Technology
Michael Katalinic; JVA, Inc.
Clint Waldron; White Bear Ankele Tanaka & Waldron
Bill Berg; Martin and Wood (via telephone)
Nancy Craig; API/Hunt Properties
Al Allred; API/Hunt Properties

Call to Order Director Sours called the meeting to order at 12:01 p.m.

Director
Qualifications/
Disclosure Matters

Director Banfield disclosed that he is now employed by JVA, Inc. and that he has done work with Mr. Allred on the Eagle Cliff property. 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.

CONSENT AGENDA (Section III-X)

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- III. Review/Approve Minutes of the August 21, 2018 Regular Meeting
- IV. Engineering/ Construction Items
- V. Operations/Maintenance Items
 - A. Accept October 2018 Water Rights Usage Accounting Reports
- VII. Financial Items
 - A. Ratify Approval of Prior Claims Totaling \$0
 - B. Approve Current Claims Totaling \$101,562.72 and Directors' Fees
 - C. Approve 2018 Audit Agreement with Haynie and Company - \$4,700
 - D. Ratify Amended and Restated Resolution of the Board Approving a Schedule of Fees for the District's Rules and Regulations
- VIII. Manager's Items
 - A. Consider Adoption of the 2019 Annual Administrative Matters Resolution
 - B. Accept BCWA Information
 - C. Information Items
- IX. Attorney's Items
 - A. Ratify Blow-Off Valve Contractor Agreement with SWI in the amount of \$10,400.00
 - B. Consider Approval of Third Amendment to Independent Contractor Agreement with Martinson Snow Removal, Inc. for Snow Removal Services
 - C. Consider Approval of Reimbursement Agreement with Aspen Park Station Regarding Snow Removal and Landscape Maintenance
 - D. Consider Approval of Resolution Adopting a Personal Data Privacy Policy
- X. Director's Items

Upon a motion duly made by Director Martinez seconded by Director Banfield, and upon vote unanimously carried, the Board approved the Consent Agenda as submitted.

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DISCUSSION AGENDA (Section XI-XIX)

XI. Aspen Park Station Updates – Director Davidson

A. Leasing Status

No update provided.

B. Other

None.

XII. Engineering Items

A. Status of 2018 CIP Projects

Mr. Katalinich noted that the blow off valve project has been finished.

B. Discuss 2019 Projects

Mr. Katalinich noted the Water Treatment Building PLC Equipment replacement, replacement of the auger lift, replacement of the mechanical mixer and grinder pumps, and wastewater PLC replacement as potential 2019 projects. Mr. Katalinich asked Mr. Clodfelter to look into whether the auger lift needs to be replaced.

C. Pre-Treatment Regulation Implementation Status

Mr. Katalinich noted that last year the language in the District Rules and Regulations was updated to surcharge if BOD discharge is too high. He recommended changing the BOD limit from 300 mg/L to 500 mg/L per discharge permit. Director Sours asked when the District will be fined. Mr. Katalinich explained that as long as effluent permit limits are met, it doesn't raise flags with the State. Director Sours noted that it may be good to keep some cushion between what we allow from tenants and what the State allows. Mr. Katalinich suggested discussing internally with JVA and providing recommendation to the Board at a future meeting. Director Sours asked why the state is using BOD rather than effluent as the standard. Mr. Katalinich explained that tying to the effluent is based on what is permitted. He determined that beginning in 2019, the state will levy fines if the District violates the effluent permit, regardless of whether the District receives a fine.

D. Update on Sampling Efforts

Mr. Katalinich presented a spreadsheet detailing historic sampling results beginning in 2014, highlighting samples that were high. He noted that the data shows that King Soopers has low BOD samples, and it appears higher loading is coming from restaurants. He noted that he is working with Treatment Technology on a better method for sampling inside businesses.

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E. Alternative Cleaning Products Mailers

Mr. Katalinich noted that the second round of mailers was specifically directed at businesses that were found to have cleaning products that were detrimental to the system.

F. Proposed amendment to Sewer Charges in Rules and Regs – modify 8.1.6(1)(ii) to read as follows: Service charges are based on wastewater having an average Biological Oxygen Demand (BOD) and Total Suspended Solids (TSS) loading which do not exceed five hundred (500) milligrams per liter, and Total Kjeldahl Nitrogen (TKN) less than 50 milligrams per liter

Upon a motion duly made by Director Banfield, seconded by Director Martinez, and upon a vote, unanimously carried, the Board approved the amendment to Sewer Charges in the District Rules and Regulations.

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

A. Discuss October Water Rights Accounting Results.

Mr. Shannon distributed October Water Rights Accounting Reports to the Board for review.

B. Other

Mr. Clodfelter noted inspection of the Wastewater Treatment Plant last Thursday, and noted no major issues were flagged. The fire system check has yet to be completed. Director Sours asked what the District is doing with the Myer Pond. Mr. Clodfelter noted they have not added any water to Myer Pond. Mr. Berg explained that he is looking to make exchanges when available up Turkey Creek into Myer Pond, and will keep monitoring conditions to make it happen. Mr. Berg will direct Treatment Technology if the opportunity arises.

