

2009-East Valley Metropolitan District Meeting Minutes

January 28, 2009 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, January 28, 2009 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present:	Bill Waller	President
	Sheryl Smyth	Vice President
	Larry Hammond	Secretary
	Kevin Farrell	Treasurer

Staff Present:	Darcy Beard, CPA	District Manager
	Bob Clodfelter	Western Well
	Scott Oelkers	Western Well
	David Lindholm	Attorney
	Tom Dea	TZA Engineering

Guests Present: Rhonda Livingston

CALL TO ORDER AND ROLL CALL

Director Waller called the meeting to order and called the roll at 6:30 p.m. noting the presence of a quorum.

ADDITIONS/CHANGES TO AGENDA

Director Waller asked if there were any changes to the agenda. Director Farrell noted that he would like to add a discussion item regarding the location of the District water lines under the Operations Report. Director Waller noted that he would like to add Action Item I – ACWWA sewer charges.

DIRECTOR'S COMMENTS

Director Waller noted that Ms. Beard had invited Les Parker to attend the meeting after he had expressed concern about the new fence erected on the south side of the Carson well site on Jordan Road. Mr. Lindholm noted that he did not believe the District was at risk for an adverse possession claim from Mr. Parker. The board directed Ms. Beard to send Mr. Parker a letter advising him of the District's ownership of the property that is still outside the fenced area in January of each year .

PUBLIC COMMENTS

There was no public comment.

REVIEW ITEMS – NO ACTION REQUIRED

Review of Financial Reports

Director Farrell presented the financial reports. He noted the cash position of the District had increased by \$2,000 and that both the revenues and expenditures had decreased. He anticipated the cash position to increase again in January due to the reporting of the bond proceeds as other revenue. He further noted that most of the investment dollars from the bond proceeds had been transferred to checking for payment of the new well costs. The balance remaining in the investment account is \$492.66.

System Operator Monthly Report

Mr. Clodfelter presented the system operator monthly reports. He reported that the Carson well was not giving accurate static water level reports. Mr. Dea reported that he felt the inaccurate reports were due to the old equipment in the Carson Well. Mr. Clodfelter added that there are two airlines in the Carson Well and that he would connect the second airline to see if it will give a more accurate reading.

Mr. Oelkers reported on the new state mandate to consistently monitor the chlorine residual levels. He added that the state gives districts two options on the monitoring.

1.) Four log viral inactivation compliance monitoring or 2.) Trigger source water monitoring. The district is required by the EPA to comply with the monitoring by the end of 2009. After further discussion, the board directed Mr. Oelkers to adopt the Trigger Source Water Monitoring method. Mr. Clodfelter noted that it would be helpful for the the District to purchase a Residual Analyzer which continually monitors the well chlorine levels. He estimated the cost of the residual analyzer at between \$4,000 and \$6,000. The board directed Ms. Beard to add this to the next months agenda as a Long Range Planning item.

Customer Usage and Billing Reports

Director Farrell presented the Customer Usage and Billing Reports. Director Farrell reported that four accounts owed in excess of \$350 which put them in a delinquent status as of January 28, 2009.

Water Violations/Delinquent Notices

There were no water violations issued or delinquent accounts noted.

Water Line Locating

Mr. Clodfelter presented the options to begin locating the District water lines. The options include comparing pre-1960 map to current street layout at an estimated cost of \$200 - \$300, using a sonde (snake in the line), pot holing and evaluating old aerial photographs for indication of line placement. Director Hammond noted that the least expensive option would be to utilize the pre-1960 mapping. Director Smyth recommended Mr. Clodfelter obtain cost estimates for both each of the options and report back to the board at the February meeting.

Long Range Planning Committee

Director Hammond reported that the committee was reviewing the historical progress of the District in obtaining additional water sources and compiling a document which will be put on the District website to communicate these efforts to the District customers.

Correspondence

None.

Engineer's Report

Mr. Dea reported that the well drilling is complete and that the final development and testing was done on January 12 and January 13, 2009. He noted the well can pump up to 200 gallons per minute. After discussion a motion was made by Director Waller to have Mr. Dea finalize the equipment specifications and upon approval of the equipment specs by Mr. Clodfelter to have the RFPs ready to be sent by February 5, 2009. The motion was seconded by Director Hammond and upon vote, unanimously approved. The board then asked to have the RFP request the proposals be returned to the District no later than February 17, 2009 for the board's consideration at the February 25, 2009 meeting. In addition, the board requested that the equipment specifications specify a lease purchase agreement with a five year term.

Mr. Dea then reviewed the 2008 Augmentation Report. After review the board directed Ms. Beard to forward the report to the Colorado Division of Water Resources.

ACTION ITEMS REQUIRING MOTION

Approval of December 16, 2008 meeting minutes

Director Waller presented the minutes from the December 16, 2008 meeting. After reviewing the minutes Director Farrell made a motion to approve the minutes with the changes discussed. The motion was seconded by Director Smyth. Upon vote the motion passed unanimously.

Approval of Expenditures

Director Farrell presented the expenditures for Decemberr 2008, payable in January 2009 for approval.

He noted the addition of two checks was necessary. The first addition was for \$1,270 payable to Amwest, Inc for the Interim Well Maintenance Agreement and the second check to be added was for \$39,329.37 for a progress payment to Layne Western for the new well. The total of the expenditures for the month after the addition of the above noted checks is \$422,596.75. Director Farrell made a motion to approve the expenditures as amended. The motion was seconded by Director Smyth and upon vote the motion was unanimously approved.

Meeting Matters

The board noted that the agenda would be posted in the following locations:

1. The Fence around the pumping station at 6611 Jordan Road
2. The Jordan Well site at 6655 S. Jordan Road
3. The Fence at the intersection of the Service Road and Blackhawk
4. The Arapahoe County Clerk & Records office.

The board then noted the regular meeting date and time would be as follows:

6:30 pm on the fourth Wednesday of the month January through October,
November 23, 2009 and December 14, 2009.

The board determined the meeting location would remain at TACAir, 7425 S. Peoria Street, Englewood, Colorado 80112.

Emergency Interconnect Agreement Update

Mr. Lindholm presented the Emergency Interconnect Agreement with ACWWA . After review and discussion, a motion was made by Director Farrell to accept the agreement as presented. The motion was seconded by Director Hammond and upon vote unanimously approved. The Board directed Ms. Beard to forward the proposed agreement to ACWWA.

ACWWA/South Metro Water Supply Authority Membership

Mr. Lindholm presented a letter of intent of enter into discussions with ACWWA to have ACWWA supply water service to East Valley Metropolitan District and to allow East Valley Metropolitan District participate in South Metro Water Supply Authority projects under the umbrella of ACWWA's membership in SMWSA. After review of the letter, Director Hammond made a motion to approve sending of the letter. The motion was seconded by Director Smyth and upon vote, unanimously approved.

Interim Well Maintenance Agreement

The Interim Well Maintenance Agreement was reviewed. Director Farrell made a motion to accept the Interim Well Maintenance Agreement as presented. The motion was seconded by Director Hammond and upon vote, unanimously approved.

ACWWA Sewer billing

Director Waller noted that ACWWA had a new method of billing for wastewater service which may raise questions which will be directed to East Valley. Director Smyth noted that the wastewater charge should be a direct pass through to the customers and recommended dropping the \$2.50 administrative fee EVMD has been charging to bill the customers. Director Hammond noted that if there is a cost associated with billing the wastewater services for ACWWA those cost should be passed through to the customers. After further discussion, a motion was made by Director Smyth to waive the \$2.50 service charge and to clearly reflect on the customer's bill that the wastewater fees are a straight pass through from ACWWA. The motion was seconded by Director Hammond and upon vote unanimously approved.

DISCUSSION ITEMS

There were no additional discussion items.

Adjournment

There being no further business to come before the board, a motion was made by Director Hammond to adjourn the meeting at 9:40 p.m. The motion was seconded by Director Farrell and upon vote

unanimously approved

Approved by the Board on the 25th day of February, 2009.

Respectfully submitted,

Larry Hammond. Secretary

February 25, 2009 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, February 25, 2009 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present:	Bill Waller	President
	Sheryl Smyth	Vice President
	Larry Hammond	Secretary
	Kevin Farrell	Treasurer
	Jim Mumey	Director

Staff Present:	Darcy Beard, CPA	District Manager
	Bob Clodfelter	Western Well
	David Lindholm	Attorney
	Tom Dea	TZA Engineering

Guests Present:	Rhonda Livingston
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CALL TO ORDER AND ROLL CALL

Director Waller called the meeting to order and called the roll at 6:30 p.m. noting the presence of a quorum.

ADDITIONS/CHANGES TO AGENDA

Director Waller asked if there were any changes to the agenda. Director Farrell noted that he would like to add a discussion item regarding the 2008 Audit as Action Item E. Director Waller noted that he would like to add discussion of the letter received from Gary Atkins, ACWWA as a discussion item under Correspondence.

DIRECTOR'S COMMENTS

There were no director's comments.

PUBLIC COMMENTS

There was no public comment.

REVIEW ITEMS – NO ACTION REQUIRED

Review of Financial Reports

Ms. Beard presented several monthly reporting options generated from the online version of the new accounting software for the Board's consideration. After discussion, the board requested Ms. Beard print

the balance sheet and profit & loss generated by the program for each monthly meeting. In addition, the board requested Ms. Beard prepare a treasurer's report which reflects the monthly cash flows of the District and to include the monthly water usage at the bottom of the treasurer's report.

System Operator Monthly Report

Mr. Clodfelter presented the system operator monthly reports. He reported that he had changed the pressure gauge on the airline for the Carson I well and had received a higher water level reading. Since the readings are not consistent from reading to reading, Mr. Clodfelter will have AmWest Inc. measure the well level with an M-Scope to determine an accurate well level reading.

