

2013-East Valley Metropolitan District Meeting Minutes

January 23, 2013 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, January 23, 2013 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

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

Others:	Darcy Beard	Manager
	Bob Clodfelter	Professional Water Services
	Steve Wasiecko	Blue Spruce Management
	David Lindholm	Attorney

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

Director Hammond requested the addition of the following Review Items:

Review Item D - Blue Spruce Management Analysis

Review Item E - Equipment Financing Options

DIRECTOR'S COMMENTS

Director Waller reported the City of Centennial has released the street paving plans and noted the plans do not include any paving within the District in the near future.

PUBLIC COMMENTS

No Public 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 well meter is accumulating water flow while the well is not running. This is skewing the water loss calculations by approximately 35%. He believes this is caused by an electrical current leakage and he has contacted a technician to evaluate the cause of the current leakage.

Mr. Clodfelter stated that the addition of a softener to the Dawson Well could save the District around \$1,000 per month in electricity costs. However, the District would need a sewer tap to dispose of the brine created by the softener.

SDA Newsletter

No Comments.

Customer Usage/Billing

The Board reviewed the usage and billing reports. Currently two accounts in the District exceeds \$350. BlueSpruce Management suggested the Board may want to increase the threshold amount that prompts a shut off notice to \$400 since water rates have increased since the \$350 threshold was established. Director Hammond requested this item's inclusion on the February agenda.

Customer Feedback

None.

Blue Spruce Management Presentation

BlueSpruce Management presented several master meter scenarios which ACWWA may find acceptable. He noted under each scenario, the water bills for the majority of customers would increase. If EVMD raised water fees to generate comparable bills, EVMD could stay independent of ACWWA and build reserves for future water projects.

Equipment Financing Options

Director Hammond asked Director McNeill to step into the role of researching financing options. He noted Director Farrell had been discussing equipment financing with Wells Fargo and encouraged Director McNeill to look back through Director Farrell's notes to determine the contact point at Wells Fargo. Director McNeill responded he would follow up and report back to the board.

Carson II Well Protection/Morningstar Agreement

Director Hammond reported he has been in discussion with Jerry Blocher at Haseldon regarding the Morningstar Agreement. Mr. Lindholm has reviewed and made revisions to the proposed agreement. He noted the risk to the well will increase substantially with construction and eventual parking in the area adjacent to the well. The Board members all agreed the bollards protecting the well must be installed prior to the start of construction. Director Sandstede will specify the details for the pad construction and bollard installation for inclusion in the Agreement. Mr. Clodfelter will observe the installation to ensure construction according to the Agreement specifications. The access to the well includes a gravel drive with a chain across the entrance to limit access. Director Hammond will contact the City of Centennial to verify acceptability of a chain across the driveway entrance. Mr. Lindholm reviewed the other proposed changes made to the Agreement. After further discussion, the board asked Mr. Lindholm to make the changes discussed, send the proposed Agreement to Mr. Blocher and copy the Board and Ms. Beard.

Jordan Well lease renewal

Ms. Beard has not heard from Hydro-Resources regarding the exercise of the Lease-Purchase option.

Board Vacancy

Ms. Beard reported she has not received any letters of interest in the Board position however, she has received a telephone inquiry and is expecting an email with a letter of interest from the individual.

Security Monitoring

Director McNeill reviewed a quote for the monitoring. Director Hammond noted the District will need to establish a response protocol if the firm is engaged.

ACTION ITEMS REQUIRING MOTION

Approval of meeting minutes

Director Hammond presented the minutes from the December 17, 2012 meeting. Director Hammond made a motion to approve the minutes as amended. The motion was seconded by Director McNeill. Upon vote, the motion passed with Director Waller abstaining.

Acceptance of Compilation Report

Ms. Beard presented the Compilation Report for the year ending December 31, 2012. Director Sandstede 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 December 2012 for approval. She reported the December 2012 expenditures total \$13,794.37. Director Waller made a motion to approve the list of expenditures. The motion was seconded by Director Sandstede and upon vote unanimously approved.

Meeting Matters

Ms. Beard presented a proposed schedule outlining the meeting dates, meeting location and meeting posting places for 2013. Upon review, Director Sandstede made a motion to approve the schedule as presented. The motion was seconded by Director Waller and upon vote, unanimously approved. The schedule is attached to the minutes.

Board Dinners

After a brief discussion, Director Waller made a motion to continue with the Board Dinners at the monthly meetings. The motion was seconded by Director Sandstede. Upon vote the motion passed with all voting yes except Director McNeill who voted no.

Long Range Planning

No Discussion.

Adjournment

There being no further business to come before the board, at 9:30 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

February 27, 2013 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, February 27, 2013 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present:	Larry Hammond Neil Sandstede Bill Waller Terry McNeill	President Vice President Secretary Treasurer
Others:	Darcy Beard Bob Clodfelter	Manager Professional Water Services
Stakeholders Present:	Sheryl Smyth Trey Robbins Danelle Morgan	

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 to the agenda.

