

2012-East Valley Metropolitan District Meeting Minutes

January 25, 2012 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Monday, January 25, 2012 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 Mumej	Board Member

Staff Present:	Darcy Beard	Manager
	Bob Clodfelter	Professional Water Services

Guests Present:	Neil Sandstede
	Terry McNeill
	Sheryl Smyth

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

Director Farrell reported that ColoTrust has changed clearing agents. Emails were sent by the new clearing agent stating passwords and access to accounts had changed. These letters were incorrect; authorized signers still have account access.

PUBLIC COMMENTS

Mr. Sandstede suggested the board consider installation of a water softener due to the high mineral content of the water. Mr. Clodfelter noted the Dawson well, which produces water with a very high mineral content, had not run for over a week. Director Waller noted homeowners that have installed water softeners or whole house filters have seen a reduction in mineral deposits.

CONFLICT CHECK

Director Waller reminded the board of the conflict of interest rules.

REVIEW ITEMS – NO ACTION REQUIRED

System Operator Monthly Report

The board reviewed the system operator reports. Mr. Clodfelter noted the water loss analysis reflects water loss at a rate which is not consistent with the actual loss due to the meter reading not reflecting actual flow. The meter is reflecting well production when the well is not producing. Director Farrell volunteered to add a line to the analysis to calculate the loss based on actual well production.

Mr. Clodfelter noted Colorado Custom Backflow has replaced a fire hydrant. One more fire hydrant will be replaced prior to the annual system flushing in the spring. Hydro Resources has installed new bearings in the large variable speed pump however the pump is vibrating so Hydro Resources continues to look at the situation determine the source of the vibration.

The water outage during the month of January was due to the setting on the fixed speed pump not allowing the pump to restart after power interruption. The power interruption was most likely caused by Xcel Energy. Mr. Clodfelter has re-set the pump to allow the pump to attempt a restart five times.

Director Waller noted the water levels are continuing to rise. Director Farrell noted the recovery in the prior two months has been fourteen feet per month.

SDA Newsletter

Director Farrell noted the SDA Newsletter has an article about preparing for the May 8, 2012 election. He further noted self nomination forms are due to the DEO (Ms. Beard) on March 2, 2012 at 3 p.m.

Customer Usage/Billing

The Board reviewed the usage and billing reports and noted one customer exceeded the \$350 limit.

Appointment to fill Board Vacancy

Director Waller noted two candidates have submitted letters indicating interest in filling the vacant board position and were present to discuss their interest. The board began the interview of Mr. McNeill and Mr. Sandstede.

Mr. McNeill stated he feels he can represent the north end of the district since the Board currently does not have a representative from the Valley Country Club Estates area of the district. He stated that he currently sits on the VCC HOA and supervised the installation of the new landscaping and fencing.

Mr. Sandstede stated he served on the water board previously for over 20 years. He is a civil engineer and understands the need to manage the water resource to ensure the water continues to flow. He further noted the homes in the District will have little value without water and the need to stay ahead of the water needs of the District.

Director Mumey noted the District reserves had been allowed to significantly drop in the past. He asked the candidates to state as a percentage of annual operations the total reserve they feel is necessary. Mr. Sandstede stated the reserve should be a calculation of the level of losses the District has experienced. Mr. McNeill stated the reserve should be based on historical data. He noted further he thinks the goal of the District should be to pay down the debt.

Director Hammond asked each candidate to state how each sees the ability of the District to meet monthly obligations in the future considering the changing neighborhood. Mr. Sandstede stated the current water rate structure which utilizes a large flat fee, seems to be working however, a need exists to find the best balance between a large flat rate and a variable rate. Mr. McNeill responded since the fixed portion of the bill represents the majority of customer water bills, he does not feel usage will change significantly. He stated he would like to encourage water conservation. He thinks the District should educate customers on the need for water conservation.

Director Farrell asked each candidate what type of board member each candidate would be. Mr. Sandstede stated he would be an active board member willing to assist with any issue that arises. In addition, he stated he wants to be proactive and anticipate problems such as rate restructuring and inadequate water supplies. Mr. McNeill stated he would be an active board member, he would communicate with the customers and focus on long range planning.

Director Farrell asked each candidate to state the immediate needs of the District. Mr. Sandstede stated he felt the Board needs more involvement with the customers to ensure the customers are informed about the actions of the Board and the reasons for the actions. Mr. McNeill stated he thinks the north side of the District needs to be represented on the Board.

Director Farrell asked each candidate how others such as employees would describe the candidates ability to work with others. Mr. Sandstede state he has excellent representation with clients and is considered confident and proactive. He has no tolerance for slackness and understands the importance of meeting deadlines. Mr. McNeill stated others see him as approachable and involved in daily activities.

Director Farrell asked each candidate how they thought they would be viewed by the constituents if a contested

election were held. Both replied they believed the were generally known in the immediate neighborhood and were viewed with respect.

Director Waller asked each candidate to state their approach to compromise. Mr. Sandstede stated that individuals will have different opinions but the District must succeed. If something needs to be done he will be all for completion but if the action is optional he may delay action. Mr. McNeill stated a board should operate with discussion and the majority rules.

With the Director's questioned answered, Mr. Sandstede and Mr. McNeill dismissed themselves to allow the board to discuss the candidates. All Directors noted both Mr. Sandstede and Mr. McNeill were good candidates. After further discussion, the board voted by private ballot. Ms. Beard tallied the votes. The result was one vote for Mr. Sandstede and three votes for Mr. McNeill. The Board invited the candidates back into the meeting and expressed their appreciation for the candidates taking the time and interest to attend the meeting and volunteer to serve the community.

Director Hammond made a motion to appoint Terrence McNeill to the board. The motion was seconded by Director Farrell and upon vote the motion was unanimously approved.

Director Waller administered the Oath of Office to Terrence McNeill.

ACTION ITEMS REQUIRING MOTION

Approval of meeting minutes

Director Waller presented the minutes from the December 12, 2011 meeting. Director Farrell made a motion to approve the minutes. The motion was seconded by Director Mumey. Upon vote, the motion passed unanimously.

Acceptance of Compilation Report

Ms. Beard presented the Compilation Report for the year ended December 31, 2011. She noted water sales exceeded the 2011 budget by almost \$7,000. The annual expenditures were under budget by \$92,164 which includes the contingency of \$50,000 budgeted for emergencies which may occur during the year, equipment purchases of approximately \$16,700 which were delayed and lower than expected electricity charges (\$8,918). Director Mumey made a motion to accept the compilation report as presented. The motion was seconded by Director Hammond and upon vote unanimously approved.

Approval of Expenditures

Director Farrell presented the expenditures for December 2011, payable in January 2012 for approval. He reported the December 2011 expenditures total \$21,906.72. Director Farrell made a motion to approve the list of expenditures. The motion was seconded by Director Hammond and upon vote unanimously approved.

Meeting Matters

Ms. Beard presented a proposed schedule outlining the meeting dates, meeting location and meeting posting places for 2012. Upon review, Director Farrell made a motion to approve the schedule as presented. The motion was seconded by Director Hammond and upon vote, unanimously approved. The schedule is attached to the minutes.

Adjournment

There being no further business to come before the board, a motion was made by Director Mumey to adjourn the meeting. The motion was seconded by Director McNeill and upon vote unanimously approved.

Respectfully submitted,

Larry Hammond, Secretary

February 22, 2012 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, February 22, 2012 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present:	Bill Waller	President
	Terry McNeill	Vice President
	Larry Hammond	Secretary
	Kevin Farrell	Treasurer
	James Mumey	Board Member

Staff Present:	Darcy Beard	Manager
	Bob Clodfelter	Professional Water Services
	David Lindholm	Attorney

Guests Present: Sheryl Smyth

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 requested Mr. Lindholm review Director responsibilities.

