

RECORD OF PROCEEDINGS

**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
ASPEN PARK METROPOLITAN DISTRICT
HELD
May 19, 2020**

A special meeting of the Board of Directors of the Aspen Park Metropolitan District was held on Tuesday, May 19, 2020 at 12:00 p.m. via video conference at <https://global.gotomeeting.com/join/133860573>.

Attendance: In attendance were Directors:

Sam Sours (via phone)
Fred Banfield
Dennis Shirilla

Also in attendance were:

Bob Blodgett, Lisa Johnson, Vy Nguyen and Gigi Pangindian;
CliftonLarsonAllen LLP
Tom Schubert, Gabrielle Begeman and Bryan LoBue; ORC
Michael Katalinich; JVA, Inc.
Clint Waldron and Heather Hartung; White Bear Ankele Tanaka &
Waldron
Bill Berg; Martin and Wood
Marti Whitmore; Hockersmith & Whitmore, LLC

I. Call to Order Director Sours called the meeting to order at 12:05 p.m. Upon a motion duly made by Director Banfield, seconded by Director Shirilla, and upon a vote, unanimously carried, the Board excused the absence of Director Davidson.

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

RECORD OF PROCEEDINGS

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

Director Banfield reported he is no longer working at JVA. This conflict disclosure may be removed.

III. Approve
Resolution No.
2020-05-01 Declaring
Emergency Procedures
and Authorizing
Teleconference for
Regular and Special
Meetings

Mr. Waldron reviewed this Resolution with the Board. It allows the Board to meet remotely without a quorum physically present at the meeting location during the current COVID-19 crisis. Upon a motion duly made by Director Shirilla, seconded by Director Banfield, and upon a vote, unanimously carried, the Board approved Resolution No. 2020-05-01 Declaring Emergency Procedures and Authorizing Teleconference for Regular and Special Meetings.

IV. Results of
May 5, 2020
Director Election

Mr. Waldron reported the May 5, 2020 election was cancelled as there were only two candidates for the two vacant positions. He reported the Oaths of Office have been administered to Director Shirilla and Director Davidson.

A. Election of Officers

Upon a motion duly made by Director Shirilla, seconded by Director Banfield, and upon a vote, unanimously carried, the Board approved the current slate of officers.

Sam Sours, President
Dennis Shirilla, Vice President
Nicole Davidson, Secretary/Treasurer
VACANT, Asst. Secretary/Treasurer
Fred Banfield, Asst. Secretary/Treasurer

B. Discuss Board Vacancy

The appointment of a potential representative from Phillips Edison is on hold during the COVID-19 crisis.

V. Public Comment None.

RECORD OF PROCEEDINGS

CONSENT AGENDA (Section VI-XII)

- VI. Review/Approve Minutes of the February 18, 2020 Regular Meeting
- VII. Engineering/Construction Items
 - A. Accept March 2020 Water Accounting Report
- VIII. Operations/Maintenance Items
- IX. Financial Items
 - A. Ratify Approval of Prior Claims Totaling \$139,586.52 and Approve Directors' Fees
 - B. Other
- X. Manager's Items
 - A. Accept BCWA Information
 - B. Ratify April 27, 2020 Conditional Will Serve Letter for Lot 5, Village at Conifer Aspen Park
 - C. Other
- XI. Attorney's Items
 - A. Ratify Independent Contractor Agreement with Rocky Mountain Cummins (Generator Maintenance Services)
 - B. Ratify First Addendum to Independent Contractor Agreement with Mountain Peaks, Inc. (Reconfiguration of Plumbing Metering Services) - \$28,291
 - C. Ratify First Addendum to Independent Contractor Agreement with Jim Noble, Inc. (Piping from Infiltration Well to WTP) - \$10,600
 - D. Ratify Agreement with Shirley Septic Pumping, Inc. for Dumpster Emptying Services - \$75 per month
 - E. Review and Consider Resolution No. 2020-05-01 Establishing an Electronic Signature Policy
- XII. Director's Items

RECORD OF PROCEEDINGS

A. Other

Mr. Blodgett and Mr. Waldron reviewed the Consent Agenda 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 Consent Agenda as presented.