DIRECTOR'S COMMENTS

Director McNeill noted the City of Centennial has installed the culvert he contacted them about.

PUBLIC COMMENTS

No Public 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 valve that isolates the Carson Street waterline is leaking. He has requested an estimate from a Scott Waneka Inc to replace the valve. He suggested it may be prudent to also replace 50 to 60 feet of waterline that will run under the Morningstar Driveway in conjunction with the valve replacement. The Board directed Mr. Clodfelter to get an estimate to replace the valve and the waterline and bring it back to the board for discussion.

Director Waller noted there seems to be water pressure variation throughout the day at his home. Mr. Clodfelter explained the various reason water pressure will vary through the day. Mr. Clodfelter noted Morningstar has inquired about the availability of water for construction use. He noted he does not know how much construction water Morningstar will need but he is concerned the need will arise during irrigation season and he does not want to trigger the start of an additional well and the resulting additional demand charge from Xcel Energy.

Mr. Clodfelter reported the well meter is still not working properly. Browns Hill is continuing to investigate.

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.

Board Vacancy

Ms. Beard reported she had received and included in the Board Packet resumes and letters of interest from two candidates; both candidates were in attendance. Director Hammond asked each candidate to introduce themselves and give a brief synopsis of why each is interested in serving on the board. After the introductions, each board member was given an opportunity to ask each candidate several questions. After the questioning was complete, Director Hammond asked each candidate to step out of the room to allow the board to further discuss the candidates. All board members noted each candidate is highly qualified for the board position and both candidates expressed a love for the community. The Board expressed difficulty in choosing between the two candidates. After further discussion, Director Waller made a motion to appoint Danelle Morgan to fill the vacant director position. The motion was seconded by Director Sandstede and upon vote unanimously approved. The candidates were invited back into the meeting. Director Hammond announced the appointment of Danelle Morgan to fill the vacant director position. He further encourage Mr. Robbins to continue to attend board meetings when possible and to stay in touch as an additional board position may arise in the future.

Equipment Financing Options

Director Hammond reported he has located the contacts Director Farrell had made in regards to equipment financing prior to his passing and he will forward the information to Director McNeill.

Jordan Well lease renewal

Ms. Beard has not heard from Hydro-Resources regarding the exercise of the Lease-Purchase option.

ACTION ITEMS REQUIRING MOTION

Approval of meeting minutes

Director Hammond presented the minutes from the January 23, 2013 meeting. Director Waller made a motion to approve the minutes as presented. The motion was seconded by Director Sandstede. Upon vote, the motion passed with Director McNeill abstaining.

Acceptance of Compilation Report

Ms. Beard presented the Compilation Report for the month ending January 31, 2013. Director Waller 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

Ms. Beard presented the expenditures for January 2013 for approval. She reported the January 2013 expenditures total \$15,002.39. Director Waller made a motion to approve the list of expenditures. The motion was seconded by Director Hammond and upon vote unanimously approved.

Audit Exemption Engagement Letter

Ms. Beard presented an engagement letter from L. Paul Goedecke PC to prepare the 2012 Audit Exemption. After review and discussion, Director Waller made a motion to approve the engagement letter and fee of \$750. The motion was seconded by Director Hammond and upon vote, unanimously approved.

Security Monitoring

The Board tabled this discussion to the March 2013 meeting.

Increase in Shut Off Threshold

The Board discussed increasing the shut off threshold due to the increase in rates without a corresponding increase in the shut off threshold. Director Sandstede made a motion to increase the threshold to \$450 effective immediately. The motion was seconded by Director Waller and upon vote unanimously approved.

Morning Star Agreement

Director Hammond noted Morningstar has not returned the redlined agreement.

Long Range Planning

Director Sandstede noted he is preparing a written history of the District.

Adjournment

There being no further business to come before the board, at 9:10 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

March 27, 2013 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, March 27, 2013 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
	Danelle Morgan	Director
Others:	Darcy Beard	Manager
	Bob Clodfelter	Professional Water Services
	Beth Clodfelter	Professional Water Services
	David Lindholm	Attorney

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

Director McNeill requested the addition of water conservation to the agenda.

DIRECTOR'S COMMENTS

Director McNeill asked if any of the Board members had scheduled a meeting with ACWWA as a follow up to the presentation made by BlueSpruce Management in January. Director Hammond noted the District does not have the funding available currently to pursue joining ACWWA. Director Hammond further noted the need to keep communication lines open and continue to develop relationships with neighboring Districts.

PUBLIC COMMENTS

Ms. Smyth noted there seems to be a fair amount of misunderstood information circulating the neighborhood about previous ACWWA discussions. She noted ACWWA's requirements for any merger of services in previous discussions included large investments in capital assets including upsizing of water lines throughout the entire District and the requirement to bring enough surface water rights to serve East Valley customers into any merger deal. East Valley would need to pass all these costs along to the current customers. This would significantly increase the current water fees.

