

RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
ASPEN PARK METROPOLITAN DISTRICT
HELD
NOVEMBER 19, 2019**

A regular meeting of the Board of Directors of the Aspen Park Metropolitan District was held on Tuesday, November 19, 2019 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
Nikki Davidson
Fred Banfield

Also in attendance were:

Bob Blodgett, Patrick Shannon, Gigi Pangindian and Vy Nguyen;
CliftonLarsonAllen LLP
Tom Schubert and Alex Herrera; ORC
Michael Katalinich and Wei Ye; JVA, Inc.
Clint Waldron; White Bear Ankele Tanaka & Waldron
Bill Berg; Martin and Wood
Marti Whitmore; Hockersmith & Whitmore, LLC
Steph Chichester; North Slope
Marissa Visconsi; Phillips Edison & Co.
Zach Bishop; D.A. Davidson
Nancy Craig and Al Allred; Hunt Properties

I. Call to Order Director Sours called the meeting to order at 12:06 p.m. The Board excused the absence of Director Shirilla.

II. Director
Qualifications/
Disclosure Matters

Mr. Waldron advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. Waldron reported that disclosures for those directors with potential or existing conflicts of interest were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Mr. Waldron inquired into whether members of the Board had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The Board determined that the

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participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

III. Discuss Board

Vacancy

Director Sours noted that there had been some discussion regarding bringing on new Board members at the beginning of the year. Director Davidson noted Ms. Visconsi is a potential future board member. Action was deferred to the February meeting.

IV. Public Comment None.

CONSENT AGENDA (Section IV-X)

V. Review/Approve Minutes of the October 29, 2019 Special Meeting and August 20, 2019 Regular Meeting

VI. Engineering/Construction Items

VII. Operations/Maintenance Items

VIII. Financial Items

A. Ratify Approval of Prior Claims Totaling \$540,000.02 and Approve Directors' Fees

B. Approve 2019 Audit Agreement with Haynie and Company - \$4,750

C. Ratify October 22, 2019 Vectra Bank Interest for Proposed Financing Letter

IX. Manager's Items

A. Consider Adoption of the 2020 Annual Administrative Matters Resolution No. 2019-11-01

B. Accept BCWA Information

C. Accept Utility Billing Collection Status Report

D. Other

X. Attorney's Items

A. Ratify Approval of Fourth Amendment to Independent Contractor Agreement for Snow Removal Services with Martinson Snow Removal, Inc.

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- B. Ratify Independent Contractor Agreement with ORC Water Professionals Inc., for Water/Wastewater Facilities O&M Services
 - C. Approve Independent Contractor Agreement with Diversified Underground for Locate Services
 - D. Approve Independent Contractor Agreement with Martin and Wood for Engineering Services
 - E. Ratify Agreement with Mountain Peaks Controls for Well Radio Transmission Repairs - \$25,000
 - F. Ratify Approval Independent Contractor Agreement with Jim Noble, Inc. for Manhole Installation Services - \$15,475
 - G. Other
- XI. Director's Items
- A. Other

Item VIII.C. regarding the Vectra Bank interest letter was removed from the consent agenda. Item X.D. will be approved subject to final legal review by Mr. Waldron.

Upon a motion duly made by Director Davidson seconded by Director Banfield, and upon vote unanimously carried, the Board approved the Consent Agenda as revised, with item X.D. subject to final legal review.

DISCUSSION AGENDA (Section XI-XIX)

- XII. Bond Matters
- A. Discuss Status of Loan Issuance

Mr. Bishop distributed copies of a "Summary of Series 2019 Refinancing" which summarizes the proposals from Vectra Bank, KeyBank and BOK Financial. He reported Vectra Bank has apparently withdrawn due to concerns over the lack of King Soopers' ownership of their land and building.

Mr. Bishop recommended that D.A. Davidson spend additional time analyzing these proposals and confirming whether Vectra Bank is willing to continue with the transaction or not.

After discussion, the Board decided that Directors Davidson and Sours would be a committee to meet with Mr. Bishop, Ms. Chichester and Ms. Pangindian to review further information

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before the next Board meeting.

Upon a motion duly made by Director Davidson, seconded by Director Banfield, and upon a vote, unanimously carried, the Board called a special meeting for Thursday, December 5th at 1:00 p.m. at White Bear Ankele Tanaka and Waldron to further discuss the loan proposals.