Mr. Clodfelter reported that when the new equipment was installed in the Jordan well, it was noted that there is a lot of sediment in the bottom of the Jordan well and that some of the screens were obstructed. Consequently, at the next equipment change (in approximately 4 years) the well will need to be baled and the screens cleaned.

Mr. Clodfelter also noted that the VFD motor is leaking and needs to be replaced at an estimated cost of \$2,000 to \$2,500.

Director Waller expressed concern regarding the charge for replacement of the standby generator switch. The Board directed Ms. Beard to contact the insurance company to see if replacement can be submitted as a claim by the District.

Customer Usage and Billing Reports

Director Farrell presented the Customer Usage and Billing Reports. Director Farrell reported that four accounts owed in excess of \$350 which put them in a delinquent status as of February 25, 2009. There was no comment on the meter readings for February 2009.

Water Violations/Delinquent Notices

There were no water violations issued or delinquent accounts noted.

Line of Credit Update

Director Farrell reported that Wells Fargo had agreed to resubmit the Line of Credit application. Wells Fargo felt a Line of Credit for approximately \$50,000 might be approvable. Director Farrell commented that Wells Fargo may require the District establish an account with a compensating balance in order to approve the Line of Credit.

Long Range Planning Committee

Director Hammond reported that the committee is continuing to collect information and will be working with Steve Waisecko to put the updated information on the District's website.

Correspondence

Director Waller presented the letter he had received from Gary Atkins, ACWWA. After reviewing the letter, the board determined a need to set up a meeting with Mr. Atkins sometime in late March. Ms. Beard will email possible meeting dates to the Board and set up the meeting.

Mr. Lindholm presented a draft of the letter to the Parker's regarding their use of the District property. After review and discussion, the Board asked Ms. Beard to include the draft of the letter on the March agenda.

Ms. Beard reported that Mr. Reil with ACWWA had indicated the Emergency Water Interconnect agreement was under consideration by an ACWWA committee.

Engineer's Report

Mr. Dea reviewed the equipment lease proposals requested from AmWest, Inc., Layne Western and Colorado Pump Service and Supply. Layne Western had chosen not to bid on providing the equipment

and Colorado Pump Service and Supply was not interested in entering into an agreement to lease the equipment. The AmWest Inc. proposal had the following terms:

Down Payment \$67,677
Monthly Lease \$ 1,471
Duration 60 months
Residual Pmt \$ 1,000

The proposal indicated that all the above terms were negotiable. Director Mumey made a motion to authorize Mr. Dea to inform AmWest Inc that the Board is evaluating the financial position of the District and at completion of the analysis the Board will be interested in negotiating the equipment lease terms. The motion was seconded by Director Farrell and upon vote, the motion was unanimously approved.

Mr. Dea reported that National Electrical code may require the transformer disconnect be within eyesight of the well however, this code may be waived since the pump is a submersible pump. Ms. Beard noted that she had contacted Mr. Edward Stoddard with the City of Centennial to request permission to place the transformer in the utility easement at Carson and Jordan. Mr. Dea commented that his preference would be to put the transformer on the Carson I well site.

Mr. Dea noted that the District is still holding retain-age of \$39,329.37. Before the retain-age is released, Mr. Dea will contact Algonquin Acres, LLC to ensure the site restoration has been accomplished to Algonquin Acres, LLC satisfaction. Director Farrell directed Mr. Dea to request a written release from AA, LLC prior to the release of the retain-age.

ACTION ITEMS REQUIRING MOTION

Approval of January 28, 2009 meeting minutes

Director Waller presented the minutes from the January 28, 2009 meeting. After reviewing the minutes Director Hammond made a motion to approve the minutes. The motion was seconded by Director Farrell. Upon vote the motion passed unanimously.

Approval of Expenditures

Director Farrell presented the expenditures for January 2009, payable in February 2009 for approval. He noted the total of the expenditures is \$27,413.98. Director Farrell made a motion to approve the expenditures. The motion was seconded by Director Hammond and upon vote the motion was unanimously approved.

2009 Watering Schedule

The Board reviewed the proposed 2009 Watering Schedule. The watering schedule should reinforce the following objectives of the District.

1. Water conservation
2. Penalization of heavy users
3. Minimize aquifer drawdown

Director Mumey made a motion to accept the schedule with the exception that the customers on the a.m. schedule for 2008 are changed to the p.m. schedule for 2009 and that customers on the p.m. schedule for 2008 are changed to the a.m. schedule for 2009 and to continue from year to year to alternate the schedule. The motion was seconded by Director Farrell and upon vote, the motion passed unanimously.

2008 Audit

Director Farrell made a motion to ask Paul Goedecke, CPA the District's independent accountant to prepare an audit exemption for 2008 instead of Audited Financial Statements. This will result in a substantial savings for the District. The motion was seconded by Director Mumey and upon vote unanimously passed.

DISCUSSION ITEMS

Rate Comparison

The Board reviewed the rate comparisons.

Residual Analyzer Purchase

The Board discussed the purchase of a residual analyzer which would constantly monitor the well chlorine levels at a cost of \$4,000 to 6,000. It was determined this item would be tabled until the 2010 budget process.

Locating District Water Lines

Director Farrell noted that Colorado Aerial Photo allows review of photos prior to purchase. He further noted that the photos are indexed by longitude and latitude.

Adjournment

There being no further business to come before the board, a motion was made by Director Mumey to adjourn the meeting at 9:45 p.m. The motion was seconded by Director Hammond and upon vote unanimously approved

Approved by the Board on the 25th day of March, 2009.

Respectfully submitted,

Larry Hammond. Secretary

March 25, 2009 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, March 25, 2009 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present:	Bill Waller	President
	Sheryl Smyth	Vice President
	Larry Hammond	Secretary
	Kevin Farrell	Treasurer
	Jim Mumey	Director

Staff Present:	Darcy Beard, CPA	District Manager
	Bob Clodfelter	Western Well
	David Lindholm	Attorney

Guests Present:	Rhonda Livingston
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CALL TO ORDER AND ROLL CALL

Director Waller called the meeting to order and called the roll at 6:30 p.m. noting the presence of a quorum.

ADDITIONS/CHANGES TO AGENDA

Director Waller asked if there were any changes to the agenda. Director Waller noted that he would like to add a discussion item (H) regarding accounting issues. Director Hammond noted that he would like to add discussion item (I) regarding questions raised by a resident of the community who had read an article in the Denver Post regarding a community that was unable to use the water in the well owned by the community.

DIRECTOR'S COMMENTS

There were no director's comments.

PUBLIC COMMENTS

There was no public comment.

REVIEW ITEMS – NO ACTION REQUIRED

Review of Financial Reports

Ms. Beard presented a packet of monthly accounting report options for the Board's consideration. After discussion, the board requested Ms. Beard print the balance sheet, profit & loss, monthly cash disbursements and budget to actual comparison generated by QuickBooks. In addition, the Board of Directors asked Ms. Beard to update the Treasurer's Report for each month.

The Board then reviewed the updated worksheet outlining the costs to drill the Carson II well.

System Operator Monthly Report

Mr. Clodfelter presented the system operator monthly reports. He showed the Board the connector of the service line to the water main that had failed in late February resulting in a water leak. The cost to repair the connection is the responsibility of the District and will cost approximately \$8,000. Director Mumey noted that after the break in the service line connector there was an increase in white residue in the water.

Mr. Clodfelter reported that the static water level is continuing to slightly increase.

Mr. Clodfelter also noted that the Variable Speed turbine pump has been shut off until the new seal is received and installed.

Director Waller raised the issue of the charge for replacement of the standby generator transfer switch. Ms. Beard noted that she had contacted the insurance company and had been told that the District would need to submit the claim to determine if it was a covered issue. After discussion the Board directed Ms. Beard to contact the insurance company to determine the impact on the District's insurance premiums if the claim is submitted and to determine if the insurance company will pursue subrogation against the maintenance company's insurance policy if the claim is submitted.

Customer Usage and Billing Reports

Director Farrell presented the Customer Usage and Billing Reports.

Water Violations/Delinquent Notices

Director Farrell reported that two accounts owed in excess of \$350 which put them in a delinquent status as of March 25, 2009. The Board noted that the customers owing in excess of \$350 are the same customers as in prior months. It was noted that the customers seem to be only keeping balances below \$350 instead of trying to clear the balance due. The board directed Ms. Beard to add the shut off policy as an action item to the agenda for the April meeting.

Line of Credit Update

Ms. Beard noted that she had been in contact with Samantha LaBarrie of Wells Fargo regarding the line of credit request. She recommended that the District may want to contact additional lenders who are more familiar with the operations of special districts. Director Smyth volunteered to contact Centennial Bank, Director Waller volunteered to contact US Bank and Director Farrell offered to contact First Bank.

Correspondence

The Directors reviewed a draft of the letter to the Parker's regarding their use of the District property. Mr. Lindholm confirmed that the District owns the subject property referred to in the correspondence. The Board approved the letter for mailing to the Parker's with a change in the parcel number referred to in the letter.

Engineer's Report

The Board reviewed the written report which was submitted by Mr. Dea. The report is attached to these minutes.

Accounting Issues

The Board reviewed the current accounting system and asked Ms. Beard to review the general ledger on a monthly basis.

Resident Questions regarding Denver Post article

Director Hammond noted that resident Terry O'Neil had questioned whether the District could lose the water rights which the District currently owns. Mr. Lindholm confirmed that East Valley Metropolitan District has 183 acre feet of permanently adjudicated water and these water rights cannot be taken from the District.

It was further noted that the water quality is tested on a monthly basis and meets or exceeds the state health requirements.