DISCUSSION AGENDA (Section XIII-XXII)

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.

It was determined that the executive session was not needed.

Ms. Whitmore reported she has been meeting with the Attorney for the Conifer Metropolitan District to obtain an agreement to allow the District to add its new infiltration well without opposition by Conifer. Conifer has likewise asked for the District support of some of their future water rights initiatives that do not impact the Aspen Park Metropolitan District.

She reviewed a draft IGA which memorializes the agreement between the two Districts. It would allow the District to move forward with its infiltration well without objections from Conifer and additional time and expense.

Mr. Berg reported the agreement continues the relationship between the Districts and each acquiring water from the bedrock aquifer. It allows each District to continue to discharge into the bedrock aquifer for the benefit of each District and their communities. It is possible the Conifer Metropolitan District will obtain additional water through a due diligence filing which could benefit both.

After discussion, upon a motion duly made by Director Shirilla, seconded by Director Banfield, and upon a vote, unanimously carried, the Board approved the draft IGA and authorized President Sours to execute it subject to final legal review by Ms. Whitmore and Mr. Waldron, and subject to no substantive changes from the Conifer Metropolitan District's attorney.

XIV. Aspen Park Station Updates – Director Davidson

A. Leasing Status

Deferred in the absence of Director Davidson.

B. Other

RECORD OF PROCEEDINGS

None.

XV. Engineering Items

A. Update on Infiltration Well Drilling

Mr. Berg reported the infiltration well is producing a high volume of water. After approval of an IGA with Conifer, he will finalize permitting with Jefferson County. It is hoped the well can be online later this year.

Mr. Katalinich reported that Jim Noble is currently installing the line from the infiltration well to the wastewater treatment plant for the future effluent discharge.

Mr. Berg did not anticipate any future significant costs associated with putting the infiltration well into operation.

B. Update on Meter Installation and Calibration

Mr. Berg reported the compound meters have been tested. Some of the meters in individual units could not be accessed. The compound meters are reading within a 5% to 10% accuracy range (upon further review after the Board meeting, two of the nine compound meters are slightly outside of the 10% accuracy range). Some of the individual unit meters are off by as much as 300%. This will affect the billing and revenue for the District. He recommended additional individual meters be tested.

Mr. Katalinich reported this cost should be able to be absorbed within the remaining funds available from the \$5,000 previously approved by the Board for meter testing and calibration. ORC will assist Martin Wood and JVA. Mr. Katalinich estimated there is approximately \$4,700 remaining in this fund. That should be adequate for the additional testing. After discussion, the Board authorized Martin and Wood and ORC to proceed with additional meter testing within the remaining budget.

Mr. Berg reported there was 1,000 gallons of water placed in the Meyer pond. ORC indicated they put this into the pond. Martin and Wood will follow up with ORC regarding future procedures to place water in the Meyer pond.

C. 2020 Capital Improvement Projects

1. Update on PLC Upgrade

Mr. Katalinich reported the PLC upgrade was completed for approximately \$24,000 out of the budget of \$28,000. There are no other capital improvement projects scheduled for 2020.

D. Update on Emergency Water Line Repair

RECORD OF PROCEEDINGS

Mr. Berg reported that ORC, Martin and Wood and JVA visited the site near the well and discovered a significant leak in the water line that had been causing a great deal of lost water for the District. Mr. Katalinich reported this was in a galvanized pipe which was corroded. They inspected the site and determined that the galvanized pipe will be bypassed so that PVC pipe is being used in the future. The repairs were made for less than \$7,000.

Mr. Katalinich reported the other galvanized pipe will need to be inspected and replaced so it does not fail. This may be approximately \$7,000 for each additional well.

E. Other

None.

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

A. Discuss Backflow Preventor Device Testing

Ms. Begeman reviewed her report regarding backflow preventer testing. The District is in compliance with its rules and regulations by inspecting compound meters throughout the District. Individual meter testing and backflow prevention is the responsibility of the tenant and the owner per the plumbing code.