DIRECTOR'S COMMENTS

The Directors asked Ms. Beard to direct Mr. Waisecko to change the director password access to the website by the end of May 2012.

PUBLIC COMMENTS

Ms. Smyth requested copies of the future board packets via email. The board directed Ms. Beard to include Ms. Smyth on the distribution list for board packets excluding any customer information and/or other information which would not be distributed to the public.

CONFLICT CHECK

Director Waller reminded the board of the conflict of interest rules.

REVIEW ITEMS – NO ACTION REQUIRED

System Operator Monthly Report

The board reviewed the system operator reports. Mr. Clodfelter reported the repair of the large turbine pump would have been more costly than to rebuild the pump so the pump has been rebuilt. He further noted he has received a quote of \$4,040 for replacement of the PLC. The replacement would also require new software, programming, and addition of relays to well meters at an additional cost of approximately \$7,800. Director Farrell asked if there are other vendors that can install and program the software at a lower cost. Mr. Clodfelter replied that other vendors can do the work however, to put the project to a bid will require the development of bid documents and specifications to ensure all vendors are bidding on installation of the same equipment, software, etc. Director Waller volunteered to discuss current proposal with another knowledgeable source to verify the current proposal.

Director Waller noted the water levels are continuing to rise. Mr. Clodfelter reported that the Dawson water mixture has been reduced to 10% due to customer complaints of the reappearance of some white residue.

Mr. Lindholm reminded the board of the need to secure a decree for the Laramie Fox Hills water. This decree needs to be secured in the next four years. He noted when the Dawson well goes out of service and enters post pumping depletion Laramie Fox Hills water will replace the Dawson water. The decree for Laramie Fox Hills water use must

be secured in water court and will cost approximately \$5,000 to \$10,000. The Board directed Ms. Beard to include this cost in the 2013 Budget and in Long Range Planning.

SDA Newsletter

No comments.

Customer Usage/Billing

The Board reviewed the usage and billing reports and noted one customer exceeded the \$350 limit. The Board discussed the account which ACWWA has not billed since 2010. East Valley was not notified of the customer connection to ACWWA. Mr. Lindholm informed the board that sewer charges follow the property and any past due amounts on this account are between ACWWA and the homeowner.

Director Responsibilities

Director Waller asked Mr. Lindholm to remind the board of Director responsibilities. Mr. Lindholm reminded the board that decisions cannot be made outside of board meetings. If a consensus on a topic is reached via email, the decision needs to be ratified at the following board meeting. He encouraged the board to make the manager the hub of email discussions.

ACTION ITEMS REQUIRING MOTION

Approval of meeting minutes

Director Waller presented the minutes from the January 25, 2012 meeting. Director Mumey made a motion to approve the minutes. The motion was seconded by Director Hammond. Upon vote, the motion passed unanimously.

Acceptance of Compilation Report

Ms. Beard presented the Compilation Report for the month ended January 31, 2012. Director Farrell made a motion to accept the compilation report as presented. The motion was seconded by Director Mumey and upon vote unanimously approved.

Approval of Expenditures

Director Farrell presented the expenditures for January 2012, payable in February 2012 for approval. He reported the January 2012 expenditures total \$35,571.07. Director Farrell made a motion to approve the list of expenditures. The motion was seconded by Director Mumey and upon vote unanimously approved.

Cancellation of Election

Director Mumey made a motion to direct Ms. Beard to cancel the election if there are not more self nominations forms or affidavits of intent to be write in candidates than positions available. The motion was seconded by Director Farrell and upon vote unanimously approved.

Long Range Planning

The Board directed Ms. Beard to prepare and maintain a long range planning list.

Adjournment

There being no further business to come before the board, a motion was made by Director Mumey to adjourn the meeting. The motion was seconded by Director McNeill and upon vote unanimously approved.

Respectfully submitted,

Larry Hammond, Secretary

March 28, 2012 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, March 28, 2012 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present:	Bill Waller	President
	Terry McNeill	Vice Preside
	Kevin Farrell	Treasurer
	James Mumey	Board Member
Staff Present:	Darcy Beard	Manager
	Bob Clodfelter	Professional Water Services
Guests Present:	Sheryl Smyth	

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 or changes to agenda.

DIRECTOR'S COMMENTS

Director Mumey suggested the board consider raising water rates based upon the CPI. Director Waller noted that because the CPI does not include costs such as electricity, he does not feel the CPI is an accurate measure of increase in overall costs.

PUBLIC COMMENTS

Ms. Smyth noted the past due water fees which were filed with the county for collection with property taxes while she was a director, have been partially paid according to public county records.

CONFLICT CHECK

Director Waller reminded the board of the conflict of interest rules.

REVIEW ITEMS – NO ACTION REQUIRED

System Operator Monthly Report

Mr. Clodfelter reported the Dawson Well has been turned off since February 2012 at the direction of a board member. He cautioned that the District will need to mix Dawson water into the system when irrigation season begins. Mr. Clodfelter reported the Dawson water test results show a high level of dissolved solids (TDS) but the water meets all drinking water standards. He is investigating possible solutions and associated costs to reduce the high levels of TDS.

Director Farrell stated individual board members should not be directing staff to change the method of operations. The Board needs to allow staff to do their jobs. Mr. Clodfelter stated he will adjust the Dawson water mix to a between 15 - 20% of the total water pump into the system. If significant changes are made to operation of the system, Mr. Clodfelter will notify the Board and Manager via email.

Mr. Clodfelter reported Colorado Custom Backhoe will be installing the second fire hydrant. When the install is complete, Mr. Clodfelter will do the annual spring flushing of the system. He further noted the customers of the District need to be notified that the flushing will occur because there will be some temporary brown water associated with the flushing.

SDA Newsletter

No comments.

Customer Usage/Billing

The Board reviewed the usage and billing reports and noted four customer accounts exceed the \$350 limit. All accounts have been notified. One customer reported he had not been regularly receiving his bills.

The Board discussed the account which ACWWA has not billed since 2010. East Valley was not notified of the customer connection to ACWWA. The Board directed Ms. Beard to contact the billing office for an update on this account.

ACTION ITEMS REQUIRING MOTION

Approval of meeting minutes

Director Waller presented the minutes from the February 22, 2012 meeting. Director Farrell made a motion to approve the minutes. The motion was seconded by Director McNeill. Upon vote, the motion passed unanimously.

Acceptance of Compilation Report

Ms. Beard presented the Compilation Report for the month ended February, 2012. Director Farrell made a motion to accept the compilation report as presented. The motion was seconded by Director Mumey and upon vote unanimously approved.

Approval of Expenditures

Director Farrell presented the expenditures for February 2012, payable in March 2012 for approval. He reported the February 2012 expenditures total \$16,224.63. Director Mumey made a motion to approve the list of expenditures. The motion was seconded by Director McNeill and upon vote unanimously approved.

Audit Exemption

Ms. Beard presented the 2011 Audit Exemption. After board review, Director Mumey made a motion to approve the 2011 Audit Exemption. The motion was seconded by Director Farrell and upon vote unanimously approved.

ACWWA Payment

Director Mumey made a motion to change the monthly ACWWA payment from an auto debit to a check disbursement until the unreported ACWWA customer billing issue is resolved. The motion was seconded by Director McNeill. Director Farrell stated without consulting with Blue Spruce Management, the issue should not be micro managed by the Board. Upon vote, Director Mumey and Director McNeill voted yes. Director Waller and Director Farrell voted no. The motion failed due to the tie vote. The Board directed Ms. Beard to add this to the April agenda.