Water Line Locating

Director Farrell reported that he had looked at the photos which Colorado Aerial Product Supply has available for reproduction. The photos are available for \$50 per photo and \$75 to digitize a photo. He noted that the roads were not paved until approximately 1974 and that the photos show some distinct lines where trenching had been done. However, the photos do not seem to provide definitive answers to the water line layout.

Director Smyth asked Mr. Clodfelter to try to locate water lines with a metal detector at some point.

ACTION ITEMS REQUIRING MOTION

Approval of February 25, 2009 meeting minutes

Director Waller presented the minutes from the February 25, 2009 meeting. After reviewing the minutes Director Farrell made a motion to approve the minutes. The motion was seconded by Director Mumey. Upon vote the motion passed unanimously.

Approval of Expenditures

Director Farrell presented the expenditures for February 2009, payable in March 2009 for approval. He noted the total of the expenditures is \$64,438.12. It was noted that the EFT amount for ACWWA's charges was incorrect. The amount will be corrected and should be \$1,302.34. Director Farrell made a motion to approve the expenditures as amended. The motion was seconded by Director Mumey and upon vote the motion was unanimously approved.

Carson II Well Equipment Lease

The Board reviewed the lease presented by AmWest and the cash flow analysis prepared by Ms. Beard. The Board directed Ms. Beard to contact Mr. Orr with AmWest to discuss additional payment options and to invite Mr. Orr to attend the April meeting.

Emergency Interconnect Agreement – Amendment 1

The Board reviewed the Emergency Interconnect Agreement – Amendment 1. It was noted that the agreement cannot be reciprocal because the intertie is a one-way valve and EVMD cannot provide water to ACWWA through the valve. After further discussion, the board directed Ms. Beard to contact ACWWA and discuss the possibility of the water being billed at a bulk rate and the agreement including an automatic renewal clause.

DISCUSSION ITEMS

Adjournment

There being no further business to come before the board, a motion was made by Director Mumey to adjourn the meeting at 8:50 p.m. The motion was seconded by Director Hammond and upon vote unanimously approved

Approved by the Board on the 22th day of April, 2009.

Respectfully submitted,

Larry Hammond, Secretary

EAST VALLEY METROPOLITAN DISTRICT

April 24, 2009 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, April 24, 2009 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present:	Bill Waller	President
	Sheryl Smyth	Vice President
	Larry Hammond	Secretary
	Kevin Farrell	Treasurer
	Jim Mumey	Director

Staff Present:	Darcy Beard, CPA	District Manager
	Bob Clodfelter	Western Well
	David Lindholm	Attorney

Guests Present: None

CALL TO ORDER AND ROLL CALL

Director Waller called the meeting to order and called the roll at 6:40 p.m. noting the presence of a quorum.

ADDITIONS/CHANGES TO AGENDA

There were additions or changes to the agenda.

DIRECTOR'S COMMENTS

There were no director's comments.

PUBLIC COMMENTS

There was no public comment.

REVIEW ITEMS – NO ACTION REQUIRED

Review of Financial Reports

Ms. Beard reviewed the financial statements. She noted that actual revenues had a slight variance from the year to date budget figures due to the cycle of property tax collections and winter water revenue. Ms. Beard noted that the largest months for property tax collections are typically March and July with the

largest collection typically in July. She further noted that the auditor will most likely adjust the well replacement charges to accrue the expenses into the 2008 since the well drilling was completed in 2008.

The board directed Ms. Beard to ask Steve Waisecko to post the Unaudited Treasurer's Monthly and the Treasurer's Report for March 2009 on the website.

System Operator Monthly Report

Mr. Clodfelter presented the system operator monthly reports. He reported that the Jordan well level rose, the Carson well level dropped and the Dawson well level rose. He further noted that the fact that two of the well levels rose and the third dropped was odd. The Board asked him to recheck the levels.

Mr. Clodfelter also noted that the seal for the Variable Speed turbine pump has been received and he anticipates installing it in the week following the board meeting.

Director Waller noted that he had discussed the electrical permit for the Carson II well with an engineer at the City of Centennial. He reported that the cost to obtain the permit would be around \$200. He further noted that since the conduit for the wiring has been buried, the City of Centennial would require pot holing in three locations to check the depth of the line.

It was noted that Bob Clodfelter will complete the contract to connect electrical to the well and consequently, he will obtain the electrical permit.

Customer Usage and Billing Reports

Director Farrell presented the Customer Usage and Billing Reports. As of March 31 three customers had past due balances which exceed the \$350. These customers received shut off warnings and all three had reduce the outstanding balance due below \$350 prior to shut off of services.

Water Violations/Delinquent Notices

There were no water violations noted.

Long Range Planning Committee

The Long Range Planning Committee had nothing new to report.

Line of Credit Update

Ms. Beard noted that she had received a letter from Samantha LaBarrie of Wells Fargo denying the line of credit request. Director Farrell noted that he had met with Tom Carson a Senior Commercial Lending Officer with Wells Fargo and requested he review the line of credit application. He had heard from Sam Inman subsequent to the meeting with Tom Carson. Mr. Inman had said that Wells Fargo may consider giving the District a three year loan, secured by moving the funds from the ColoTrust account to a Wells Fargo account. These funds would be used as collateral for the three year loan.

Director Waller reported that he and Ms. Beard had met with Kathleen Shaver at US Bank. Ms. Beard has submitted all the documentation requested by US Bank and the application has been submitted for consideration.

Director Mumey noted that he had spoken with Kristen Sunden of Colorado State Bank and Trust and that she had expressed interest in opening a line of credit for the district.

Director Smyth noted that she had spoken with First Community Bank and been told that the bank was in the middle of a merger with another bank and would consider a line of credit for the district after the merger is complete.

Director Farrell noted that he would contact First Bank to determine whether they would be interested in offering a line of credit to the district.

Correspondence

The Directors reviewed the correspondence.

Engineer's Report

Nothing to report at this time.

Identity Theft Policy

Mr. Lindholm presented a resolution adopting an Identity Theft Policy. He explained that since the District provides service prior to collecting for such service he felt the District would be consider a creditor. After further discussion, a motion was made by Director Farrell to adopt the resolution as presented. The motion was seconded by Director Mumey and upon vote unanimously approved. The resolution is attached to the minutes.

Insurance Claim

Ms. Beard reported on discussions she had with ISU Insurance regarding filing a claim for damage to the standby generator transfer switch. After discussion, the board decided that the claim would not be filed.

ACTION ITEMS REQUIRING MOTION

Approval of March 25, 2009 meeting minutes

Director Waller presented the minutes from the March 25, 2009 meeting. After reviewing the minutes Director Hammond made a motion to approve the minutes. The motion was seconded by Director Farrell. Upon vote the motion passed unanimously.

Approval of Expenditures

Director Farrell presented the expenditures for March 2009, payable in April 2009 for approval. He noted the total of the expenditures is \$12,479.68. Director Farrell made a motion to approve the expenditures. The motion was seconded by Director Hammond and upon vote the motion was unanimously approved.

Carson II Well Equipment Lease

The Board reviewed the timeline associated with equipping the Carson II well. It was noted that the transformer would be the longest lead item and that the time from signing a lease agreement to having an operational well would be approximately six to eight weeks. Director Waller volunteered to compile a critical path chart for the board after approval of the line of credit.

Emergency Interconnect Agreement – Amendment 1

Ms. Beard noted that she had spoken with Arnie Reil with ACWWA regarding the changes the EVMD Board had requested in the Emergency Interconnect Agreement – Amendment 1. Mr. Reil had told Ms. Beard that he would present the changes to the ACWWA board for consideration.

Shut Off Policy

Director Smyth stated that it appears that some of the customers of the District are taking advantage of the District's shut off policy and are perpetually carrying a \$350 balance due. Consequently, she suggested that the shut off policy should limit the length of time a customer is allowed to carry a \$350 balance due. Director Smyth made a motion to eliminate the verbiage "or below \$350" from the shut off policy and to rework the verbiage "if balance remains above \$350" in the current shut off policy. Director Waller seconded the motion. After further discussion, Director Smyth modified her motion to alter the deadline to pay to avoid shut off from the current due date +grace period, to the 15th day of the month following the due date. Director Waller seconded the modified motion and upon vote the motion was unanimously approved. The Board then directed Ms. Beard to draft the new shut off policy verbiage for presentation at the next regular board meeting.

DISCUSSION ITEMS

Adjournment

There being no further business to come before the board, a motion was made by Director Hammond to adjourn the meeting at 8:45 p.m. The motion was seconded by Director Farrell and upon vote

unanimously approved

Approved by the Board on the 14th day of May, 2009.

Respectfully submitted,

Larry Hammond, Secretary

EAST VALLEY METROPOLITAN DISTRICT

May 5, 2009 MEETING MINUTES

A special meeting of the East Valley Metropolitan District was held on Tuesday, May 5, 2009 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present:	Bill Waller	President
	Sheryl Smyth	Vice President
	Larry Hammond	Secretary
	Kevin Farrell	Treasurer
	Jim Mumey	Director
Staff Present:	Darcy Beard, CPA	District Manager
Guests Present:	None	

CALL TO ORDER AND ROLL CALL

Director Waller called the meeting to order and called the roll at 6:30 p.m. noting the presence of a quorum.

ADDITIONS/CHANGES TO AGENDA

There were additions or changes to the agenda.

DIRECTOR'S COMMENTS

There were no director's comments.

PUBLIC COMMENTS

There was no public comment.

FINANCING OF NEW WELL EQUIPMENT

Director Waller opened the meeting by declaring that the purpose of the special meeting was to determine if and when the Carson II well will be equipped and whether the District should finance the acquisition/lease of the equipment necessary to make Carson II a functioning well. He then shared with the board the discussions he had engaged in with Kathleen Shaver of US Bank regarding the financing of the well equipment. He noted that Ms. Shaver would not be able to consider a loan for the District without the 2008 Audited Financial Statements. In addition, Ms. Shaver had suggested that US Bank might be able to provide \$30,000 of financing if the District was able to move the funds in ColoTrust to US Bank and these funds would be held as collateral for the loan.