CONFLICT OF INTEREST REMINDER

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

OATH OF OFFICE

Director Hammond administered the Oath of Office to Director Danelle Morgan.

REVIEW ITEMS – NO ACTION REQUIRED

System Operator Monthly Report

Mr. Clodfelter reported the valve that isolates the Carson Street waterline is still leaking. If this valve is not repaired it will cause a catastrophic pipe failure. Mr. Clodfelter suggested installing a second valve during the repair. Director Sandstede noted the installation of a second valve will cost an additional \$800. After further discussion the Board reached a consensus to replace the pipe and install a single new valve.

Mr. Clodfelter noted Morningstar has checked out a fire hydrant meter and is buying water for construction. The rate charged for construction water is the highest residential tier rate.

Mr. Clodfelter reported he will be flushing the system May 4, 2013.

Mr. Clodfelter presented a bid obtained by a neighboring district to replace a well pump, motor, cable, pipe and

rehab a well. The total cost is \$132,000. He further noted the bid is for a well that is comparable to the Jordan Well. Mr. Clodfelter noted he simply presented this bid to the board as an example of the cost to rehab a well. He felt this information is necessary for the board to be aware of in future budget discussions.

SDA Newsletter

No Comments.

Customer Usage/Billing

The Board reviewed the usage and billing reports. Currently one account in the District exceeds \$450.

Customer Feedback

There have been continued complaints of brown water issues from some customers.

Equipment Financing Options

Director McNeill reported he has contacted the Wells Fargo contact. Director McNeill would like to pursue a line of credit to meet the District's future emergency needs. Ms. Beard reported the issues she is having with Hydro Resources regarding finalization of the lease purchase and her efforts to resolve.

Sewer Service Contract

Mr. Lindholm noted the Sewer Service Contract with ACWWA is set to expire in October 2013. Ms. Beard will send a copy of the agreement to Director McNeill and he will contact ACWWA to begin discussions.

Emergency Interconnect Agreement

Mr. Lindholm noted the Emergency Interconnect Agreement with ACWWA will expire in July 2014. Director McNeill will contact ACWWA to begin discussions.

Water Conservation

Director McNeill suggested the board should encourage residents to water conservatively given the drought conditions. SDA recommends raising water rates to encourage conservation. Director McNeill requested the Board send a mailing to customers advising of ways to conserve water. Director Hammond will work with BlueSpruce Management to prepare correspondence regarding conservation, the appointment of Director Morgan and notification of the scheduled line flushing.

ACTION ITEMS REQUIRING MOTION

Approval of meeting minutes

Director Hammond presented the minutes from the February 27, 2013 meeting. Director McNeill noted the minutes did not reflect his absence. Director Sandstede made a motion to approve the minutes as amended. The motion was seconded by Director Hammond. Upon vote, the motion passed with Director McNeill abstaining.

Acceptance of Compilation Report

Ms. Beard presented the Compilation Report for the month ending February 28, 2013. Director Sandstede made a motion to accept the compilation report as presented. The motion was seconded by Director McNeill and upon vote unanimously approved. Director Hammond noted he has contacted Xcel Energy regarding a water system audit; he is expecting to be contacted by Leslie Stewart. Mr. Clodfelter noted Xcel Energy has provided more efficient pumps, and other equipment for some districts.

Approval of Expenditures

Ms. Beard presented the expenditures for February 2013 for approval. Director McNeill noted the need to void check 2299 for his director fees. She reported the February 2013 expenditures total \$14,806.96 after voiding of check 2299. Director McNeill made a motion to approve the list of expenditures. The motion was seconded by Director Sandstede and upon vote unanimously approved.

Audit Exemption Engagement Letter

Ms. Beard presented the Audit Exemption presented by L. Paul Goedecke PC After review and discussion, Director Sandstede made a motion to approve the 2012 Audit Exemption. The motion was seconded by Director McNeill and upon vote, unanimously approved.

Security Monitoring
No Discussion.

Morning Star Agreement

Director Hammond reported Jerry Blocher has indicated comments on the red lined document are forthcoming. Delays on the project have delayed finalization of the agreement however, Mr. Blocher has indicated Morningstar intends to come to an agreement and to reimburse the District for any consultant fees incurred in finalizing an agreement. Mr. Lindholm encouraged the Board to require a deposit to cover the costs associated with the agreement.

Long Range Planning

Director Sandstede stated he would like an estimate of the costs to connect the deadend pipes on the service roads to complete the circle within the District. He stated this will improve the water pressure in the District. He volunteered to work with Mr. Clodfelter on the analysis.

Director McNeill noted he would like a compilation of agreements and the expiration dates of such agreements. Ms. Beard agreed to begin compilation of such a list.