PLC Proposal

Mr. Clodfelter presented the Browns Hill Engineering PLC Upgrade and SCADA software and associated programming proposal. The cost breakout is as follows:

PLC Upgrade	\$ 4,040
SCADA software	\$ 5,221
SCADA programming	\$ 2,550
Total	\$ 11,811

The board reviewed the proposal. Director Farrell made a motion to approve the proposal. 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. The motion was seconded by Director McNeill and upon vote unanimously approved.

Respectfully submitted,

Larry Hammond, Secretary

April 25, 2012 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, April 25, 2012 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present:	Bill Waller	President
	Terry McNeill	Vice President
	Larry Hammond	Secretary
	Kevin Farrell	Treasurer
	James Mumey	Board Member

Staff Present:	Darcy Beard	Manager
	Bob Clodfelter	Professional Water Services
	David Lindholm	Attorney

Guests Present: Sheryl Smyth, Neal Sandstede

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 and appointed Ms. Beard Acting Secretary.

ADDITIONS/CHANGES TO AGENDA

Ms. Smyth encouraged the board to appoint a committee to determine the slate of officers to be seated at the May 2012 meeting. The Board agreed and added the item to the agenda.

DIRECTOR'S COMMENTS

Director Mumey stated he had enjoyed serving the East Valley Metropolitan District customers for his twelve year term as a board member.. He commented that twelve years ago he had filled Neal Sandstede's director position and now Neal will be filling Director Mumey's seat. Director Mumey thanked the Board for their dedication to taking care of the District and noted a special thanks to Director Waller for his efforts during construction of the new Carson well. He stated that without Director Waller's efforts, the Carson II well may not have become a reality.

PUBLIC COMMENTS

No comments.

CONFLICT CHECK

Director Waller reminded the board of the conflict of interest rules.

REVIEW ITEMS – NO ACTION REQUIRED

System Operator Monthly Report

Mr. Clodfelter reported water usage has increased markedly from March; however, water levels are remaining stable. The District is currently pumping slightly less from the Jordan well. Director Farrell noted that now homeowners are irrigating so the recovery is not as high as it had been in prior years in March.

Mr. Clodfelter noted that the fire hydrant repair required changing of the steamer fitting to a 5" which is standard. This increased the cost of the repair.

Director Farrell requested Mr. Clodfelter provide a copy of his contract to provide services to East Valley Metropolitan District. Director Farrell stated he would like definition of what is included in Mr. Clodfelter's

monthly contract maintenance fee. Mr. Clodfelter responded he is operating under the same contract concepts as the previous operator and has not increased his fee for several years despite the fact that he does not bill for all the hours required to provide operations for the District. Director Waller expressed his appreciation for everything Mr. Clodfelter does for the District. Mr. Clodfelter offered to provide a memo for the board outlining the responsibilities included in his monthly flat fee.

SDA Newsletter

Director Farrell noted the Colorado Special District Insurance Pool reported a small loss but the Pool reserves allowed rates to stay low while expanding available coverage. He noted all Board members have identity theft protection through the Pool. In addition, the Pool offers a Safety & Loss Prevention Grant Program. Director Farrell volunteered to contact the Pool to get more details on the Safety and Loss Prevention Grant Program.

Customer Usage/Billing

The Board reviewed the usage and billing reports and noted two customer accounts exceed the \$350 limit.

ACTION ITEMS REQUIRING MOTION

Approval of meeting minutes

Director Waller presented the minutes from the March 28, 2012 meeting. Director Hammond noted that he was not in attendance and should not sign as secretary. He suggested Ms. Beard be appointed as acting secretary. Director Mumey made a motion to approve the minutes with Ms. Beard as acting secretary. The motion was seconded by Director Hammond. Upon vote, the motion passed unanimously as amended.

Acceptance of Compilation Report

Ms. Beard presented the Compilation Report for the month ended March 31, 2012. She noted the District has spent \$33,000 of the \$36,000 budgeted for maintenance and repair and equipment. Director Farrell made a motion to accept the compilation report as presented. The motion was seconded by Director Mumey and upon vote unanimously approved.

Approval of Expenditures

Director Farrell presented the expenditures for March 2012, payable in April 2012 for approval. He reported the March 2012 expenditures total \$25,853.70. Director Mumey made a motion to approve the list of expenditures. The motion was seconded by Director McNeill and upon vote unanimously approved. Director Farrell directed Ms. Beard to contact Century Link regarding the charge for long distance service. It was noted the fee is most likely part of a package deal and will not be reduced.

ACWWA Payment through Auto Debit

Director Mumey stated he does not recall approving payment of ACWWA through auto debit. After discussion, Director Mumey made a motion approving payment of the monthly ACWWA charges through auto debit. The motion was seconded by Director Farrell and upon vote, unanimously approved. The Board directed Ms. Beard to contact Gary Atkins, ACWWA manager and request East Valley be notified of any new connections in the future.

Attorney's Report

Mr. Lindholm noted the Waste Management contract had automatically renewed for a three year term on April 1, 2012. The Board directed Ms. Beard to add the next Waste Management renewal in 2015 to the Long Term Planning List.

Mr. Lindholm discussed the resident encroachment issue. He requested a copy of the most recent letter sent to the homeowners. The Board directed Ms. Beard to contact the SDA Insurance Pool to determine if the District insurance would cover any accidents on the property due to the encroachment. Mr. Lindholm noted the homeowner should be required to list the District as an additional insured. Mr. Lindholm will prepare a new agreement to be presented to the homeowner for review at the May meeting.

Nominating Committee

Director Waller appointed Director Mumey, Director Hammond and Director McNeill to the nominating committee to propose a new slate of officers for presentation at the May meeting. The nominating committee convened during

a short meeting break. When the meeting re-convened, the nominating committee proposed the following slate of officers:

President	Terry McNeill
Vice President	Neal Sandstede
Treasurer	Larry Hammond
Secretary	Kevin Farrell
Director	Bill Waller

This slate of officers will be voted on at the May 2012 meeting after Oaths of Office have been taken.

Adjournment

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

Respectfully submitted,

Darcy Beard, Acting Secretary

May 23, 2012 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, May 23, 2012 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present:	Bill Waller	President
	Terry McNeill	Vice President
	Larry Hammond	Secretary
	Kevin Farrell	Treasurer

Staff Present:	Darcy Beard	Manager
	Bob Clodfelter	Professional Water Services
	Beth Clodfelter	Professional Water Services

Guests Present: Sheryl Smyth, Neal Sandstede

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 and appointed Ms. Beard Acting Secretary.

OATHS OF OFFICE

Director Waller presented his Oath of Office which was taken before a public notary. Director Waller then administered the Oaths of Office to Larry Hammond, Terry McNeill and Neal Sandstede.

ELECTION OF OFFICERS

Director Waller made a motion to adopt the following slate of officers:

President	Larry Hammond
Vice President	Neal Sandstede
Treasurer	Terry McNeill
Secretary	Kevin Farrell
Director	Bill Waller

ADDITIONS/CHANGES TO AGENDA

No changes were made to the agenda.

DIRECTOR'S COMMENTS

No Director comments.

PUBLIC COMMENTS

Ms. Smyth asked to add discussion of the water billed and water pumped comparison to the agenda. Director Farrell volunteered to prepare the report for discussion.

CONFLICT CHECK

Director Hammond reminded the board of the conflict of interest rules.

REVIEW ITEMS – NO ACTION REQUIRED

System Operator Monthly Report

Mr. Clodfelter reported water usage has increased markedly from April. The water pumped was almost 600,000 gallons more than the same period last year. He noted both the Carson Well and the Jordan Well are down 22 feet. One customer used 98,000 gallons. This is the first year in seven years that the aquifer recovery has not exceed recovery from the prior year. He further noted the need to repair a valve. The cost of the repair should be less than \$1,000.