Mr. Berg noted that the District used less water this year due to a decrease in irrigation volumes; he believes that repairs made to the irrigation system were effective.

XIV. Attorney Items

A. Discuss and Approve 2019 Service Contracts

Mr. Waldron reviewed the 2019 Service Contracts.

B. Will Serve Letter Regarding Eagle Cliff Property

Mr. Waldron provided an overview of the history of the Eagle Cliff Will Serve request.

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Mr. Allred noted that he is working on a deal with a gas station and received a request about extending utilities.

Director Sours asked if the agreement would need to be changed if it is to serve commercial. The Board directed Mr. Berg to research and report at the next meeting.

C. Consider Approval of Engagement Letter with White Bear Ankele Tanaka & Waldron for Legal Services

Mr. Waldron reviewed the Engagement Letter with White Bear Ankele Tanaka & Waldron with the Board. Mr. Waldron noted specifically that the arbitration provision had been revised to make it clear that arbitration applies to this engagement letter as well as any prior engagement with the District. Mr. Waldron also noted and discussed the addition of the representative client list section. Mr. Waldron stated that as he is not independent as to the engagement, the Board is advised to have separate legal counsel review the engagement letter. The Board declined to engage separate legal counsel to review the letter. After discussion, upon a motion duly made by Director Martinez, seconded by Director Banfield, and upon a vote, unanimously carried, the Board approved the engagement letter with White Bear Ankele Tanaka & Waldron.

D. Other

None.

XV. Manager's Items

A. Conduct Public Hearing to Consider Amending the 2018 Budget; Consider Adoption of Resolution to Amend 2018 Budget

The Board opened the public hearing at 12:44 p.m. There were no public comments. The Board closed the public hearing at 12:45 p.m.

Ms. Pangindian reviewed with the Board. Ms. Pangindian recommended an increase in the Debt Service Fund to \$1,250,000. Upon a motion duly made by Director Shirilla, seconded by Director Martinez, and upon a vote, unanimously carried, the Board approved the Resolution Amending the 2018 Budget.

B. Conduct Public Hearing to Consider Adoption of 2019 Budget, Appropriate Expenditures and Certify Mill Levies; Consider Approval of Resolution to Adopt 2019 Budget

The Board opened the public hearing at 12:44 p.m. There were no public comments. The Board closed the public hearing at 12:45 p.m.

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Ms. Pangindian reviewed with the Board. She noted that total funds dedicated to engineering expenses is increasing to \$45,000. Upon a motion duly made by Director Shirilla, seconded by Director Banfield, and upon a vote, unanimously carried, the Board approved the Resolution to Adopt the 2019 Budget and Certify Mill Levies.

C. Consider Increase of Water Rates Effective January 1, 2019

Mr. Shannon reviewed with the Board. Upon a motion duly made by Director Shirilla, seconded by Director Banfield, and upon a vote, unanimously carried, the Board approved the increase of water rates by 5% effective January 1, 2019.

D. Website Update

Mr. Shannon provided an update of the website.

E. Discuss 2019 Insurance Policy

1. Property coverage
2. Excess Liability Limits

Mr. Shannon reviewed the 2018 Insurance Policy with the Board as the 2019 policy was not yet available. Upon a motion by Director Shirilla, seconded by Director Martinez, and upon a vote, unanimously carried, the Board approved the 2019 insurance policy upon final review by management.

F. Other

XVI. Financial Items

A. Review September 30, 2018 Financial Statements and November 2018 Cash Position Report (to be distributed)

Ms. Pangindian reviewed the September 30, 2018 Financial Statements and November 2018 Cash Position Report with the Board. Upon a motion by Director Shirilla, seconded by Director Banfield, and upon a vote, unanimously carried, the Board accepted the September 30, 2018 Financial Statements and November 2018 Cash Position Report.

B. PIF Collection Report

Ms. Pangindian reviewed with the Board.

C. Sales Tax Update

Ms. Pangindian reviewed with the Board.

D. Other

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The Board requested that Ms. Pangindian prepare a proposal for a financial forecast showing future payments of the subordinate bonds from the debt service fund.

XVII. Director's Items

- A. Discuss Status of Proposal for Repairs of District Landscaping and Streets – Directors Davidson and Martinez

No update.

- B. Confirm Quorum for February 19, 2019 at White Bear Ankele Tanaka & Waldron PC at 2154 E. Commons Ave, Suite 2000, Centennial CO 80122 at 12:00 p.m.

A quorum was confirmed for the February 19, 2019 Board meeting.

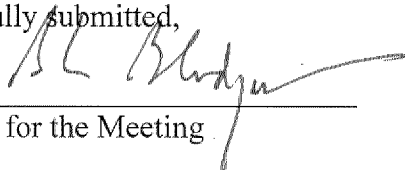
XVIII. Other Business

None.

XIX. Adjournment

There being no further business to come before the Board, Director Sours adjourned the meeting at 1:13 p.m.

Respectfully submitted,


Secretary for the Meeting