Ms. Beard then reviewed the updated cash flow projections. She noted that AmWest had offered an alternative to the original proposed lease which required a down payment of \$67,677 and 60 monthly payments of \$1,491. The alternative proposed lease required a down payment of \$59,937 and 60 monthly payments of \$1,600. However, she further noted that although over the course of the lease term the second option cost the District slightly less, the District would still be utilizing a major portion of the minimal reserves to fund the lease. Under the second option, by August of 2009, the District would only have \$5,594 left in reserves and at the end of the year the total remaining reserves are estimated to be approximately \$15,326. She cautioned that if the District had an emergency repair the funds may not be available to pay for the repair.

Director Waller asked the board in what timeframe would the directors like to have the new well brought into service. After discussion, a motion was made by Director Mumey to equip the well so that it can be brought into service in 2009. The motion was seconded by Director Hammond and upon vote the motion unanimously passed.

With the passage of the motion, Director Farrell noted the objectives of the board are:

1. To equip the new well.
2. To increase revenue by approximately \$36,000 per year to support the debt service to finance the equipment to equip the well.

The board listed the following ideas to increase revenue:

1. Secure a line of credit for the \$36,000
2. Adjust the water rates
3. Explore other alternatives to increase water revenue

The board determined that currently the line of credit option was probably not a viable option as was discussed at the meeting dated April 24, 2009. All of the lenders which the directors have contacted have declined the request for a line of credit. Several of the lenders had mentioned the line of credit might be more seriously considered if the district raised the water rates to support the repayment schedule.

Director Waller suggested the following options for raising additional water revenue:

1. The District could raise the base rate charged for water by \$20 per customer per month and change the water restrictions in an attempt to raise an additional \$1,000 per month.
2. The District could raise the base rate for water by \$30 per customer per month.
3. The District could raise the base rate for water by \$30 per customer per month and relax the watering restrictions.

After further discussion and a review of the current rates schedule and customer use within each tier, the board proposed the following rate/usage schedule for consideration at a special meeting scheduled for May 14, 2009:

Tier 1 Usage up to 10,000 gallons	\$1.35/1,000 gallons
Tier 2 10,001-50,000 gallons	\$1.52/1,000 gallons
Tier 3 50,001-99,000 gallons	\$1.83/1,000 gallons
Tier 4 99,001-130,000 gallons	\$2.19/1,000 gallons
Tier 5 > 130,001 gallons	\$8.00/1,000 gallons

AND

Increase the base rate to \$96 per month.

Director Waller suggested that in addition to the changes to the rates schedule, the board relax the watering restrictions and allow residents to water every two days for a maximum of nine hours per day.

The board then directed Ms. Beard to prepare a letter to inform the residents of the District of the proposed rate increase and invite them to the May 14, 2009 special meeting where the rate increase will be further discussed and voted upon.

Director Waller then noted that he had received a proposal from Mr. James Mumey to loan the District up to \$65,000 to finance the new well equipment down payment. The board reviewed the loan proposal

which is attached to these minutes. After discussion, a motion was made by Director Farrell to approve the loan proposal from Mr. Mumey subject to approval by June 1, 2009 of a rate increase to support the repayment of the loan. The motion was seconded by Director Hammond and the votes were as follows:

Director Waller	Yes
Director Smyth	Yes
Director Hammond	Yes
Director Farrell	Yes
Director Mumey	Abstain

The motion was passed.

Director Farrell made a motion make the down payment on the well equipment in a lump sum to avoid the additional interest AmWest had built into the down payment if it was spread over a three month period. He amended the motion by adding a clause subjecting the motion to the completion of the loan with Mr. Mumey. The motion was seconded by Director Hammond and upon vote unanimously passed.

Adjournment

There being no further business to come before the board, a motion was made by Director Mumey to adjourn the meeting at 8:50 p.m. The motion was seconded by Director Hammond and upon vote unanimously approved

Approved by the Board on the 14th day of May, 2009.

Respectfully submitted,

Larry Hammond, Secretary

EAST VALLEY METROPOLITAN DISTRICT

May 14, 2009 MEETING MINUTES

A special meeting of the East Valley Metropolitan District was held on Tuesday, May 14, 2009 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present:	Bill Waller	President
	Sheryl Smyth	Vice President
	Larry Hammond	Secretary
	Kevin Farrell	Treasurer
	Jim Mumey	Director
Staff Present:	Darcy Beard, CPA	District Manager
	Bob Clodfelter	Western Well
	Tom Dea	TZA Engineering
	David Lindholm	Attorney
	Steve Wasiecko	Blue Spruce Management
Guests Present:	Sign in list attached.	

CALL TO ORDER AND ROLL CALL

Director Waller called the meeting to order and called the roll at 6:30 p.m. noting the presence of a quorum. Director Waller welcomed the members of the public to the meeting and introduced the Board of Directors and the Staff to the guests.

ADDITIONS/CHANGES TO AGENDA

Director Waller requested the addition of Item I – Approval of Loan Resolution.

DIRECTOR'S COMMENTS

Director Waller welcomed the members of the public to the meeting and introduced the Board of Directors and the Staff to the guests. Director Waller explained the board would be considering a change to the water rates at this meeting to fund the debt service associated with the down payment required for the leasing of the well equipment. Director Waller then reviewed the issues that arose during the well drilling process which increased the cost of the new well over the initial estimates.

PUBLIC COMMENTS

George Rozmarin, District resident, asked the board to explain the reason Valley Country Club Estates (VCCE) is included in East Valley Metropolitan District (EVMD) instead of Arapahoe County Water & Wastewater Authority. Director Waller explained that VCCE was in the boundaries of EVMD when the homes in VCCE were built and consequently, EVMD was the water provider. He went on to explain that EVMD has and continues to explore options of merging with a larger water provider. ACWWA would require the property owners in EVMD to purchase a tap fee; pay PID fees of approximately 20 mills and up size all the water lines within EVMD. In addition, ACWWA is only willing to supply ½ acre foot of water per property per year without the purchase of a larger, more expensive tap.

RJ Ross, District resident asked why ACWWA would require the replacement of the water lines. Director Waller responded that ACWWA wants to use the lines to pass water through EVMD and that EVMD current lines are undersized for ACWWA's system.

Mike Casper, District resident, asked if the Board has done an evaluation of the value of the Districts assets. The Board responded that an evaluation had been performed by HRS Water Consultants in September, 2007. Mr. Casper requested a copy of the evaluation and the Board replied that they would provide a copy of the evaluation. Mr. Casper asked if the EVMD water system would be of value to ACWWA. Mr. Dea responded that although EVMD has two good wells in the Arapahoe Basin capable of producing 200 gallons per minute, ACWWA already has wells in the Denver basin as well as rights to Cherry Creek water and is more interested in securing surface water than additional water from the Denver basin.

Mr. Casper explained that he felt the board and staff were inexperienced and suggested there may be mismanagement of funds. He stated that he does not feel the board is looking out for the best interest of the customers. Director Waller stated that the District has an audit each year and that the audits are public information and posted on the website. Director Farrell explained that the Long Range Planning Committee was not the beginning of long range planning and the discussions with ACWWA have been ongoing for at least five or six years. He further explained that providing a reliable water system is expensive and EVMD has only 99 homes to support the ongoing operations and maintenance for the water system.

Mr. Casper then asked the board to provide a report on the history of the long range planning efforts of the District. Mr. Wasiecko reported that in prior years representatives for EVMD had met with the mayor of Aurora and had been told Aurora would not provide water for EVMD. In addition, in the fall of 2008, the board had contacted Cottonwood to pursue a merger or arrangement where Cottonwood would provide water for EVMD however, Cottonwood was not interested in entering any such agreement. Director Farrell reported the board had also contacted Chip Barry with Denver water, but Denver does not sell water outside it's "blue line" and EVMD is located outside the "blue line".

Mr. Dea noted that although the water rights owned by EVMD are not valuable to other Districts, the amount of water being drawn from the aquifer is declining and the levels should stabilize as other surrounding districts move to surface water sources.

Mr. Casper asked if and how VCCE could secede from EVMD. Director Waller responded that first VCCE would have to find another water provider and then an election would be held to see if a majority of electors in EVMD approved of the decision to secede. He further noted that if VCCE seceded all the water rights would stay with EVMD.

Mr. Lindholm explained that with the drilling and equipping of the new well, EVMD has provided a long term solution to the water needs of the District. He clarified that the solution is long term but not permanent. Mr. Lindholm noted that he thinks eventually a large water supplier will provide a regional solution to the water needs of EVMD as well as all the water suppliers in the metro area.

Director Smyth added that EVMD has discussed piggy backing on the South Metro Water Supply Authority membership of ACWWA to allow EVMD to participate in any water projects which make sense. However, participation in any water project would require the commitment of significant funds.

Director Farrell asked Mr. Wasiecko to compile the letters which have been sent to homeowners in the past regarding long term planning and put them on the website.

An email was received by Director Farrell from Terry McNeill, District resident. Mr. McNeil stated in his email that he would be unable to attend the meeting however he has several concerns he would like to have addressed. In addition, he wanted his email included in the official record of the meeting. Therefore, Mr. McNeill's email and the response from the board is attached and an official part of these minutes.

REVIEW ITEMS – NO ACTION REQUIRED

Review of Financial Reports

Director Farrell reviewed the financial statements.