The board reviewed the information regarding services and rates provided by Professional Water Services.

SDA Newsletter

No comments.

Customer Usage/Billing

The Board reviewed the usage and billing reports and noted one customer account which exceeds the \$350 limit.

Audit Exemption

Ms. Beard noted the 2011 Audit Exemption was approved by the Colorado Office of the State Auditor.

ACTION ITEMS REQUIRING MOTION

Approval of meeting minutes

Director Hammond presented the minutes from the April 25, 2012 meeting. Director Farrell made a motion to approve the minutes. The motion was seconded by Director Waller. Upon vote, the motion passed unanimously.

Acceptance of Compilation Report

Ms. Beard presented the Compilation Report for the month ended April 30, 2012. Director Waller made a motion to accept the compilation report as presented. The motion was seconded by Director McNeill and upon vote unanimously approved.

Mr. Clodfelter noted that Bell Mountain Ranch had recently drilled a well comparable to the well East Valley drilled in 2008 at a cost of \$530,874. The cost of the well drilled in Bell Mountain Ranch was approximately \$1.3 million. The Directors expressed relief that the decision was made in 2008 to secure the safety of an additional well.

Approval of Expenditures

Director McNeill presented the expenditures for April 2012, payable in May 2012 for approval. He reported the April 2012 expenditures total \$15,192.01. Director Farrell made a motion to approve the list of expenditures. The motion was seconded by Director McNeill and upon vote unanimously approved.

Watering Schedule

Director Waller noted the District had removed watering restrictions in 2011 and asked Mr. Clodfelter if the lack of watering restrictions had resulted in any problems with the water system. Mr. Clodfelter noted the lack of

restrictions had not caused any problems with pressure and last year residents used approximately the same amount of water as had been used in previous years. Director Farrell made a motion to continue with the lack of water restrictions. The motion was seconded by Director Waller. Director McNeill suggested at a minimum the District make a recommendation to encourage residents to conserve. He noted the District can add comments encouraging conservation on water bills and to remind customers of the water saving rebates the District offers. Upon vote to continue with a lack of water restrictions, the motion was passed unanimously.

The District asked Ms. Beard to contact Blue Spruce Management to prepare a newsletter noting the lack of restrictions, the encouragement of conservation, and notifying residents of the new slate of officers. This newsletter will be a separate mailing from the billing.

Adjournment

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

Respectfully submitted,

Darcy Beard, Acting Secretary

June 27, 2012 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, June 27, 2012 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present:	Larry Hammond	President
	Neil Sandstede	Vice President
	Kevin Farrell	Secretary
	Bill Waller	Director
Staff Present:	Darcy Beard	Manager
	Bob Clodfelter	Professional Water Services
Guests Present:	Sheryl Smyth	

CALL TO ORDER AND ROLL CALL

Director Hammond called the meeting to order and called the roll at 6:30 p.m. noting the presence of a quorum and appointed Ms. Beard Acting Secretary.

ADDITIONS/CHANGES TO AGENDA

Director Waller requested addition of Review Item F - Protection around the Carson II well. Director Hammond requested addition of Review Item G - Status of 6659 S Blackhawk.

DIRECTOR'S COMMENTS

No Director comments.

PUBLIC COMMENTS

No comments.

CONFLICT CHECK

Director Hammond reminded the board of the conflict of interest rules. Ms. Smyth commented the Directors may

want to consider removal of this as an agenda item. The Directors discussed Ms. Smyth's comments. No decision was made on Ms. Smyth's suggestion.

REVIEW ITEMS – NO ACTION REQUIRED

System Operator Monthly Report

Mr. Clodfelter reported the system water loss is at 4%. In the past the water loss has been reported at a higher percentage however, the replacement of the check valve corrected the reported percentage. Currently, the Carson II well is pumping between 12 and 16 hours per day. Director Farrell asked if the Dawson Well can be pumped from 12 a.m. to 4 a.m. to replenish the storage tank? Mr. Clodfelter responded he believes this would result in the tank being saturated with water from the Dawson well and will increase the number of customer complaints regarding taste and residue. He further noted this summer is testing the wells. Ms. Smyth noted usage of the Dawson well would conserve water since the Dawson well is recharged each year. Director Sandstede noted East Valley is only one straw of many in the aquifers. Director Hammond stated the usage of the Dawson well is a decision that should be left to Mr. Clodfelter.

SDA Newsletter

No comments.

Customer Usage/Billing

The Board reviewed the usage and billing reports.

Service Stations Meeting

Mr. Clodfelter reported he had attended the hearing on the proposed service station and has no concerns regarding the development in relationship to the District's water system.

Carson II Well Protection

Director Farrell noted he had attend the meeting for the Morningstar Assisted Living Facility. Plans have not been submitted to the City of Centennial formally however, the preliminary plans indicate relocation of Windmill Creek. SMSWA has indicated movement of the creek will require berming around the creek. The representative from Centennial did not know the location of the Carson II well adjacent to the site. Director Waller noted he would contact David Lindholm to ensure the easement granted for the well site has been recorded. It was noted when the well was drilled, Centennial would not allow installation of bollard to protect the well. Director Waller volunteered to contact Tom Dea, TZA Water Engineers to discuss how best to protect the well from damage and how to ensure access is available for future well maintenance. Director Farrell stated he will notify the board if he receives notification of a final plan.

6659 S. Blackhawk Status

Director Hammond noted he had been approached by a neighbor to spark discussion and planning regarding the property at 6659 S. Blackhawk. Director Waller noted Centennial has not condemned the property and will not condemn unless the property becomes a public nuisance such as a danger to children. Since the property has not been condemned, Centennial has no power to do anything with the property. Director Hammond asked if the board is interested in joining with the Algonquin Acres HOA to investigate the possibility of purchasing the property for District use. Director Sandstede thought the idea should be presented to the community. Director Hammond volunteered to discuss the issue with David Lindholm.

ACTION ITEMS REQUIRING MOTION

Approval of meeting minutes

Director Hammond presented the minutes from the May 23, 2012 meeting. Director Farrell made a motion to approve the minutes. The motion was seconded by Director Waller. Upon vote, the motion passed unanimously.

Acceptance of Compilation Report

Ms. Beard presented the Compilation Report for the five months ending May 31, 2012. Director Farrell made a motion to accept the compilation report as presented. The motion was seconded by Director Waller and upon vote unanimously approved.

Approval of Expenditures

Director Farrell presented the expenditures for May 2012, payable in June 2012 for approval. He reported the May 2012 expenditures total \$68,890.92. Director Farrell made a motion to approve the list of expenditures. The motion was seconded by Director Waller and upon vote unanimously approved.

Adjournment

There being no further business to come before the board, at 8:20 p.m. a motion was made by Director Sandstede to adjourn the meeting. The motion was seconded by Director Waller and upon vote unanimously approved.

Respectfully submitted,

Darcy Beard, Acting Secretary

July 25, 2012 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, July 25, 2012 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present:	Larry Hammond	President
	Neil Sandstede	Vice President
	Kevin Farrell	Secretary
	Terry McNeill	Treasurer
	Bill Waller	Director

Staff Present:	Darcy Beard	Manager
	Bob Clodfelter	Professional Water Services
	David Lindholm	Attorney

Guests Present:	Sheryl Smyth
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CALL TO ORDER AND ROLL CALL

Director Hammond called the meeting to order and called the roll at 6:30 p.m. noting the presence of a quorum and appointed Ms. Beard Acting Secretary.

ADDITIONS/CHANGES TO AGENDA

Discussion with counsel.