Adjournment

There being no further business to come before the board, at 9:10 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

April 24, 2013 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, April 24, 2013 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
	Danelle Morgan	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

Director Hammond reported he intends to introduce himself to Nancy Sharp and Hap Henderson in hopes of developing a working relationship with ACWWA.

PUBLIC COMMENTS

Ms. Smyth noted she has heard complaints from neighbors the chlorine level in the water seems to be high. Mr. Clodfelter responded the chlorine level is actually lower than usual. It is currently at .34 mg/l and the state mandated range is from .2 mg/l to 4.0 mg/l. Director Morgan noted that often times when the chlorine level drops the smell actually increases.

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 valve which needs to be replaced has been ordered but is on backorder. Mr. Clodfelter reported the system is operating well and he has no concerns. The small turbine ran 86% of the time in March which resulted in a reduce electricity bill for March. Director Hammond noted he is still trying to schedule a meeting with Xcel to allow the Xcel reps to review the system and make recommendations to run the water system more efficiently. Mr. Clodfelter noted Morningstar has used 196,000 gallons of construction water. This water will be charged at Tier 5 - \$8.40/1,000 gallons.

SDA Newsletter

Director McNeill noted the SDA is hosting two workshops in the next two months. He and Director Hammond are scheduled to attend the May 30th workshop.

Customer Usage/Billing

The Board reviewed the usage and billing reports.

Customer Feedback

None.

Equipment Financing Options

Director McNeill reported he has played telephone tag with Jim Ennsle of Wells Fargo but has yet to connect. Ms. Beard reported she has discussed the Jordan Lease to Buy issues with Jeff Brown of Hydro Resources and is waiting to hear from him regarding resolution of the issues.

Sewer Service Contract

Director McNeill requested Ms. Beard forward the prior sewer service contract attachments to him. Ms. Beard noted she sent Director McNeill everything that was in the file. Director Hammond volunteered to contact Mr. Lindholm for the attachment.

Emergency Interconnect Agreement

The board reviewed the current agreement. Director McNeill will try to begin discussions on the Emergency Interconnect in conjunction with his discussions on the Sewer Service Contract.

ACTION ITEMS REQUIRING MOTION

Approval of meeting minutes

Director Hammond presented the minutes from the March 27, 2013 meeting. Director McNeill noted the minutes did not reflect the discussion to compile a tickler list of the expiration date of the District agreements. Director McNeill made a motion to approve the minutes as amended. The motion was seconded by Director Sandstede. Upon vote, the motion passed.

Acceptance of Compilation Report

Ms. Beard presented the Compilation Report for the month ending March 31, 2013. 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 March 2013 for approval. She reported the expenditures total \$13,104.70. Director McNeill made a motion to approve the list of expenditures. The motion was seconded by Director Hammond and upon vote unanimously approved.

Security Monitoring

No Discussion.

Morning Star Agreement

Director Hammond reported Jerry Blocher has indicated Morningstar will not agree to some of the aspects of the redlined proposed agreement. Director Hammond reported it seems Morningstar wants to work to the mutual benefit of both parties and plans to protect the well during construction but will not indemnify the District against damages once construction of the Morningstar facility is complete. In addition, Morningstar declined the request for a deposit to cover administrative costs however indicated they will pay for costs to date.

Adjournment

There being no further business to come before the board, at 8:45 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

May 22, 2013 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, May 22, 2013 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	Secretary
	Danelle Morgan	Director
Others:	Darcy Beard	Manager
	Bob Clodfelter	Professional Water Services
	David Lindholm	Attorney
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

None.

PUBLIC COMMENTS

None.

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 new valve was installed with only a short interruption in service to three homes. Mr. Clodfelter and Director Hammond met with Xcel Energy to review the water operations. The Xcel Energy rep commented the system is well thought out. Xcel will get a cost estimate to run a power cable between the Carson and Jordan well sites which would result in a lowering of costs due to the elimination of one demand charge. This conversion will involve installation costs which would be paid for by the District. Xcel provided Mr. Clodfelter with a schedule of meter read dates for the next year to also avoid any duplicate demand charges. Mr. Clodfelter noted Scott Martin, Applied Ingenuity has competitive pricing on well capital improvements and maintenance. Mr. Clodfelter will contact Mr. Martin about the possibility of an equipment leasing agreement.

SDA Newsletter

Mr. Lindholm reported the legislature has passed a bill requiring notice to customer of the consideration of a rate increase.

Customer Usage/Billing

The Board reviewed the usage and billing reports. Ms. Beard reported the half of the delinquent water accounts certified for collection by the county have been collected.

Customer Feedback

Director Sandstede reported a customer had asked if the percentage of the Dawson water pumped is expected to increase over the summer.