Ms. Begeman reviewed the ORC operations report which was provided during the meeting. She reviewed options related to a new auto-dialer. After discussion, upon a motion duly made by Director Shirilla, seconded by Director Banfield, and upon a vote, unanimously carried, the Board approved the new auto-dialer with Canyon Systems Inc. for \$1,500 plus a \$350 annual fee.

Ms. Begeman further recommended that actuated valves providing for automatic fire flow be replaced at a cost of \$2,000 by ORC. After discussion, the Board decided to review this item again at the November meeting.

B. Other

None.

XVII. Attorney Items

A. Other

None.

XVIII. Manager's Items

A. Website Update

RECORD OF PROCEEDINGS

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

B. Discuss Safety and Loss Prevention Grant Allocation - \$2,870.80

Mr. Blodgett reviewed the Safety and Loss Prevention Grant Allocation budget with the Board. After discussion, the Board authorized CLA to submit the auto-dialer's and the actuated fire pump valves for potential reimbursement at 50% of the actual cost. The District will also look for opportunities to submit items related to deep cleaning of the plant and facilities which are reimbursed at 100% during the COVID-19 crisis.

C. Discuss Online Utility Bill Payment Options

Ms. Johnson reviewed these options with the Board. The Board decided that the cost of implementing point and pay will be borne by the customer.

After discussion, the Board authorized CLA to place the point and pay information onto the District's website and include information in the future utility billing bill mailing to customers.

D. Utility Shutoffs

After discussion, the Board decided to continue the suspension of shut-off for utility customers past the present April 30 deadline established by the Governor.

E. District Manager Transition

Mr. Blodgett reported he is retiring from CLA after 25 years at the end of 2020. He has appreciated the opportunity of working with the District since 2004. He introduced Ms. Lisa Johnson, public manager, with CLA who has significant municipal and District utility and operations experience. She is also President of the St. Vrain Sanitation District. He is recommending her as the future District Manager. He will work closely with her through the end of the year.

The Board welcomed Ms. Johnson to the CLA team. Ms. Johnson greeted the Board and consultants virtually and thanked them for the opportunity.

XIX. Director's Items

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

Deferred in the absence of Director Davidson.

B. Other

RECORD OF PROCEEDINGS

None.

XX. Financial Items

A. Review March 31, 2020 Financial Statements and May 2020 Cash Position Report

Ms. Pangindian reviewed the financial statements, cash position report and property tax schedule with the Board. Mr. Blodgett noted that Management, Legal and Accounting expenses are high for the first quarter due to additional work related to the meter reading and calibration project and the new infiltration well. This work has been completed other than that by Mr. Berg and JVA.

Upon a motion duly made by Director Shirilla, seconded by Director Banfield, and upon a vote, unanimously carried, the Board approved the March 31 financial statements, May cash position report and property tax schedule.

B. Review 2020 Projections – All Funds

Ms. Pangindian reviewed with the Board. She reported the Bank of Oklahoma (the institution holding the District's bank loan) requested this information during the COVID-19 crisis knowing the District is very dependent on its retail customers for revenue.

The projections indicate even with the slowdown in revenues in the District, the District has adequate reserves in the general fund, debt service fund, enterprise fund and sales tax revenue fund for the remainder of the year.

C. Discuss Status of 2019 Audit and Calling of a Special Meeting Prior to July 30th Due Date

Ms. Pangindian reported audit work is underway. It will be completed before the July 30th deadline, prior to the Board's August 18 meeting. She anticipates a clean audit opinion as in past years.

Upon a motion duly made by Director Shirilla, seconded by Director Banfield, and upon a vote, unanimously carried, the Board authorized Ms. Pangindian and CLA to complete the 2019 audit and submit to the Department of Local Affairs subject to a clean audit opinion and final review by Mr. Waldron. No special Board meeting is needed.

D. Other

None.

XXI. Other Business

RECORD OF PROCEEDINGS

- A. Confirm Quorum for August 18, 2020 Regular Meeting 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

V. Adjournment

There being no further business to come before the Board, Director Sours adjourned the meeting at 1:55 p.m.

Respectfully submitted,



Secretary for the Meeting