DIRECTOR'S COMMENTS

Director Waller reported Tom Dea, TZA Water Engineers had contacted him and asked if East Valley Metropolitan District had committed to joining ACWWA. Mr. Dea informed Director Waller ACWWA has bought water rights from United Water and as part of the purchase has filed a report stating ACWWA intends to provide water service to East Valley Metropolitan District in the future. Director Waller informed Mr. Dea East Valley Metropolitan District has not had any discussions in the last two years with ACWWA and has not committed to having ACWWA serve the District.

PUBLIC COMMENTS

No comments.

CONFLICT CHECK

Director Hammond reminded the board of the conflict of interest rules.

REVIEW ITEMS – NO ACTION REQUIRED

System Operator Monthly Report

Mr. Clodfelter reported the system is running well. For the month of July, the wells pumped 4.5 million gallons of water. The increased usage reflects the dry weather Colorado has been experiencing. The Carson II well level dropped 35 feet during this period. Last year during the same period, the Carson II well dropped 27 feet. The water lost in the system for the same period is 2%.

SDA Newsletter

No comments.

Customer Usage/Billing

The Board reviewed the usage and billing reports. Ms. Beard reported one of the two accounts certified to the county for collection has been paid in full. The other account has paid one-half of the amount due through June 30, 2012. Currently four accounts in the District exceed \$350.

Carson II Well Protection

Director Hammond received notification from Derek Holcomb, City of Centennial Planner, the developer has received the District's comments regarding the Morningstar Assisted Living Facility. Mr. Holcomb informed Director Hammond the city cannot force the developer to install bollards to protect the Carson II well site. Mr. Lindholm noted the easement agreement clearly allows bollards to be installed to protect the well. Mr. Clodfelter added the bollards must be removable to allow for well maintenance. Mr. Clodfelter will investigate the cost of the installation of the bollards in a concrete slab around the well site. Mr. Lindholm suggested the District seek some financial assistance from the developer for the bollard installation.

Jordan Well lease renewal

Ms. Beard noted the Jordan Well lease agreement will expire in six months. The board directed Ms. Beard to contact Hydro Resources to discuss renewal of the lease.

6659 S. Blackhawk Status

The board is not interested in pursuing action on this property.

Conflict Check

Ms. Smyth suggested the inclusion of this item on each agenda infers the board does not understand fiduciary duties. After discussion, the board directed Ms. Beard to change the agenda item to Conflict of Interest Reminder.

ACTION ITEMS REQUIRING MOTION

Approval of meeting minutes

Director Hammond presented the minutes from the June 27, 2012 meeting. Director Farrell made a motion to approve the minutes. The motion was seconded by Director Sandstede. Upon vote, the motion passed unanimously.

Acceptance of Compilation Report

Ms. Beard presented the Compilation Report for the six months ending June 30, 2012. Director McNeill made a motion to accept the compilation report as presented. The motion was seconded by Director Waller and upon vote unanimously approved.

Approval of Expenditures

Ms. Beard presented the expenditures for June 2012, payable in July 2012 for approval. She reported the June 2012 expenditures total \$27,882.30. Director McNeill made a motion to approve the list of expenditures. The motion was seconded by Director Sandstede and upon vote unanimously approved.

Attorney Report

Mr. Lindholm noted a block of lots in the District have been excluded from the District and require additional paperwork to comply with statutory requirements. Director Farrell made a motion to direct Mr. Lindholm to prepare the necessary paperwork. The motion was seconded by Director McNeill and upon vote unanimously approved.

Adjournment

There being no further business to come before the board, at 8:15 p.m. a motion was made by Director Sandstede to adjourn the meeting. The motion was seconded by Director McNeill and upon vote unanimously approved.

Respectfully submitted,

Darcy Beard, Acting Secretary

August 22, 2012 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, August 22, 2012 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present:	Larry Hammond	President
	Neil Sandstede	Vice President
	Kevin Farrell	Secretary
	Terry McNeill	Treasurer
	Bill Waller	Director
Staff Present:	Darcy Beard	Manager
	Bob Clodfelter	Professional Water Services

Guests Present: Sheryl Smyth

CALL TO ORDER AND ROLL CALL

Director Hammond called the meeting to order and called the roll at 6:30 p.m. noting the presence of a quorum and appointed Ms. Beard Acting Secretary.

ADDITIONS/CHANGES TO AGENDA

Director Farrell requested the addition of Customer Feedback as a review item and the addition of the rate setting methodology during the long range planning discussion. Ms. Beard requested the addition of Proxy Appointments for the SDA Meeting and the UNCC Meeting.

DIRECTOR'S COMMENTS

Director McNeill noted the customers are using a lot of water. He said he does not believe the water rate schedule is curbing usage. Year to date usage through August 2012 is the same as the total usage through September of 2011. Director McNeill noted he is uncomfortable with the District pumping so much water and he would like to consider re-instating restrictions for the 2013 irrigation season.

Director Farrell reminded the Board he will be attending the SDA Conference. Director Waller noted the District reimburses directors for the conference enrollment fee only and the directors are responsible for all other costs to attend.

PUBLIC COMMENTS

No comments.

CONFLICT OF INTEREST REMINDER

Director Hammond reminded the board of the conflict of interest rules.

REVIEW ITEMS – NO ACTION REQUIRED

System Operator Monthly Report

Mr. Clodfelter reported the system is running well. For the month of August, the wells pumped over 5 million gallons of water; this is one million gallons more than the same period in 2011. The increased usage reflects the dry weather Colorado has been experiencing. Mr. Clodfelter reported a broken valve box on the Frontage Road and Billings. He will fill the valve box with road base as a short term remedy. Mr. Clodfelter noted several homes in the District have reduced access to meter pits making reading of water meters difficult. Mr. Clodfelter will provide Ms. Beard with a list of addresses and Ms. Beard will notify the homeowners of the need to clear access to the meter pits.

SDA Newsletter

Director Farrell noted the SDA Newsletter has a good discussion on the new accounting rules regarding classification of capital assets.

Customer Usage/Billing

The Board reviewed the usage and billing reports. Ms. Beard reported both accounts certified to the county for collection have been paid in full. Currently one account in the District exceeds \$350.

Carson II Well Protection

Director Hammond continues to reach out to Derek Holcomb and noted a new submittal has not been received from the developer yet. Mr. Clodfelter will further investigate installation of bollards to protect the well.

Jordan Well lease renewal

Ms. Beard reported she had contacted Scott Orr with Hydro Resources. Mr. Orr indicated Hydro Resources is open to renewing the Jordan Well Lease. However, renewal of the lease will require purchase of a new VFD. The old VFD is obsolete and parts can no longer be found if a repair is necessary.

Customer Feedback

Ms. Beard reported she had received a call from a customer who had received a very high water bill possibly due to a leak. Director Waller noted the board has not granted relief to customers in the past who had experienced high water usage due to a leak. Director Farrell noted the District has changed the water rate structure significantly. Director Farrell made a motion to add Article 8.1 to the Rules and Regs granting forbearance to customers with accidental excess water usage. The forbearance would allow the excess usage to be billed at the highest tier of usage in the same quarter of the previous year. The accidental excess usage would need to be verifiable with a bill indicating repair of the cause of the excess usage. This policy would be administered by the billing manager and the billing manager will report all changes to customer billings to the Manager and Board. If a payment plan is established due to accidental excess usage, all late fees may be waived by the billing manager. The motion was seconded by Director Hammond and upon vote unanimously approved.

Director Farrell noted a strong sewer smell near a home which is connected to ACWWA for sewer service. One of the homeowners reports the same smell in their basement. ACWWA has responded that a rubber gasket is missing on the nearby manhole. The board directed Ms. Beard to communicate concerns to ACWWA.

ACTION ITEMS REQUIRING MOTION

Approval of meeting minutes

Director Hammond presented the minutes from the July 25, 2012 meeting. Director Sandstede made a motion to approve the minutes. The motion was seconded by Director Farrell. Upon vote, the motion passed unanimously.