Equipment Financing Options

Director McNeill reported Wells Fargo will consider a line of credit for equipment leasing. The application will need to be updated every 90 days. Ms. Beard will follow up with Wells Fargo to get the process started. Ms. Beard reported Hydro Resources contacted her and stated the bill of sale should be received by the District in approximately a week.

Sewer Service Contract

Director McNeill and Director Hammond will contact ACWWA regarding renewal of the contract.

Rules and Regulations

Ms. Beard distributed copies of the current Rules and Regulations. Director Hammond encouraged the board members to review and send suggested changes to Ms. Beard by June 14, 2013. Ms. Beard will compile the suggested changes for discussion at the next meeting.

ACTION ITEMS REQUIRING MOTION

Approval of meeting minutes

Director Hammond presented the minutes from the April 24, 2013 meeting. Director McNeill noted the misspelling of Jim Enssle's name. Director Sandstede made a motion to approve the minutes as amended. The motion was seconded by Director Hammond. Upon vote, the motion passed with Director Waller abstaining.

Acceptance of Compilation Report

Ms. Beard presented the Compilation Report for the four months ending April 30, 2013. 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 April 2013 for approval. She reported the expenditures total \$67,855.41. Director Sandstede made a motion to approve the list of expenditures. The motion was seconded by Director Morgan and upon vote unanimously approved.

Security Monitoring

Director McNeill reported the SDA grant will pay 50% of cost of security system up to \$945.20. Mr. Clodfelter noted the District could use two new fire extinguishers.

Morning Star Agreement

Director Hammond reported he has had very little contact recently from Jerry Blocher. He noted Mr. Clodfelter will need to provide specifications to Morningstar for the bollards, concrete pad, etc for the well protection. Morningstar has asked for the costs incurred to date in the development of the agreement. Mr. Lindholm has compiled his costs and Mr. Clodfelter will compile his as well.

Long Range Planning

Mr. Lindholm will compose a list of the District contracts in his file and the associated expiration dates.

Adjournment

There being no further business to come before the board, at 8:45 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

June 26, 2013 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, June 26, 2013 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	Secretary
	Danelle Morgan	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

Director Hammond requested addition of a discussion of the fire rating in regards to homeowner insurance.

DIRECTOR'S COMMENTS

None.

PUBLIC COMMENTS

None.

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 working well. The District pumped over 1.9 million gallons of water in May. Mr. Clodfelter further noted he had met with Scott Martin of Applied Ingenuity to discuss well equipment operating leases. Mr. Martin had expressed interest in negotiating a future lease on well equipment with the District. Mr. Clodfelter recommended the District continue use of the current equipment as long as the equipment is functioning well.

Customer Usage/Billing

The Board reviewed the usage and billing reports. The board noted two accounts have received shut off notices.

SDA Newsletter

Director McNeill reported on the conference hosted by SDA which he had recently attended regarding water.

Customer Feedback

Ms. Beard reported she had received a telephone call from the president of the Sanctuary on the Park Homeowner Association regarding weeds along Jordan Road. Director Hammond asked Ms. Beard provide his contact information to this person to discuss the weeds.

Equipment Financing Options

Ms. Beard reviewed the completed Wells Fargo loan application with the Board. Director McNeill will follow up with Wells Fargo.

Sewer Service Contract

Director Hammond reported he had contacted Arnie Reil of ACWWA regarding the Sewer Service Agreement. Mr. Reil stated the current agreement states the agreement will be in place until one party notifies the other of the desire to change contract terms. Director Hammond discussed the contract with Mr. Lindholm, the District's attorney, and both agreed to the need to formalize the agreement extension in an addendum to the contract. Director Hammond suggested the cost of the agreement should be split between East Valley Metropolitan District and ACWWA. The estimated cost of the drafting of the extension to the agreement is \$400.

Emergency Interconnect

Director Hammond noted he had discussed renewal of the Emergency Interconnect Agreement with Arnie Reil of ACWWA. Mr. Reil had noted ACWWA is willing to discuss renewal of the agreement three months prior to the agreement expiration.

Rules and Regulations

The Board had no discussion on the Rules and Regulations at this time. The Board will discuss at the July meeting.

Insurance Rating

Director Hammond reported the Insurance Rating of the District should improve during the next rating cycle due to replacement of obsolete fire hydrants and the resulting adequate fire flow of the water system. In addition, none of the homes in the neighborhood have shake roofs. James Mumey, homeowner, has offered to contact the ISO to determine if the evaluation can be done earlier than scheduled to allow the insurance rating to improve as soon as

possible. The Board agreed to authorize Mr. Mumey to explore this situation.

ACTION ITEMS REQUIRING MOTION

Approval of meeting minutes

Director Hammond presented the minutes from the May 22, 2013 meeting. Director Waller made a motion to approve the minutes. The motion was seconded by Director McNeill and upon vote, the motion was unanimously approved.