- B. Consider and make final determination to issue and refund general obligation indebtedness by the issuance of a Loan with Zions Bancorporation, N.A. dba Vectra Bank Colorado, in an approximate, aggregate principal amount of \$13,550,000 for the purpose of refunding its existing general obligation indebtedness, which amount is subject to increase or decrease as determined by the Board, or a otherwise permitted by any resolution adopted by the Board at such meeting, and, in connection therewith, the Board will consider a resolution: authorizing the issuance of such indebtedness; approving, ratifying and confirming the execution of certain documents; making determinations and findings as to other matters related to such financing transaction; authorizing incidental action; and repealing prior inconsistent actions

Tabled.

XIII. Water Rights Update – Marti Whitmore / Bill Berg

1. Executive session pursuant to Section 24-6-402(4)(b) conference with special counsel to the District for the purpose of receiving legal advice on specific legal questions related to water matters.

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

Upon a motion duly made by Director Davidson, seconded by Director Banfield, and upon a vote, unanimously carried, the Board adjourned out of Executive Session at 12:48 p.m.

Upon a motion duly made by Director Davidson, seconded by Director Banfield, and upon a vote, unanimously carried, the Board approved Mr. Katalinich to proceed with testing a compound meter and re-piping the nine compound meters, for a not-to-exceed \$5,000.

Upon a motion duly made by Director Davidson, seconded by Director Banfield, and upon a vote, unanimously carried, the Board approved Mr. Katalinich to move forward with an injection test well in the approximate amount of 30,000, and if successful, proceeding with an actual injection well for a total of not-to-exceed \$75,000.

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XIV. Aspen Park Station Updates – Director Davidson

A. Leasing Status

Director Davison reported that an Asian-themed restaurant may move into the old Anthony's pizza space. An auto parts store is still looking at the property near Big R. She reported a brewery will not work at the center. CLA will inform the inquirer from 105 West. Director Davidson also asked that the other individual requesting a potential will serve letter be referred to her for discussion.

B. Other

None.

XV. Engineering Items

A. Status of 2019 CIP Projects

Mr. Katalinich reviewed the status with the Board. He reported a radio transmission tower will be installed at the wells to eliminate the future possibility of lightning strikes on the wired system.

B. Discuss 2020 Projects

Mr. Katalinich reviewed potential 2020 projects with the Board. These will be discussed and approved in the 2020 budget.

C. Update on Pretreatment Water Quality Tests and Inspections

Mr. Katalinich reported no plant upsets since the last Board meeting.

D. Discuss District Water Use for Brewery

CLA will inform this prospect that the brewery use will not work at the center.

E. Status of Meter Installation

Mr. Katalinich reported meter installations are continuing.

F. Status of Meyer Pond

JVA determined that Mr. Meyer Jr. was attempting to improve the pond by scraping off dirt so the cattails would survive. They informed him that any future work requires notification and approval by the District.

G. Discuss Status of Will Serve Letter Request

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CLA will refer this individual to Director Davidson.

H. Other

Mr. Katalinich reported Mountain Peaks recommended that a new conduit in the plant be installed by an electrician for approximately \$5,000.

Upon a motion duly made by Director Banfield, seconded by Director Davidson, and upon a vote, unanimously carried, the Board approved the new conduit for approximately \$5,000.

XVI. Operations / Maintenance Update – Bob Clodfelter / Tom Schubert

A. Discuss Snow Removal for Well House Access

Upon a motion duly made by Director Davidson, seconded by Director Banfield, and upon a vote, unanimously carried, the Board approved an amendment to the Independent Contractor Agreement for Snow Removal Services with Martinson Snow Removal, Inc. to add snow removal on the access roads to the well house when the snow level exceeds six inches. Mr. Waldron advised the Board that they consider notifying Jefferson County as a courtesy, as these roads are within open space.

B. Other

XVII. Attorney Items

A. Discuss and Approve 2020 Service Contracts

Mr. Waldron reported all 2020 service contracts have been previously approved. No Board action is required.

B. Consider Approval of 2020 Director's Election Resolution 2019-11-02

Upon a motion duly made by Director Banfield, seconded by Director Davidson, and upon a vote, unanimously carried, the Board approved the 2020 Director's Election Resolution.