Acceptance of Compilation Report

Ms. Beard presented the Compilation Report for the seven months ending July 31, 2012. Director Waller made a

motion to accept the compilation report as presented. The motion was seconded by Director Sandstede and upon vote unanimously approved.

Approval of Expenditures

Ms. Beard presented the expenditures for July 2012, payable in August 2012 for approval. She reported the July 2012 expenditures total \$17,719.17. Director McNeill made a motion to approve the list of expenditures. The motion was seconded by Director Sandstede and upon vote unanimously approved.

Appointment of Proxy

Director Hammond made a motion to assign the UNCC election proxy to Todd Petry. The motion was seconded by Director Farrell and upon vote, unanimously approved. Director Hammond made a motion to appoint Director Farrell as the District's representative at the SDA Annual Meeting with Director McNeill as an alternate. The motion was seconded by Director Waller and the motion passed with Director Farrell and Director McNeill abstaining.

Long Range Planning

Director McNeill reiterated he does not feel the water rate structure encourages conservation. Director Farrell noted the rate structure was adopted to allow customers the freedom to water as they choose and as they can afford. He further noted the District does not have an effective way to police the District to enforce restrictions. When the board adopted the current rate methodology, the board recognized the need to re-instate restrictions if the system cannot handle the demand for water and/or the aquifer is put at risk. He noted that when the District imposed restrictions, many customers irrigated even after a rainfall for fear of not being able to water again for two days. The current structure allows customers to water when necessary. Director McNeill raised the questions: What message is the Board sending to the customers regarding responsibility? What are reasonable restrictions the board should impose? The Board reached a consensus to re-evaluate the need for restrictions March 2013.

Adjournment

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

Respectfully submitted,

Darcy Beard, Acting Secretary

September 26, 2012 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, September 26, 2012 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present:	Larry Hammond	President
	Neil Sandstede	Vice President
	Kevin Farrell	Secretary
	Terry McNeill	Treasurer
	Bill Waller	Director

Others:	Darcy Beard	Manager
	Bob Clodfelter	Professional Water Services
	David Lindholm	Attorney
	Bryan Clerico	J3 Engineering

Jerry Blocher

Haselden Construction

Stakeholders Present: Sheryl Smyth

CALL TO ORDER AND ROLL CALL

Director Hammond called the meeting to order and called the roll at 6:30 p.m. noting the presence of a quorum and appointed Ms. Beard Acting Secretary.

ADDITIONS/CHANGES TO AGENDA

No additions or changes to the agenda.

DIRECTOR'S COMMENTS

No Director's comments.

PUBLIC COMMENTS

No comments.

CONFLICT OF INTEREST REMINDER

Director Hammond reminded the board of the conflict of interest rules.

REVIEW ITEMS – NO ACTION REQUIRED

Morningstar Presentation

Bryan Clerico and Jerry Blocher presented the plans to build the Morningstar Senior Living Facility. The board expressed the need to protect the Carson II well site which is adjacent to the Morningstar Living Center parking area. Mr. Blocher, Haselden Construction, assured the Board Haselden Construction will install a 5x5 concrete pad and removable bollards around the well site. This is a cost Haselden will absorb. Mr. Clodfelter noted the pad needs to provide positive drainage away from the well head and the electrical box needs to be protected during the entire construction period. Haselden agreed to address Mr. Clodfelter's concerns. In addition, Haselden agreed to reimburse East Valley Metro District for any costs incurred to have Tom Dea, TZA Water Engineers and Mr. Clodfelter, Professional Water Services review and approve the plans prior to construction. Mr. Blocher asked the Board to provide an estimate of the costs to review and approve to him. Mr. Lindholm noted the need for an easement agreement and Mr. Clerico offered to investigate platting an easement on the plan. The construction of the facility will begin in November and will take approximately one year to complete. Mr. Blocher noted the construction team will contact the homeowner association and keep the neighborhood informed of the construction activity. The Board thanked Mr. Clerico and Mr. Blocher for the informative presentation.

System Operator Monthly Report

Mr. Clodfelter reported the system is running well. The wells pumped 5.2 million gallons of water in the past month; this is a record amount of pumped water in one month for East Valley Metro District. Mr. Clodfelter reported a broken waterline. Colorado Custom has repaired the break. The break occurred to a line which is under a driveway so the repair involves repair to the driveway.

Mr. Clodfelter noted the roof on the shed needs to be replaced due to hailstorm damage. The area which needs repair is approximately two squares so the cost should be less than \$500. In addition, the driveway culvert into the pump station needs to be replaced because it is rusted out. The estimated cost of replacement is \$1,000.

SDA Newsletter

Director Farrell reported on his attendance at the annual SDA Conference. During the attorney section districts were strongly encouraged to have Facebook pages and Twitter accounts. Director Farrell reported attorneys at the conference suggested emails originating from a board member to all other board members may be construed as an illegal meeting. Director Farrell suggests any email correspondence for the board be sent to Ms. Beard and the President of the district. Then Ms. Beard will forward the email to the entire board. This should avoid any issues regarding open meeting laws. In addition, Director Farrell stated the attorney presentation encouraged directors to add a disclaimer to emails sent regarding district business indicating email correspondence represents the opinion of

the author and not that of the District.

Director Farrell reported the SDA insurance pool has extensive coverage. The Pool offered to do a training session on best management practices and available coverages. He further noted the Pool appears to do a good job of balancing rates and keeping adequate reserves.

Director Farrell reported the Board should focus on strategic decisions instead of tactical decisions. He reported the need to develop a capital plan to qualify for loans or grants for capital improvements.

Both Director Farrell and Director McNeill provided extensive notes from the SDA Conference sessions and encouraged the board to review and dedicate time to review in the first quarter of 2013 board meetings as part of long term planning.

Customer Usage/Billing

The Board reviewed the usage and billing reports. Currently one account in the District exceeds \$350.

Customer Feedback

None.

Carson II Well Protection

The Board discussed the verbal agreement that Morningstar will pay for the necessary improvements to protect the well site. Mr. Lindholm suggested the board include a provision in the agreement to exempt the District from responsibility to replace landscaping planted over the existing water line in the event the water line needs to be repaired or replaced. Director Farrell added perhaps Morningstar would be willing to trade fire hydrant water usage for a new water line in the landscaped area.

Jordan Well lease renewal

Ms. Beard reported she had contacted Scott Orr with Hydro Resources however she was waiting for a response.

2013 Proposed Budget

Ms. Beard presented the 2013 Proposed Budget. Mr. Lindholm noted that the amount budgeted for legal and engineering may need to be increased to allow for the legal work required to deal with the Dawson water court decree. This issue needs to be resolved by April 2016 and the problem with waiting is the cost of doing business in water court continues to increase. Mr. Lindholm added after several years without increasing his hourly rate, he will increase his hourly rate in 2013.

The board discussed the meeting dates in November and December of 2012. The November meeting will be held on the regular scheduled 4th Wednesday of the month, November 28. Director Hammond made a motion to move the December meeting to December 17. The motion was seconded by Director McNeill and upon vote, unanimously approved.

ACTION ITEMS REQUIRING MOTION

Approval of meeting minutes

Director Hammond presented the minutes from the August 22, 2012 meeting. Director Waller made a motion to approve the minutes. The motion was seconded by Director Sandstede. Upon vote, the motion passed unanimously.

Acceptance of Compilation Report

Ms. Beard presented the Compilation Report for the eight months ending August 31, 2012. Director Waller made a motion to accept the compilation report as presented. The motion was seconded by Director McNeill and upon vote unanimously approved.