Acceptance of Compilation Report

Ms. Beard presented the Compilation Report for the five months ending May 31, 2013. 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 May 2013 for approval. She reported the expenditures total \$15,611.41. This includes the addition to the check list of check number 2332 in the amount of \$3,711.43. Director Waller made a motion to approve the list of expenditures as amended. The motion was seconded by Director McNeill and upon vote unanimously approved.

Security Monitoring

Director McNeill recommended the District approve a monitoring contract with ADT. The initial equipment investment is approximately \$550 with an additional monthly monitoring fee of \$30. The Board discussed the need for a protocol in the event of an alarm. Director McNeill will contact the SDA to determine if the grant for safety can be utilized for prior year expenditures.

Morning Star Agreement

Director Hammond presented the revised Morningstar Agreement. The board agreed to review and discuss in July.

Adjournment

There being no further business to come before the board, at 8:40 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

July 24, 2013 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, July 24, 2013 at 6:30 p.m. at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present:	arry Hammond Neil Sandstede Bill Waller Danelle Morgan	President Vice President Secretary Director
Others:	Darcy Beard Bob Clodfelter David Lindholm	Manager Professional Water Services Attorney

Stakeholders Present: None

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

None.

DIRECTOR'S COMMENTS

Director Hammond notified the board he received notification of Director McNeill's resignation from the board via a telephone call from Mr. McNeill. Mr. McNeill followed up the telephone call with an email to Director Hammond confirming his resignation. A notice of the board vacancy will be printed on the next water bill to encourage interested residents to apply to fill the vacancy.

PUBLIC COMMENTS

None.

CONFLICT OF INTEREST REMINDER

Director Hammond reminded the board of the conflict of interest rules. Director Sandstede asked for clarification of the conflict of interest rules.

REVIEW ITEMS – NO ACTION REQUIRED

System Operator Monthly Report

Mr. Clodfelter reported the system is working well. He noted the well levels have remained fairly consistent over the last five years. The system water loss is approximately 5%; this is a very acceptable system water loss. The water usage has increased as expected during irrigation season.

Customer Usage/Billing

The Board reviewed the usage and billing reports.

SDA Grant

The Board discussed using the SDA Safety Grant to install a security system. The installation of a monitored system will require protocols regarding response to an alarm. Director Waller suggested installation of lighting and security cameras instead of a monitored alarm system. Director Waller volunteered to research the cost and report back to the board in August.

Customer Feedback

Director Hammond was asked at a recent HOA meeting if the District was enforcing watering restrictions. He responded the Board has not implemented watering restrictions this year however, the board always encourages conservation.

Board Vacancy

The board has a vacancy due to the resignation of Director McNeill. Ms. Beard reported Trey Robbins has expressed an interest in filling the vacant seat. The Board will notify the residents of the vacancy via the water billing and ask interested parties to submit a resume and/or letter of interest to Ms. Beard by August 20, 2013. The Board will interview perspective candidates at the August 28, 2013 meeting.

Rules and Regulations

The Board discussed the rules and regulations. Director Sandstede inquired if the District can vacate a tap if a water bill is delinquent. Mr. Lindholm will research the issue and report back to the Board.

Insurance Rating

Director Hammond reported Mr. Mumey is continuing to inquire into the insurance rating and will report to the Board.

ACTION ITEMS REQUIRING MOTION

Approval of meeting minutes

Director Hammond presented the minutes from the June 26, 2013 meeting. Director Sandstede made a motion to approve the minutes. The motion was seconded by Director Waller and upon vote, the motion was unanimously approved.

Acceptance of Compilation Report

Ms. Beard presented the Compilation Report for the six months ending June 30, 2013. 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 June 2013 for approval. She reported the expenditures total \$14,479.40. Director Waller made a motion to approve the list of expenditures. The motion was seconded by Director Sandstede and upon vote unanimously approved.

Sewer Service Contract

Mr. Lindholm reviewed the Sewer Service Contract and noted the agreement simply extends the prior agreement by 20 years. Director Morgan made a motion to approve the agreement with the addition of Exhibit A, a map of the service area. The motion was seconded by Director Waller and upon vote unanimously approved.

Carson Street Right of Way Agreement

Director Hammond presented the Carson Street Right of Way Agreement (Morningstar Agreement). Mr. Lindholm complimented Director Hammond on his efforts to get a final agreement from Jerry Blocher (Morningstar). Director Hammond further noted the goodwill Mr. Clodfelter has built with the Morningstar representatives. After review of the agreement, Director Waller made a motion to approve the Carson Street Right of Way Agreement. The motion was seconded by Director Sandstede and upon vote, unanimously approved.

Adjournment

There being no further business to come before the board, at 9:00 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

August 28, 2013 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, August 28, 2013 at 6:30 pm at TACAir, 7425 S Peoria Street, Englewood, Colorado 80112.