C. Consider Approval of Resolution No. 2019-11-03 Establishing Guidelines for the Processing and Collection of Delinquent Fees and Charges

Upon a motion duly made by Director Davidson, seconded by Director Banfield, and upon a vote, unanimously carried, the Board approved the Resolution Establishing Guidelines for the Processing and Collection of Delinquent Fees and Charges.

D. Other

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None.

XVIII. Manager's Items

- A. Conduct Public Hearing to Consider Amending the 2019 Budget; Consider Adoption of Resolution No. 2019-11-04 to Amend 2019 Budget

Director Sours opened the public hearing at 1:39 p.m. It was noted that notice of the date, time and place of the public hearing had been published, and no written comments have been received. There were no public comments. The Board closed the public hearing at 1:40 p.m.

Ms. Pangindian recommended amending the general fund to \$105,000, the Enterprise Fund to \$475,000 and the Debt Service Fund to \$1,299,105 in 2019. Upon a motion duly made by Director Davidson, seconded by Director Banfield, and upon a vote, unanimously carried, the Board approved the Resolution Amending the 2019 Budget.

- B. Conduct Public Hearing to Consider Adoption of 2020 Budget, Appropriate Expenditures and Certify Mill Levies; Consider Approval of Resolution No. 2019-11-05 to Adopt 2020 Budget

Director Sours opened the public hearing at 1:39 p.m. It was noted that notice of the date, time and place of the public hearing had been published, and no written comments have been received. There were no public comments. The Board closed the public hearing at 1:40 p.m.

1. Discuss 2020 Mill Levy Options
2. Discuss 2020 Capital Projects Fund Options

Ms. Pangindian reviewed three budget options with the Board.

After discussion, upon a motion duly made by Director Davidson, seconded by Director Banfield, and upon a vote, unanimously carried, the Board adopted the 2020 budget, appropriated expenditures and certified mill levies of 45.000 mills for Debt Service and 15.000 mills for the General Fund for collection in 2020.

- C. Ratify Amended and Restated Resolution No. 2019-11-06 Approving a Schedule of Fees per the District's Rules and Regulations

Upon a motion duly made by Director Banfield, seconded by Director Davidson, and upon a vote, unanimously carried, the Board ratified the Amended and Restated Resolution Approving a Schedule of Fees per the District's Rules and Regulations.

- D. Website Update

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Mr. Blodgett reported the website is up-to-date.

E. Discuss 2020 Insurance Policy

Upon a motion duly made by Director Banfield, seconded by Director Davidson, and upon a vote, unanimously carried, the Board authorized CLA to bind the 2020 insurance policy when received.

1. Property coverage
2. Excess Liability Limits

F. Other

None.

XIX. Director's Items

A. Discuss Status of Repairs of District Landscaping, Curbs and Gutters, and Streets – Director Davidson

The Board decided to budget \$50,000 in 2020 for this work.

B. Other

None.

XX. Financial Items

A. Review September 30, 2019 Financial Statements and November 2019 Cash Position Report

Upon a motion duly made by Director Davidson, seconded by Director Banfield, and upon a vote, unanimously carried, the Board approved the September 30, 2019 Financial Statements and November 2019 Cash Position Report.

B. PIF Collection Report

The Board reviewed this information with Ms. Pangindian.

C. Sales Tax Report

The Board reviewed this information with Ms. Pangindian.

D. Other

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Upon a motion duly made by Director Banfield, seconded by Director Davidson, the Board approved a waiver of \$909 for a utility bill for the previous Mountain Valley Cleaners in 2011.

Upon a motion duly made by Director Davidson, seconded by Director Banfield, the Board approved a waiver of late fees of \$151 for a PIF payment that Wells Fargo did not send to the District in a timely manner.

XXI. Other Business

- A. Confirm Quorum for February 18, 2020 at White Bear Ankele Tanaka & Waldron PC at 2154 E. Commons Ave, Suite 2000, Centennial CO 80122 at 12:00 p.m.

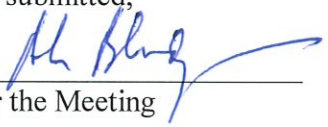
A quorum was confirmed.

- B. Other

XXII. Adjournment

There being no further business to come before the Board, Director Sours adjourned the meeting at 2:05 p.m.

Respectfully submitted,



Secretary for the Meeting