System Operator Monthly Report

Mr. Clodfelter presented the system operator monthly reports. He reported that the overall water levels had only dropped three feet in four years. Director Smyth noted that from 2002 to 2009 the water levels had dropped 35 feet however from 2006 to 2009 there had been no change in the water levels of the Jordan well.

Customer Usage and Billing Reports

Director Farrell presented the Customer Usage and Billing Reports. As of April 30 one customer had a past due balance which exceed the \$350.

Water Violations/Delinquent Notices

No water violations noted.

Long Range Planning Committee

Director Hammond reported that it appears a majority of EVMD residents seems to want to merge with ACWWA. He noted that the Long Range Planning Committee would like to be able to provide homeowners with a concrete cost or at least a range of the cost for EVMD to join ACWWA. Director Smyth reported that in preliminary discussions with ACWWA the cost would range from \$4 million to \$6 million.

Correspondence

The Directors reviewed the correspondence. Mr. Clodfelter noted that he would contact the State Engineer to request using the old Carson well as a monitoring well.

ACTION ITEMS REQUIRING MOTION

Approval of April 24, 2009 meeting minutes

Director Waller presented the minutes from the April 24, 2009 meeting. After reviewing the minutes Director Farrell made a motion to approve the minutes. The motion was seconded by Director Mumey. Upon vote the motion passed unanimously.

Approval of May 5, 2009 meeting minutes

Director Waller presented the minutes from the May 5, 2009 meeting. After reviewing the minutes Director Hammond made a motion to approve the minutes. The motion was seconded by Director Smyth. Upon vote the motion passed unanimously.

Approval of Expenditures

Director Farrell presented the expenditures for April 2009, payable in May 2009 for approval. He noted the total of the expenditures is \$15,848.25. Director Farrell made a motion to approve the expenditures. The motion was seconded by Director Hammond and upon vote the motion was unanimously approved.

Water Rates Increase

Mr. Wasiecko reviewed the financial model which allows a comparison of the effect of different rate structures in an attempt to achieve desired revenue level. After reviewing the model Director Smyth noted the necessity of the rates covering the fixed costs of the District. Director Farrell noted that additionally the District needs to replenish the reserves. Director Hammond asked that each component of the rate structure be voted on individually. He then made a motion to increase the water availability fee (flat fee) to \$96 per month. The motion was seconded by Director Smyth and upon vote the motion was unanimously approved.

Director Farrell suggested that the board may want to change the usage tiers as follows:

- Tier 1 usage to 8,000 gallons
- Tier 2 8,001 to 40,000 gallons
- Tier 3 40,001 to 60,000 gallons
- Tier 4 60,001 to 75,000 gallons
- Tier 5 usage greater than 75,000 gallons

After discussion, the suggested change to the tiers was not moved on. Director Hammond made a motion to change the usage rates to the following schedule:

Tier 1	\$1.32/1,000 gallons	usage up to 10,000 gallons
Tier 2	\$1.59/1,000 gallons	10,001 to 50,000 gallons
Tier 3	\$1.91/1,000 gallons	50,001 to 75,000 gallons
Tier 4	\$2.29/1,000 gallons	75,001 to 99,000 gallons
Tier 5	\$8.00/1,000 gallons	usage greater than 99,000 gallons

The motion was seconded by Director Farrell and upon vote the motion was unanimously approved.

Approval of Resolution 09-02

The board reviewed Resolution 09-02 Approval of Promissory Note with James Mumey. Director Waller made a motion to approve the resolution with a change in the note amount to \$65,000, the associated revised payment schedule and the payment by the District of Mr. Mumey's attorney fees to review the promissory note of up to \$1,000. The motion was seconded by Director Farrell. Upon vote the motion passed with the following votes: Director Waller - yes, Director Smyth – yes, Director Hammond – yes, Director Farrell – yes, Director Mumey – abstain.

Carson II Well Equipment Lease

Mr. Lindholm reviewed the Carson II Well Equipment Lease Agreement. After discussion Director Smyth made a motion subject to the signing of the promissory note approved with Resolution 09-02, to approve

the Carson II Well Equipment Lease Agreement with modification to Paragraph 3 which will define where the duties of Amwest ends and the duties of the electricians work begins. The motion was seconded by Director Hammond and upon vote approved with Director Mumey abstaining.

Emergency Interconnect Agreement – Amendment 1

Ms. Beard noted that she had spoken with Arnie Reil with ACWWA regarding the changes the EVMD Board had requested in the Emergency Interconnect Agreement – Amendment 1. Mr. Reil had told Ms. Beard that he would present the changes to the ACWWA board for consideration. Ms. Beard has not received comments from Mr. Reil to date.

Shut Off Policy

Mr. Wasiecko reviewed the billing policy, a billing policy analysis and his recommendations regarding the Shut-Off Policy. After discussion, Director Mumey made a motion to rescind the revised Shut-Off Policy approved at the April 24, 2009 meeting and to re-instate the previous Shut-Off Policy. The motion was seconded by Director Farrell and upon vote the motion was approved with the following vote: Director Waller - yes, Director Smyth – no, Director Hammond – yes, Director Farrell – yes, Director Mumey – yes

Water Schedule

Director Farrell reviewed the reasoning for the three day watering schedule. He noted that if the District changed to a two day watering schedule prior to the finalization of bringing the new well online, the storage tank levels will fall to dangerously low levels due to the increased use. Mr. Wasiecko reviewed the usage model and noted that if the District maintained a three day cycle, the storage tank would stay within safe levels if an additional hour was added to each of the watering shifts. Director Farrell made a motion to revise the watering schedule as follows:

	<u>A.M. Shift</u>	<u>P.M. Shift</u>
Start	2 a.m.	6 p.m.
End	12 p.m.	4 a.m.

The motion was seconded by Director Mumey and upon vote unanimously approved.

Adjournment

There being no further business to come before the board, a motion was made by Director Hammond to adjourn the meeting at 10:30 p.m. The motion was seconded by Director Waller and upon vote unanimously approved

Approved by the Board on the 24th day of June, 2009.

Respectfully submitted,

Larry Hammond, Secretary

June 24, 2009 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, June 24, 2009 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present:	Bill Waller	President
	Sheryl Smyth	Vice President
	Larry Hammond	Secretary
	Kevin Farrell	Treasurer

Staff Present: Darcy Beard, CPA District Manager
Bob Clodfelter Western Well
David Lindholm Attorney

Guests Present: Rhonda Livingston, Resident

CALL TO ORDER AND ROLL CALL

Director Waller called the meeting to order and called the roll at 6:30 p.m. noting the presence of a quorum. Director Waller welcomed the members of the public to the meeting.

ADDITIONS/CHANGES TO AGENDA

There were no changes to the agenda.

DIRECTOR'S COMMENTS

There were no Director's comments.

PUBLIC COMMENTS

There was no comment from the public.

REVIEW ITEMS – NO ACTION REQUIRED

Review of Financial Reports

Director Farrell reviewed the financial statements. He explained that the check made payable to the East Valley Water Enterprise should not have been returned by Wells Fargo to the payer because the bank account on record at Wells Fargo includes both the name East Valley Metropolitan District and East Valley Water Enterprise. The District's position is that this account is for the Metro District General Fund as well as the East Valley Water Enterprise; two separate entities. Mr. Lindholm noted that the check has now been accepted by Wells Fargo and has cleared the payer's bank.

System Operator Monthly Report

Mr. Clodfelter presented the system operator monthly reports. He reported that the Dawson well has been turned on one time in the last month. He added that the water meter on the Dawson well has reset and he needs to replace the transducer at a cost of approximately \$500.

Mr. Clodfelter reported that he had spoken with the City of Centennial and verified that the District does not need a permit from the City to complete the well. It is anticipated that Amwest will install the new well equipment on July 1, 2009 and should complete the installation in ten days. Mr. Clodfelter confirmed his plans to alternate the operation of the Jordan and Carson II well monthly switching the operation on the day Xcel reads the meter to avoid demand charges.

Customer Usage and Billing Reports

Director Farrell presented the Customer Usage and Billing Reports. As of May 31, 2009 two customers had a past due balance which exceeds the \$350.

Water Violations/Delinquent Notices

Ms. Beard noted that she had received an email from a resident without a sprinkler system requesting a change to the water schedule. The board directed Ms. Beard to contact the resident and inform her that she would be allowed to water up to ten hours anytime on the days specific to the days she is scheduled to water.

Long Range Planning Committee

Director Hammond reported that the Long Range Planning Committee would like to have a document outlining the previous long range planning efforts to distribute to the District customers and put on the

District website.

Correspondence

The Directors reviewed the correspondence.

ACTION ITEMS REQUIRING MOTION

Approval of May 14, 2009 meeting minutes

Director Waller presented the minutes from the May 14, 2009 meeting. After reviewing the minutes Director Hammond made a motion to approve the minutes. The motion was seconded by Director Farrell. Upon vote the motion passed unanimously.

Approval of Expenditures

Director Farrell presented the expenditures for May 2009, payable in June 2009 for approval. He noted the total of the expenditures is \$36,871.74. Director Farrell made a motion to approve the expenditures. The motion was seconded by Director Hammond and upon vote the motion was unanimously approved.

Encroachment Letter to Les Parker

Ms. Beard reported that she had not received a response from Mr. & Mrs. Parker regarding the correspondence sent to them on April 16, 2009. The Board directed Ms. Beard to contact the Parker's via telephone and ask them to return the letter. If they refuse to sign and return the letter, the Board will re-address the encroachment issue at the regularly scheduled meeting on July 22, 2009.

It was noted that Mr. Kermit Breyer also is using the District property at 6605 S. Jordan Road to park vehicles from time to time. Mr. Lindholm noted that the District has a written agreement with Mr. Breyer allowing him to make limited use of the property in return for Mr. Breyer mowing the grass and tending to the vegetation. Mr. Lindholm will research the agreement with Mr. Breyer and report back to the board at the July meeting.