Board Members Present:	Larry Hammond	President
	Neil Sandstede	Vice President
	Bill Waller	Secretary
	Danelle Morgan	Director
Others:	Bob Clodfelter	Professional Water Services
	Mary Long	Manager Representative

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. Long Acting Secretary.

ADDITIONS/CHANGES TO AGENDA

Director Sandstede requested addition of a discussion on how to resolve the failed meter problem.

Director Hammond requested addition of a discussion of the Notice of Annual Property and Liability Pool Meeting.

Director Hammond also requested the addition of updates on the agreements approved by the board last month.

DIRECTOR'S COMMENTS

Director Waller received an invitation for the Board members to attend the Hydro Resources picnic/pig roast on Saturday, September 19th, in Fort Lupton, Colorado. RSVP is requested by Sept 2nd.

Director Hammond was given a water bottle filled with discolored water from homeowner Terry McNeill. Mr. McNeill has only had problems with discolored water on occasion from his kitchen tap. Director Hammond commented on this to make the board aware of the homeowners concern as well as to solicit suggestions on whether there was something the board might be able to do about colored water coming out of one tap in a homeowner's house. Director Hammond suggested that if the problem becomes more widespread/prevalent throughout the neighborhood, the board would recommend a water particle test.

PUBLIC COMMENTS

Homeowner Sheryl Smith expressed concerns over the quality of district water/corrosive elements in the district water citing problems she has had with corrosion of her duct work running from her swamp cooler to her house. One of the ducts completely rusted through. She was told by the repairman that replaced the duct that it was due to the amount of calcium and lyme in her water. As a result of this incident, Ms. Smith decided to install a water filter in her house which she feels has improved the water clarity/quality in her house. It was noted that the replaced duct had been there for at least 20 years.

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 that the well levels are fine and are close to what they were last year.

He reported that there is a water meter leak at 6671 S Billings Way, and the meter needs to be replaced. He has been unsuccessful in contacting the homeowner. He spoke to a neighbor of the homeowner and was told that the homeowner is in residence. He asked Steve Wasiecko to try to get in touch with the homeowner. The board debated what the district's regulations stated about how to handle this situation.

Mr. Clodfelter agreed to draft a letter to the homeowner addressing the need to repair or replace the malfunctioning meter. The letter will explain how to go about replacing the meter, including meter specifications, any applicable rules and regulations pertaining to the meter's replacement, as well as the estimated bill for the period of time the meter stopped working properly. Additionally, Mr. Clodfelter will provide the homeowner with a deadline of September 20th (the day the meter is read) to have the meter repaired or replaced. If it is not completed by then, Mr. Clodfelter will replace the meter and send them a bill. Mr. Clodfelter is keeping an eye on a possible water meter leak at 6292 S Billings Way.

He reported that he replaced the Old Carson Well control tower fuse (2 amps). He is not sure what caused the fuse to fail but it is working fine now. He also reported that he is planning to call a service technician out to conduct a complete service check on the standby generator. He stated that the generator will crank but it will not start. He is not sure what caused the failure, but does not think that the generator will need to be replaced. He estimates that the service call will cost approximately \$2,000.

Director Sandstede inquired about whether or not the transformer was tipping over any further? Director Hammond and Director Sandstede met with Xcel previously in regard to this issue but Xcel has not corrected the problem yet.

Mr. Clodfelter stated that Steve Wasiecko requested clarification of some issues in order to update the district's website. The issues included:

- Is 183 acre feet/year the correct amount of annual water production.
- Was the New Carson Well completed in 2009.
- Request permission to strike sentence from website about the Old Carson well quitting in early 2000.
- Why did it fail? Because of hole in casing.
- When did the board last address water rights for the Dawson Well, specifically the exchange between Laramie and Dawson Well? Ms. Smyth stated that the Dawson well is limited by its ability to augment but we get full credit for what we can pull from it.

Customer Usage and Billing Reports

The board reviewed the usage and billing reports. A shut off notice was sent to one account on August 27th.

Director Sandstede confirmed that there was only one estimated bill for last month. He also inquired as to whether or not we had billed Morningstar. Mr. Clodfelter and Director Hammond confirmed that Morningstar had been billed, and only one more bill remained to be sent to them for approximately \$580.

Delinquent Notices

Only account past due account. There is no change in the normal two delinquent accounts.

Customer Feedback

Director Hammond reported that a customer approached him concerned that his trees were dying due to the chlorination level in the water. Director Hammond told the customer that he would convey his concerns to the board.

Insurance Rating

Director Hammond reported that Jim Mumey is continuing to inquire into the insurance rating. He has made a number of calls but has not received a lot of feedback yet. He will continue to pursue a response.