Approval of Expenditures

Ms. Beard presented the expenditures for August 2012, payable in September 2012 for approval. She reported the August 2012 expenditures total \$16,067.27. Director Waller made a motion to approve the list of expenditures. The motion was seconded by Director Farrell and upon vote unanimously approved.

Long Range Planning

Director Farrell suggested the board begin addressing a capital plan in January 2013. He asked the board to send suggested additions to Ms. Beard and Mr. Clodfelter so they can begin to compile the information. The capital plan should include items such as distribution lines, electronic meters, a storage tank, sewer system development, renewable water supply and development of other necessary infrastructure and equipment.

Adjournment

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

Respectfully submitted,

Darcy Beard, Acting Secretary

October 24, 2012 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, October 24, 2012 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present:	Larry Hammond	President
	Neil Sandstede	Vice President
	Kevin Farrell	Secretary
	Terry McNeill	Treasurer
	Bill Waller	Director

Others:	Darcy Beard	Manager
	Bob Clodfelter	Professional Water Services

Stakeholders Present: Sheryl Smyth

CALL TO ORDER AND ROLL CALL

Director Hammond called the meeting to order and called the roll at 6:30 p.m. noting the presence of a quorum and appointed Ms. Beard Acting Secretary.

ADDITIONS/CHANGES TO AGENDA

No additions or changes to the agenda.

DIRECTOR'S COMMENTS

No Director's comments.

PUBLIC COMMENTS

No comments.

CONFLICT OF INTEREST REMINDER

Director Hammond reminded the board of the conflict of interest rules.

REVIEW ITEMS – NO ACTION REQUIRED

System Operator Monthly Report

Mr. Clodfelter reported the system is running well. Two homes in Valley Country Club Estates are experiencing brown water. Mr. Clodfelter noted a valve could possibly be closed to re-route the water but he is hesitate to take this action because it will affect flow to the nearby fire hydrant. Mr. Clodfelter will flush the system on November 3, 2012 to try to eliminate the brown water. Director Sandstede noted his water pressure drops every day between 5 and 7 p.m. Mr. Clodfelter did not have an explanation for the drop in pressure. Director Farrell noted the Dawson mix was about 11% and other than the two homes in Valley Country Club Estates, there have been no complaints.

SDA Newsletter

Director Farrell noted the SDA Newsletter has an article on proper use of email correspondence between board members. The article stated email correspondence between board members can be interpreted as a meeting however, if a decision is made via email, the potential open meeting violation can be cured by discussing and affirming the decision is a subsequent meeting that complies with the open meeting laws.

Customer Usage/Billing

The Board reviewed the usage and billing reports. Currently five accounts in the District exceeds \$350.

Customer Feedback

None.

Carson II Well Protection

Morningstar has agreed to install the bollards to protect the well site however, Director Waller's reported he is concerned Morningstar may not grant an easement for access to the well. Morningstar has indicated access can be made on the road easement. Director Waller indicated Mr. Lindholm is corresponding with Morningstar regarding the easement.

Jordan Well lease renewal

Ms. Beard reported she had contacted Scott Orr with Hydro Resources and Hydro Resources will not renew the Jordan Well Lease. The District can exercise the option to retain the equipment by making a onetime payment of \$1,000 and giving Hydro Resources notice that the District plans to retain the equipment within thirty days after the end of the lease period. The final lease payment is due January 31, 2013.

Director Farrell discussed the possible options including:

- Re-equip the well and obtain a multiyear maintenance agreement
- Re-equip the well and finance the equipment with a bank
- Re-equip the well when the current well equipment fails

The board directed Ms. Beard to discuss the possibility of entering into a maintenance agreement with Hydro Resources.

Director Farrell stated he felt the District needs to verify the equipment available for purchase is worth \$1,000. Mr. Clodfelter noted the cost to replace pipe, etc if the equipment were pulled would be in excess of \$10,000.

2013 Proposed Budget

Ms. Beard reviewed the 2013 Proposed Budget with the Board. The Board asked Ms. Beard to increase the legal fees and engineering fees budgeted to allow for the necessary water court action to secure the Dawson Water Decree. In addition, the Board asked Ms. Beard to increase the lease payments budgeted to allow for a lease payment or increased maintenance on the Jordan well.

Director Farrell suggested the flat water rate be increased by \$10 per month per home to total \$145 per month.

ACTION ITEMS REQUIRING MOTION

Approval of meeting minutes

Director Hammond presented the minutes from the September 26, 2012 meeting. Director Sandstede made a motion

to approve the minutes. The motion was seconded by Director McNeill. Upon vote, the motion passed unanimously.

Acceptance of Compilation Report

Ms. Beard presented the Compilation Report for the nine months ending September 30, 2012. Director Farrell made a motion to accept the compilation report as presented. The motion was seconded by Director McNeill and upon vote unanimously approved.

Approval of Expenditures

Ms. Beard presented the expenditures for September 2012, payable in October 2012 for approval. She reported the September 2012 expenditures total \$25,658.90. Director Farrell made a motion to approve the list of expenditures. The motion was seconded by Director Sandstede and upon vote unanimously approved.

Certification of Delinquent Accounts

Ms. Beard presented the list of accounts which are more than six months past due for certification to Arapahoe County for collection. Director McNeill made a motion to certify the accounts for collection with Arapahoe County. The motion was seconded by Director Sandstede and upon vote unanimously approved.

Adjournment

There being no further business to come before the board, at 9:20 p.m. a motion was made by Director McNeill to adjourn the meeting. The motion was seconded by Director Sandstede and upon vote unanimously approved.

Respectfully submitted,

Darcy Beard, Acting Secretary

November 28, 2012 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, November 28, 2012 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present:	Larry Hammond	President
	Neil Sandstede	Vice President
	Terry McNeill	Treasurer
	Bill Waller	Director
Others:	Darcy Beard	Manager
	Bob Clodfelter	Professional Water Services
	David Lindholm	Attorney
Stakeholders Present:	Sheryl Smyth	
	Rhonda Livingston	

CALL TO ORDER AND ROLL CALL

Director Hammond called the meeting to order and called the roll at 6:30 p.m. noting the presence of a quorum and appointed Ms. Beard Acting Secretary.

ADDITIONS/CHANGES TO AGENDA

Director Hammond requested the addition of the Director Vacancy to the agenda.

DIRECTOR'S COMMENTS

Director Hammond expressed his sorrow at the passing of Director Kevin Farrell. He noted Director Farrell was a vested community member who will be missed by the entire community and the other organizations with which he was involved. The Board members all agreed Director Farrell had a long, productive history with the District and noted his contributions will be missed by all.

PUBLIC COMMENTS

No comments.

CONFLICT OF INTEREST REMINDER

Director Hammond reminded the board of the conflict of interest rules.

BUDGET HEARING

Director Hammond opened the Budget Hearing at 6:40 p.m. and asked if the public had any comments. There were no comments offered by the public. Ms. Beard reviewed each line item on the budget. She presented an analysis which revealed the District revenues for 2013 as proposed will not cover the operating expenditures resulting in a decrease in the reserves of \$17,170. After further discussion, Director Waller made a motion to increase the fixed water rate by \$17.50 per month beginning with the January 2013 billing and to approve the proposed 2013 budget with the corresponding increase in water revenue. The increase in the flat rate by \$17.50 per month will produce \$8,910 in annual revenue - half of the projected deficit. He noted the choice is to explain a rate increase to the customers or explain a special assessment in the event the District experiences a large emergency repair for which the District does not have adequate funds. The motion was seconded by Director Hammond and upon vote unanimously approved.

Director Hammond closed the Budget Hearing at 7:25 p.m.