Emergency Interconnect Agreement – Amendment 1

Ms. Beard presented the Emergency Interconnect Agreement - Amendment 1 for the board's approval. After review and discussion, Director Hammond made a motion to approve the Emergency Interconnect Agreement – Amendment 1 as presented. The motion was seconded by Director Smyth and upon vote unanimously passed.

Long Range Planning

Director Waller reported that he, Director Smyth and Ms. Beard had met with Gary Atkins with ACWWA to discuss options available to EVMD in securing water from ACWWA. Ms. Beard prepared an analysis of the options available as presented by ACWWA. The analysis is attached to these minutes. Option 1 recaps ACWWA's proposed cost to provide water to EVMD through a master meter. The cost per EVMD customer is estimated to be approximately \$54,949 which includes ACWWA's cost to purchase the water rights to be able to serve EVMD and the cost of transportation and treatment of the water. In addition, each EVMD customer may have to pay a PID to ACWWA of approximately \$627 per year. The rate ACWWA would charge EVMD for water would be between \$4 and \$6 per thousand gallons of water if EVMD customers paid an annual PID and between \$6 and \$9 per thousand gallons of water if EVMD customers did not pay a PID.

Option 2 recaps ACWWA's proposed cost to allow EVMD to merge with ACWWA. The cost of the purchase of water rights, transportation and treatment of water, the replacement of the water lines to meet ACWWA's rule and regulations reduced by the sale of EVMD water rights to ACWWA is estimated to be approximately \$65,083 per EVMD customer. In addition, each EVMD would be required to pay a PID of approximately \$627 per year. ACWWA did not express any interest in purchasing EVMD's wells and storage system because ACWWA is primarily interested acquiring surface water sources.

Director Waller explained that currently ACWWA is participating in the Barr Lake Project through South Metro Water Supply Authority (SMWSA). Mr. Atkins has encouraged EVMD to participate in the project

through a piggyback on ACWWA's membership in SMWSA. The cost of participation is approximately \$1,000 per acre foot for pipeline capacity only. Water rights are estimated to cost approximately \$35,000 per acres foot. Currently EVMD customers use approximately 80 acre feet per year.

In addition, ACWWA is in negotiations with Parker Water and Sanitation District to purchase storage in the Reuter-Hess Reservoir at a cost of approximately \$5,500 per acre foot for storage only.

Adjournment

There being no further business to come before the board, a motion was made by Director Hammond to adjourn the meeting at 8:50 p.m. The motion was seconded by Director Waller and upon vote unanimously approved.

Approved by the Board on the 22nd day of July, 2009.

Respectfully submitted,

Larry Hammond, Secretary

July 22, 2009 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, July 22, 2009 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present:	Bill Waller	President
	Sheryl Smyth	Vice President
	Kevin Farrell	Treasurer
	James Mumey	Director

Staff Present:	Darcy Beard, CPA	District Manager
	Bob Clodfelter	Western Well
	David Lindholm	Attorney

Guests Present: Rhonda Livingston, Resident

CALL TO ORDER AND ROLL CALL

Director Waller called the meeting to order and called the roll at 6:30 p.m. noting the presence of a quorum. Director Waller welcomed the members of the public to the meeting.

ADDITIONS/CHANGES TO AGENDA

Director Mumey requested addition of Discussion Item E – District Financial Institution

DIRECTOR'S COMMENTS

There were no Director's comments.

PUBLIC COMMENTS

There was no comment from the public.

REVIEW ITEMS – NO ACTION REQUIRED

Review of Financial Reports

Ms. Beard reviewed the financial statements. She explained that approximately 70% of the property tax payments are received by the District by June 30 of each year with an additional 26% received by July 30 of each year. In 2010 the bond debt service due on July 1 will be \$43,592.23. The District will need to ensure funds are set aside to make the bond payment since some of the property taxes assessed will not have been collected when the payment is due.

System Operator Monthly Report

Mr. Clodfelter presented the system operator monthly reports. He reported that the AmWest had sent the wrong variable speed drive for the Carson II well. When the correct drive is received the well will be complete.

Director Farrell noted that the water usage was substantially down from the prior year and that the Dawson well had not been used in June.

The Board reviewed the well construction and test report on the Carson II well.

Customer Usage and Billing Reports

Director Farrell presented the Customer Usage and Billing Reports. As of June 30, 2009 five customers had past due balances which exceeded the \$350 cut off threshold.

Water Violations/Delinquent Notices

No watering violations were noted.

District Financial Institution

Director Mumey reported that he did not feel Wells Fargo was responsive in handling the return of the loan disbursement check made payable to the East Valley Water Enterprise. Director Farrell noted that the deposit was processed by Wells Fargo and that the payer's bank had returned the check due to the endorsement. Director Smyth suggested the board review the options offered by other banks. The board directed Ms. Beard to present additional banking options at the next meeting.

Correspondence

There was no correspondence

ACTION ITEMS REQUIRING MOTION

Approval of June 24, 2009 meeting minutes

Director Waller presented the minutes from the June 24, 2009 meeting. Director Farrell made a motion to approve the minutes with the following changes:

1. Review of Financial Reports – change Director Farrell to Ms. Beard on line one of paragraph.
2. System Operator Reports – Second paragraph, last sentence should read “Mr. Clodfelter confirmed his plans to alternate the operation of the Jordan and Carson II well monthly switching the operation on the day Xcel reads the meter to avoid **duplicate** demand charges.”
3. Customer Usage and Billing Reports - change Director Farrell to Ms. Beard on line one of paragraph.

The motion was seconded by Director Smyth. Upon vote the motion passed with Director Mumey abstaining.

Approval of Expenditures

Director Farrell presented the expenditures for June 2009, payable in July 2009 for approval. He noted the July expenditures total \$13,693.05. It was noted that upon completion of the Carson II well a check in the amount of \$59,937.00 would need to be delivered to AmWest. Director Farrell made a motion to approve the expenditures presented as well as the check for \$59,937 payable to AmWest. The motion was seconded by Director Waller and upon vote the motion was unanimously approved.

Encroachment Letter to Les Parker

Ms. Beard reported that she had received the signed encroachment letter from Mr. & Mrs. Parker.

Agreement with property owners north and south of Jordan Well

The item was tabled pending verification that agreement had been recorded with the Arapahoe County Clerk and Recorder.

Adjournment

There being no further business to come before the board, a motion was made by Director Mumey to adjourn the meeting at 8:10 p.m. The motion was seconded by Director Waller and upon vote unanimously approved.

Approved by the Board on the 26th day of August, 2009.

Respectfully submitted,

Larry Hammond, Secretary

August 26, 2009 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, August 26, 2009 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present:	Bill Waller	President
	Sheryl Smyth	Vice President
	Larry Hammond	Secretary
	Kevin Farrell	Treasurer
	James Mumey	Director

Staff Present:	Darcy Beard, CPA	District Manager
	Bob Clodfelter	Western Well
	David Lindholm	Attorney

Guests Present: Rhonda Livingston, Resident

CALL TO ORDER AND ROLL CALL

Director Waller called the meeting to order and called the roll at 6:30 p.m. noting the presence of a quorum. Director Waller welcomed the members of the public to the meeting.

ADDITIONS/CHANGES TO AGENDA

Director Farrell requested addition of Action Item E – SDA Conference Attendance

DIRECTOR'S COMMENTS

There were no Director's comments.

PUBLIC COMMENTS

There was no comment from the public.

REVIEW ITEMS – NO ACTION REQUIRED

Review of Financial Reports

Ms. Beard reviewed the financial statements and cash flow analysis. She noted that the 2009 budget may need to be amended due to the higher than anticipated down payment required on the lease of the well equipment for the Carson II well. She further noted the cash flow analysis projects a year-end cash reserve of \$73,321.

System Operator Monthly Report

Mr. Clodfelter presented the system operator monthly reports. He reported the Carson II well has been chlorinated but continues to test positive for coliform. He noted that this is not unusual for a new well and that he plans to re-chlorinate the well which he expects will result in a test clear of coliform. He noted that more importantly, the well does test **negative** for ecoli bacteria.

Mr. Clodfelter reported that the new pump was not pumping at the expected capacity of 210 gpm and that he was working with Scott Orr to rectify the problem. He reported that Scott Orr did not anticipate the problem would result in any additional costs to the District. The board directed Ms. Beard to hold the check issued to AmWest for the down payment on the new well equipment until the new pump is working properly.

Mr. Clodfelter reported that a water line break had occurred approximately 8 (eight) feet from the water line break on Billings Street in February 2009. He noted the new break is due to water from the first break which permeated the soil around the water line. He has installed flow fill beneath the pavement in the area of the breaks to protect the repaired line from any further damage due to water around the line.

Director Mumey noted the Dawson well has not been used this summer. He explained when the Dawson well is used in the winter months the water from the Dawson well leaves a residue on dishes and results in complaints from District customers. During the summer months the use of the Dawson well does not result in the residue because the water from the Dawson is blended with the water from the Jordan well. He further noted the Dawson well is less expensive to pump water from and produces renewable water. Consequently he would like to see the Dawson well set to turn on when the tank is at a higher level during irrigation months.

Mr. Clodfelter noted he can adjust the start and stop points for each well to adjust the mix of the Dawson well water and the Jordan well water. Director Mumey opined that he would like the District to pump 25% of the water used during irrigation season from the Dawson well and 0% from the Dawson well in the winter months.

Director Waller noted that use of the Dawson results in copious complaints from customers due to the smell of the water as well as the residue left behind. The board directed Mr. Clodfelter to investigate treatment of the Dawson well water to soften the water. The item was tabled and will be addressed as an action item at the September meeting.

Customer Usage and Billing Reports/ Water Violations/Delinquent Notices

Director Farrell presented the Customer Usage and Billing Reports. As of July 31, 2009 one customer received a shut off notice and one water violation letter had been issued. The board asked Mr. Lindholm how to properly handle an outstanding water bill in the event a property is in foreclosure. Mr. Lindholm responded that the water bill stays with the property and consequently, the bank or new property owner is responsible for any outstanding bills.

District Financial Institution

Ms. Beard presented several options for new financial institutions for the District. After discussion the board reached a consensus to stay with Wells Fargo.

Correspondence

There was no correspondence

ACTION ITEMS REQUIRING MOTION

Approval of July 22, 2009 meeting minutes

Director Waller presented the minutes from the July 22, 2009 meeting. Director Waller made a motion to approve the minutes as presented. The motion was seconded by Director Mumey. Upon vote the motion unanimously passed.

Approval of Expenditures

Director Farrell presented the expenditures for July 2009, payable in August 2009 for approval. He noted the July expenditures total \$87,835.96. Director Farrell made a motion to approve the expenditures presented noting that check 2026, payable to AmWest in the amount of \$61,021 would be held until the new well was "accepted" by the District in accordance with the AmWest agreement. The motion was seconded by Director Mumey and upon vote the motion was unanimously approved.

Agreement with property owners north and south of Jordan Well

Mr. Lindholm provided documentation that the agreement with the property owners to the north and south of the Jordan well had been properly recorded with the Arapahoe County Clerk & Recorder.

Long Range Planning Committee Format

The board reviewed the format of the Long Range Planning Committee. It was determined that the committee's responsibility is to give the Board of Directors input on long range planning options to consider and that any long range planning decisions were the sole responsibility of the Board of Directors. Consequently, Director Smyth made a motion to change the name of the Long Range Planning Committee to the Constituent Advisory Committee to properly reflect the role of the committee. The motion was seconded by Director Farrell and upon vote unanimously approved.

SDA Conference Attendance

Director Farrell reported that the annual SDA Conference has been scheduled for September. He attended the conference last year and found the conference very informative and would like to attend the conference this year. Director Waller made a motion to pay the conference registration fee up to a maximum of \$300. The motion was seconded by Director Hammond and was passed with Director Farrell abstaining.

Adjournment

There being no further business to come before the board, a motion was made by Director Mumey to adjourn the meeting at 8:10 p.m. The motion was seconded by Director Hammond and upon vote unanimously approved.

Approved by the Board on the 23rd day of September, 2009.

Respectfully submitted,

Larry Hammond, Secretary

September 23, 2009 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, September 23, 2009 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present: Bill Waller President
Sheryl Smyth Vice President
Larry Hammond Secretary
Kevin Farrell Treasurer
James Mumey Director

Staff Present: Bob Clodfelter Western Well
David Lindholm Attorney
Steve Wasiecko Blue Spruce Management
Paul Goedecke Auditor

Guests Present: Rhonda Livingston, Resident

CALL TO ORDER AND ROLL CALL

Director Waller called the meeting to order and called the roll at 6:30 p.m. noting the presence of a quorum. Director Waller welcomed the members of the public to the meeting.

ADDITIONS/CHANGES TO AGENDA

Director Waller suggested Paul Goedecke's presentation of the 2008 Audited Financial Statements be made after the Public Comment section of the agenda.

DIRECTOR'S COMMENTS

There were no Director's comments.

PUBLIC COMMENTS

There was no comment from the public.

ACCEPTANCE OF 2008 AUDITED FINANCIAL STATEMENTS

Mr. Goedecke presented the 2008 Audited Financial Statements. Mr. Goedecke noted that he had issued an unqualified opinion on the financial statements stating that in his opinion, the financial statements fairly present, in all material respects, the financial position and change of net assets and cash flows for the year ended December 31, 2008 in conformity with account principles generally accepted in the United States of America. After reviewing the 2008 Audited Financial Statements the board noted that the footnotes did not include the new lease on the Carson II well equipment and the corresponding note payable for the initial payment on the lease. The board directed Mr. Lindholm to provide the language for the footnote to Mr. Goedecke no later than September 29, 2009. In addition, the board noted that the Jordan Lease had been renewed and should be disclosed as a subsequent event in the footnotes. Mr. Goedecke presented the board with a signed copy of Letter 114 which is attached to these minutes. Letter 114 states the auditors responsibilities and that the auditor noted no significant audit findings in relationship to qualitative aspects of accounting practices, difficulties encountered in performing the audit, corrected and uncorrected misstatements, disagreements with management, management representations, management consultations with other independent accountants or other audit findings or issues. Director Smyth made a motion to accept the 2008 Audited Financial Statements with the modifications noted. Director Mumey seconded the motion and upon vote the motion passed unanimously.

REVIEW ITEMS – NO ACTION REQUIRED

Review of Financial Reports

Director Farrell reviewed the financial statements. The question was raised by the board whether the 2009 budget will need to be amended. It was noted that the forecast expenditures for 2009 on the 2010 proposed budget exceed the 2009 budgeted expenditures. Consequently, the 2009 budget may need to be amended.

System Operator Monthly Report

Mr. Clodfelter reported that the District had received a letter from the Colorado Department of Public Health and Environment with a punch list of items necessary to be completed prior to the certification of the Carson II well.

The board then discussed the quality of the water from the Dawson Well and the mix of the Dawson well water with the Arapahoe water. After discussion, the board tabled a decision on the mix until prior to the 2010 irrigation season.

Customer Usage and Billing Reports/ Water Violations/Delinquent Notices

Director Farrell presented the Customer Usage and Billing Reports. It was noted that two accounts exceed the \$350 threshold and consequently will be receiving shut off notices if payment is not received.

2010 Proposed Budget

The board reviewed the Proposed 2010 Budget and noted that the budget would be approved at the special meeting scheduled for November 23, 2009. The board noted that this meeting has been published.

ACTION ITEMS REQUIRING MOTION

Approval of August 26, 2009 meeting minutes

Director Waller presented the minutes from the August 26, 2009 meeting. Director Farrell made a motion to approve the minutes as presented. The motion was seconded by Director Mumey. Upon vote the motion unanimously passed.

Approval of Expenditures

Director Farrell presented the expenditures for August 2009, payable in September 2009 for approval. He noted the September expenditures total \$28,309.41. The board noted that check number 2026 payable to AmWest, Inc in the amount of \$62,021, had been voided and replaced by check number 2054 in the amount of \$1,084 (equipment monthly lease payment) and check number 2055 in the amount of \$59,937 (equipment lease initial payment). Director Waller made a motion to approve the expenditures. The motion was seconded by Director Farrell and upon vote the motion was unanimously approved.

Adjournment

There being no further business to come before the board, a motion was made by Director Mumey to adjourn the meeting at 8:10 p.m. The motion was seconded by Director Hammond and upon vote unanimously approved.

Approved by the Board on the 28th day of October, 2009.

Respectfully submitted,

Larry Hammond, Secretary

October 28, 2009 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, October 28, 2009 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present: Bill Waller President
 Larry Hammond Secretary
 Kevin Farrell Treasurer
 James Mumey Director

Staff Present: Bob Clodfelter Western Well
 David Lindholm Attorney
 Darcy Beard Manager

Guests Present: Rhonda Livingston, Resident

CALL TO ORDER AND ROLL CALL

Director Waller called the meeting to order and called the roll at 6:30 p.m. noting the presence of a quorum. Director Waller welcomed the members of the public to the meeting.

ADDITIONS/CHANGES TO AGENDA

Director Farrell requested the addition of Discussion Item E – Report on 2009 SDA Conference.

DIRECTOR'S COMMENTS

There were no Director's comments.

PUBLIC COMMENTS

Ms. Livingston noted that the Nielsen property is for sale.

REVIEW ITEMS – NO ACTION REQUIRED

Review of Financial Reports

Director Farrell reviewed the financial statements. Ms. Beard noted that the 2009 Budget will need to be amended due to the purchase of the new well equipment in the 2009 budget year instead of purchasing the new well equipment in 2008 as originally planned.

The board directed Ms. Beard to alter future agendas to include the approval of the financial reports as an action item.

System Operator Monthly Report

Director Farrell noted that the reports indicate the water levels are continuing to decline. Director Waller asked if the District should only operate the Carson II well for the winter months. After discussion, the board determined the decision to rely only on the Carson II well for the winter months would be deferred until the issue can be discussed with Bob Clodfelter. It was noted that the Carson II well should be online prior to the November 2009 meeting.

Director Waller noted that Layne Christensen would like release of the bond posted with SEMSWA. He then reviewed the Final Close-out Acceptance form from the City of Centennial. Director Waller noted that Mr. Lindholm, had advised him not to sign page three of the form but that he should sign page one and two. Accordingly, Director Waller signed the form as outlined.

Director Waller reviewed and signed the application for approval of the new well.

2010 Proposed Budget

The board reviewed the Proposed 2010 Budget and noted that the budget would be approved at the special meeting scheduled for November 23, 2009. The board determined after reviewing the budget that the District cannot eliminate or reduce the \$40 new well fee at this time. The board determined that the reduction or elimination of the \$40 new well fee will be reviewed each year during the budget process.

Ms. Beard advised the board that the District may be eligible to file an audit exemption for 2009 at an approximate savings of \$3,250. After further discussion, the board determined that for 2009 the District would hire an independent CPA to file an audit exemption.

Report on 2009 SDA Conference

Director Farrell reported on the 2009 SDA Conference. In addition, he prepared a written report which is attached to these minutes. He noted the necessity of the board to prepare a transparency report as outlined in legislation passed by the Colorado Legislature in 2009 and distribute the report to all residents of the District. In addition, the legislation was passed requiring annual filing of a District boundary map with the Arapahoe County Clerk and Recorder's office.