REVIEW ITEMS – NO ACTION REQUIRED

System Operator Monthly Report

Mr. Clodfelter reported the system is running well and the well levels have risen to the same level as last year at this time. Mr. Clodfelter noted the culvert by the pump station is still in need of repair. Director McNeill volunteered to contact Arapahoe County to see if the county will be repairing the culvert. Mr. Clodfelter reported he has sent the data required for completion of the augmentation report required by the Colorado Department of Public Health to Tom Dea.

Director McNeill showed bottles of water samples taken from his home. He has been experiencing significant brown water issues. The board discussed options to address the brown water issues the District experiences from time to time.

SDA Newsletter

No comments.

Customer Usage/Billing

The Board reviewed the usage and billing reports. Currently one account in the District exceeds \$350.

Customer Feedback

None.

Carson II Well Protection

Director Hammond and Director McNeill reported on their meeting with the Morningstar reps. Morningstar will not be granting an easement to the District for well maintenance. Morningstar stated when the well pump is pulled for maintenance or repair, an encroachment on the road into the parking lot off of Jordan Road may occur. The Morningstar reps stated this would not be a problem. Director Hammond asked Morningstar to put this into an agreement. Director Hammond stated Morningstar probably will not landscape the area over the water pipeline but will be contacting the District with additional landscape plans.

Mr. Lindholm noted he had spoken with Jerry Blocher, with Morningstar, on October 8, 2012 and was told Morningstar would have their attorney draft an agreement incorporating the well protection plan ideas. Mr. Blocher was to outline the agreement. To date, Mr. Lindholm has not received the outline. Director Hammond offered to contact Mr. Blocher to determine the status of outstanding issues with the City of Centennial and to try to move the well protection agreement forward. Mr. Lindholm noted during the September meeting Morningstar reps agreed to pay for any consulting costs incurred as a result of the finalization of the agreement. Director Hammond will confirm this with the Morningstar reps.

Jordan Well lease renewal

Ms. Beard presented a letter regarding the exercise of the option to purchase the Jordan Well equipment. The board directed Ms. Beard to verify the final lease payment dates for the Jordan and Carson leases and to report back to the board in December.

SIPA Website

Director Hammond will contact Mr. Waisecko regarding the government hosted SIPA website option.

Board Vacancy

Mr. Lindholm reported the Board has sixty days to fill the vacant board seat. The Board will ask Mr. Waisecko to post the vacancy on the website with direction to send letters of interest and resumes to Ms. Beard.

ACTION ITEMS REQUIRING MOTION

Approval of meeting minutes

Director Hammond presented the minutes from the October 24, 2012 meeting. Director McNeill made a motion to approve the minutes. The motion was seconded by Director Sandstede. Upon vote, the motion passed unanimously.

Acceptance of Compilation Report

Ms. Beard presented the Compilation Report for the ten months ending October 31, 2012. Director Sandstede made a motion to accept the compilation report as presented. The motion was seconded by Director Waller and upon vote unanimously approved.

Approval of Expenditures

Ms. Beard presented the expenditures for October 2012, payable in November 2012 for approval. She reported the October 2012 expenditures total \$14,806.77. Director Waller made a motion to approve the list of expenditures. The motion was seconded by Director Hammond and upon vote unanimously approved.

Appointment of Budget Officer

Director Waller made a motion to appoint Ms. Beard as Budget Officer. The motion was seconded by Director McNeill and upon vote unanimously approved.

Long Range Planning

Director Sandstede noted the need to compile an updated synopsis of the history of the District. Director Hammond stated he would contact Mr. Waisecko to determine if such a document is currently posted on the website.

Adjournment

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

Respectfully submitted,

Darcy Beard, Acting Secretary

December 17, 2012 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, December 17, 2012 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present:	Larry Hammond	President
	Neil Sandstede	Vice President
	Terry McNeill	Treasurer

Others:	Darcy Beard	Manager
	Bob Clodfelter	Professional Water Services

Stakeholders Present: Sheryl Smyth

CALL TO ORDER AND ROLL CALL

Director Hammond called the meeting to order and called the roll at 6:30 p.m. noting the presence of a quorum and appointed Ms. Beard Acting Secretary.

ADDITIONS/CHANGES TO AGENDA

There were no additions to the agenda.

DIRECTOR'S COMMENTS

Director McNeill expressed his disappointment that the Board passed a rate increase. He then read into the record a memo suggesting changes to the operation of the District he would like the Board to consider. This memo is attached to the minutes.

PUBLIC COMMENTS

Ms. Smyth stated that while serving on the East Valley Metropolitan District Board she was involved in negotiations with ACWWA to provide water services to the District. As she recalled, ACWWA would have required East Valley to upsize all the distribution pipes in the District, provide adequate water surface rights to serve all water needs of East Valley Metropolitan District and the residents of East Valley Metropolitan District would be subject to the ACWWA pid, property taxes and rates. Ms. Smyth offered to provide her notes from the discussions with ACWWA to the Board.

CONFLICT OF INTEREST REMINDER

Director Hammond reminded the board of the conflict of interest rules.

REVIEW ITEMS – NO ACTION REQUIRED

System Operator Monthly Report

Mr. Clodfelter reported the Jordan Well shut down during the month causing the tank to fill with Dawson water resulting in customer complaints. An alarm should have notified Mr. Clodfelter when the Jordan Well shut down but Mr. Clodfelter did not receive a notification. Mr. Clodfelter will contact the instrumentation vendor to determine why the alarm did not notify him.

Director McNeill asked about securing the facilities. Director McNeill offered to investigate the cost and report back to the Board.

SDA Newsletter

Ms. Beard noted the most recent newsletter has a complete listing of the statutory deadlines with which the District must comply.

Customer Usage/Billing

The Board reviewed the usage and billing reports. Currently four accounts in the District exceeds \$350.

Customer Feedback

None.

Carson II Well Protection/Morningstar Agreement

Director Hammond distributed sample verbiage for an agreement with Morningstar provided by David Lindholm, the attorney for the District. Mr. Clodfelter stated he feels the contractor should pothole to determine the location of the conduit to the well because the conduit is only buried 30" down from the present grade.

Jordan Well lease renewal

Ms. Beard presented a letter regarding the exercise of the option to purchase the Jordan Well equipment. The board directed Ms. Beard to again verify the final lease payment dates for the Jordan and Carson leases prior to release of the letter to Hydro Resources.

SIPA Website

Director Hammond reported he has signed the agreement for the SIPA website.

Board Vacancy

Mr. Wasiecko has drafted a letter to go into bills and post on the website notifying the residents of the vacancy and asking for resumes from interested residents to be sent to Ms. Beard by February 15, 2013.

ACTION ITEMS REQUIRING MOTION

Approval of meeting minutes

Director Hammond presented the minutes from the November 28, 2012 meeting. Director Sandstede made a motion to approve the minutes. The motion was seconded by Director McNeill. Upon vote, the motion passed unanimously.

Acceptance of Compilation Report

Ms. Beard presented the Compilation Report for the eleven months ending November 30, 2012. Director McNeill made a motion to accept the compilation report as presented. The motion was seconded by Director Sandstede and upon vote unanimously approved.

Approval of Expenditures

Ms. Beard presented the expenditures for November 2012, payable in December 2012 for approval. She reported the November 2012 expenditures total \$22,748.25. Director McNeill made a motion to approve the list of expenditures. The motion was seconded by Director Sandstede and upon vote unanimously approved.

Long Range Planning

Director Hammond acknowledged Director McNeill's concerns and suggested the Board consider the options presented at the January 2013 meeting. He further noted Mr. Wasiecko has compiled a recap of the history of the District. He encouraged the Board to review the document and respond with comments to either Director Hammond or Mr. Wasiecko.

Adjournment

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

Respectfully submitted,

Darcy Beard, Acting Secretary