Director Farrell also distributed copies of the "Dum Dum Metro Board" script which highlighted mock board actions which may be inappropriate and the reasons the actions would be considered inappropriate.

ACTION ITEMS REQUIRING MOTION

Approval of September 23, 2009 meeting minutes

Director Waller presented the minutes from the September 23, 2009 meeting. Director Mumey made a motion to approve the minutes as presented. The motion was seconded by Director Hammond. Upon vote the motion unanimously passed.

Approval of Expenditures

Director Farrell presented the expenditures for September 2009, payable in October 2009 for approval. He noted the September expenditures total \$21,806.25. Director Farrell made a motion to approve the expenditures. The motion was seconded by Director Hammond and upon vote the motion was unanimously approved.

Appointment of Budget Officer

Director Waller made a motion to appoint Ms. Beard as budget officer. The motion was seconded by Director Mumey and upon vote the motion was unanimously approved.

Adjournment

There being no further business to come before the board, a motion was made by Director Farrell to adjourn the meeting at 8:00 p.m. The motion was seconded by Director Mumey and upon vote unanimously approved.

Approved by the Board on the 23rd day of November, 2009.

Respectfully submitted,

Larry Hammond, Secretary

November 23, 2009 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Monday, November 23, 2009 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present:	Bill Waller	President
	Sheryl Smyth	Vice President
	Larry Hammond	Secretary

	Kevin Farrell	Treasurer
	James Mumeey	Director
Staff Present:	Bob Clodfelter	Western Well
	David Lindholm	Attorney
	Darcy Beard	Manager
Guests Present:	None	

CALL TO ORDER AND ROLL CALL

Director Waller called the meeting to order and called the roll at 6:30 p.m. noting the presence of a quorum.

ADDITIONS/CHANGES TO AGENDA

No additions to the agenda.

DIRECTOR'S COMMENTS

There were no Director's comments.

PUBLIC COMMENTS

No public comments.

APPROVAL OF 2010 BUDGET

Ms. Beard presented the 2010 Proposed Budget. The board directed Ms. Beard to change the name of the Well Development Fee to Water Development Fee to properly identify the use of the \$40/month fee charged to customers. After further discussion of the budget, Director Farrell made a motion to approve the 2010 Budget with the line item name change. The motion was seconded by Director Hammond and upon vote unanimously approved.

REVIEW ITEMS – NO ACTION REQUIRED

System Operator Monthly Report

Mr. Clodfelter presented the System Operator reports. He noted the well levels continue to rise in all the wells. Director Farrell noted that the Denver Museum of Nature and Science is collecting data about aquifer levels and may be interested in the data East Valley collects. Director Waller volunteered to contact the museum and inquire if the museum is interested in the data.

Director Waller noted he had an informal discussion with Gary Atkins of Arapahoe Water and Wastewater Authority regarding leasing water. Mr. Atkins did not have the details available during the discussion so Director Waller requested Mr. Atkins contact him when the details are available.

Director Waller reported that Tom Dea had contacted the Colorado Department of Public Health regarding the status of the Carson II well approval but had not received a response. A response is expected by the end of November.

Customer Usage/Billing

The Board reviewed the customer usage and billing reports. Ms. Beard noted in November, one account had been shut off and subsequently turned on after payment. The Board directed Mr. Clodfelter to monitor and if necessary lock, the meters on accounts that had been shut off to ensure the water is not turned back on illegally.

Boundary Map Requirements

Ms. Beard noted that all districts are required to file a boundary map with Arapahoe County by January 1,

2010. The board directed Ms. Beard to work with Mr. Clodfelter to ensure an accurate map of the District is filed.

Amended 2009 Budget

Ms. Beard presented an amended 2009 Budget. The board reviewed the amended budget and directed Ms. Beard to publish notice that the Amended 2009 Budget will be reviewed and approved at the December 14, 2009 meeting.

ACTION ITEMS REQUIRING MOTION

Approval of October 28, 2009 meeting minutes

Director Waller presented the minutes from the October 28, 2009 meeting. Mr. Lindholm noted that he was not present at the October 28, 2009 meeting and the minutes incorrectly reflected his presence. Director Farrell made a motion to approve the minutes as amended. The motion was seconded by Director Hammond. Upon vote the motion passed with Director Smyth abstaining.

Acceptance of Financial Statements

Ms. Beard presented the Unaudited Treasurer's Report. After review, Director Mumey made a motion to accept the report as presented. The motion was seconded by Director Smyth and upon vote unanimously passed.

Approval of Expenditures

Director Farrell presented the expenditures for October 2009, payable in November 2009 for approval. He noted the October expenditures total \$15,850.82. He further noted the payment to Waste Management should be \$764.39 instead of \$964.39. Director Smyth asked Ms. Beard to contact Mr. Waisecko and ask him to note the payment number on the monthly disbursement for the note payable to Mr. Mumey. Director Smyth also noted that the District was paying for trash removal on a property that is in foreclosure and not collecting the monthly fee associated with the trash removal. After discussion, the board directed Ms. Beard to add payment for the trash removal on the property to the December agenda. Director Farrell made a motion to approve the list of expenditures as amended. The motion was seconded by Director Hammond and upon vote the motion was unanimously approved.

Approval of 2010 Transparency Notice

Ms. Beard presented the 2010 Transparency Notice. She explained the options available to the District to communicate the notice to the District customers. After discussion, Director Smyth made a motion to post the 2010 Transparency Notice on the East Valley Metropolitan District website and the Special District Association website. The motion was seconded by Director Mumey and upon vote unanimously approved.

Adjournment

There being no further business to come before the board, a motion was made by Director Mumey to adjourn the meeting at 7:50 p.m. The motion was seconded by Director Hammond and upon vote unanimously approved.

Approved by the Board on the 14th day of December, 2009.

Respectfully submitted,

Larry Hammond, Secretary

December 14, 2009 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Monday, December 14, 2009 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present:	Bill Waller	President
	Sheryl Smyth	Vice President
	Larry Hammond	Secretary
	Kevin Farrell	Treasurer
	James Mumey	Director

Staff Present:	David Lindholm	Attorney
	Darcy Beard	Manager

Guests Present: Rhonda Livingston

CALL TO ORDER AND ROLL CALL

Director Waller called the meeting to order and called the roll at 6:30 p.m. noting the presence of a quorum.

ADDITIONS/CHANGES TO AGENDA

Director Farrell requested the addition of Review item C – SDA Newsletter.
Director Mumey requested the addition of Review item D – Meeting Schedule.

DIRECTOR'S COMMENTS

There were no Director's comments.

PUBLIC COMMENTS

No public comments.

REVIEW ITEMS – NO ACTION REQUIRED

System Operator Monthly Report

The board reviewed the System Operator Reports. Director Smyth noted that the water levels continue to recover and that the District pumped less water in November of 2009 than had been pumped in November 2008.

Customer Usage/Billing

The Board reviewed the customer usage and billing reports. It was noted that a few accounts currently exceed the \$350 cut-off threshold however, it is early in the month and the customers have time to make payment.

SDA Newsletter

Ms. Beard noted that she had posted the Transparency Notice on the SDA website. The notice will also be posted on the District's website.

Meeting Schedule

Director Mumey discussed the merits of altering the meeting schedule to meet every other month. He noted the reduction in the number of meetings could save the District a significant amount of money. Director Waller noted that he feels the District needs to meet on a monthly basis to approve the monthly expenditures. Director Farrell noted that the board could set approval for all regularly occurring bills and ratify the approval at the meeting following the month of payment. He further noted he would like to see the detail of the monthly meeting expense.

Mr. Lindholm noted that it may not be necessary for him to attend all the District meetings which will result in cost savings. He further noted that he could attend the meetings on a case by case basis or even attend via a conference call.

After further discussion, the board directed Ms. Beard to put the Meeting Schedule on the January 2010 agenda as an action item.

ACTION ITEMS REQUIRING MOTION

Approval of November 23, 2009 meeting minutes

Director Waller presented the minutes from the November 23, 2009 meeting. Director Farrell noted that the details of his discussion with Doyle Tinkey of ACWWA were not reflected in the minutes. Director Mumey made a motion to approve the minutes as amended. The motion was seconded by Director Farrell. Upon vote the motion passed unanimously.

The board then directed Ms. Beard to draft a letter to ACWWA regarding East Valley Metropolitan District's understanding of the discussions held with ACWWA in June 2009 for review at the January 2010 meeting.

Acceptance of Financial Statements

Ms. Beard presented the Unaudited Treasurer's Report. After review and noting that the District's cash flow was positive for the month, Director Farrell made a motion to accept the report as presented. The motion was seconded by Director Hammond and upon vote unanimously passed.

Approval of Expenditures

Director Farrell presented the expenditures for November 2009, payable in December 2009 for approval. He noted the November expenditures total \$16,174.20.. Director Mumey made a motion to approve the list of expenditures as presented. The motion was seconded by Director Hammond and upon vote the motion was unanimously approved.

Approval of 2009 Amended Budget

Ms. Beard presented the 2009 Amended Budget. After review, Director Mumey made a motion to approve the 2009 Amended Budget as presented. The motion was seconded by Director Hammond and upon vote unanimously approved.

Trash Removal on Foreclosed Properties

Director Waller noted the District is continuing to pay for trash removal on the foreclosed property in the District. After discussion, the board determined it was in the best interest of the District to continue to pay for the trash removal providing a large trash pickup cannot be authorized by someone other than District personnel.

Adjournment

There being no further business to come before the board, a motion was made by Director Mumey to adjourn the meeting at 7:40 p.m. The motion was seconded by Director Hammond and upon vote unanimously approved.

Approved by the Board on the 27th day of January, 2010.

Respectfully submitted,

Larry Hammond, Secretary