SDA Grant

Director Waller reported that he has found one company, Backstreet Surveillance, that he feels will meet the districts security needs and is reputable. The price range would be anywhere from \$1,200 to \$3,600. He feels that the company could satisfy their security requirements for about \$1,800. The company can also provide a wireless option, the range being about 7,500 feet. The price would include video recorder but no computer. The system would be monitored on the district's computer. The recording would be in high resolution color during the day and black & white at night. Director Waller referred the other board members to the company website at www.Backstreet-Surveillance.com to see what they offered and evaluate their products.

Mr. Clodfelter suggested the best solution would be to record activities in the secure areas and if a security incident occurs then go back and review footage at that time. Director Morgan inquired about the maximum length of the recording as security issues may not be immediately evident; by the time the footage is reviewed, the pertinent footage may have been recorded over.

Director Sandstede suggested an alarm be installed as well so that security incidents would be known immediately.

Director Hammond is going to check on whether or not the grant money can be put towards the recently installed chlorine containment. He will report back to the board in September.

Board Vacancy

Trey Robbins submitted his resume to fill the vacant board seat. The board noted that he has been invited to attend the last two board meetings and has not attended either meeting. He told Director Hammond that he was planning to attend tonight's meeting. Director Hammond believes Mr. Robbins is genuinely interested in the position.

Director Sandstede made a motion to accept Trey Robbins candidacy for the vacant board seat based on his application. The motion was seconded by Director Hammond and upon vote unanimously approved. Director Hammond will contact Mr. Robbins to inform him that he has been approved by the board to fill the vacant board position, and invite him to attend the next meeting in order to take the oath of office.

Notice of Annual Property and Liability Pool Meeting

Director Hammond announced that he received an invitation to the Notice of Annual Property and Liability Pool Meeting to be held in Keystone, Colorado on September 18, 2013 at 4 pm. It was noted by the Board that the admission cost is covered by the board, but not the costs of room and board.

Sewer Service IGA

Director Hammond reported the ACWWA attorney has prepared the agreement but ACWWA needs to receive a check in the amount of approximately \$250 to pay one-half of the legal fees for the agreement preparation. Once EVMD has delivered a check to ACWWA, the ACWWA board will consider approving the agreement. Arnie Reil of ACWWA, does not see a problem with the approval process.

ACTION ITEMS REQUIRING MOTION

Approval of July 24, 2013 meeting minutes

Director Hammond presented the minutes from the July 24, 2013 meeting. Director Waller made a motion to approve the minutes. The motion was seconded by Director Sandstede and upon vote, the motion was unanimously approved.

Acceptance of Compilation Report

Director Hammond presented the Compilation Report for the seven months ending July 31, 2013. Director Hammond noted that the electricity was slightly higher than normal and attributed it to the possible additional demand charge due to the Carson Well not starting. Director Sandstede noted that the balance was good at the end of July but additional expenses are coming up. Director Waller made a motion to approve Compilation Report as presented. The motion was seconded by Director Sandstede and upon vote unanimously approved.

Approval of Expenditures

Director Hammond presented the expenditures for July 2013 totaling \$15,851.88 for approval. Director Hammond made a motion to approve the list of expenditures. The motion was seconded by Director Sandstede and upon vote was unanimously approved.

LONG RANGE PLANNING

Director Hammond met with Arapahoe County Commissioner, Nancy Sharp, the beginning of August. He requested the meeting to introduce himself as President of the East Valley Metro District, and to provide her with an introduction to the district since she is new to the ACWWA Board. In addition, he discussed what the district would potentially look like in 20 years and she stated that she would contact Gary Adkins at ACWWA to discuss what a potential merger with EVMD might look like. Director Hammond hopes to see these conversations continue in the future so that the county and ACWWA would become better acquainted with EVMD.

Commissioner Sharp stated that she was committed to making this happen. She appreciated Director Hammond reaching out to her and scheduling the meeting. She expressed interest in presenting a Power Point presentation at a future EVMD meeting. Director Hammond was not sure what the presentation would entail but hoped that it would cover her perspective both as a County Commissioner and a representative of the ACWWA Board. Director Hammond sought and received a verbal approval from the Board to invite Commissioner Sharp to an EVMD board

meeting in early 2014.

Adjournment

There being no further business to come before the board, at 8:04 pm 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,

Mary Long, Acting Secretary

September 25, 2013 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, September 25, 2013 at 6:30 p.m. at TACAir 7425 S. Peoria Street Englewood, CO 80112.

Board Members Present: Larry Hammond President, Neil Sandstede Vice President, Bill Waller Secretary, Danelle Morgan Director, Trey Robbins Director

Others: Bob Clodfelter Professional Water Services, David Lindholm Attorney, Mary Long Manager Representative

Stakeholders Present: Sheryl Smyth

CALL TO ORDER AND ROLL CALL

Director Hammond called the meeting to order at 6:35 pm noting the presence of all the directors and appointed Ms. Long Acting Secretary.

OATH OF OFFICE

Director Hammond administered the Oath of Office to Board nominee Trey Robbins in the presence of the directors. The Oath of Office documentation was signed by Director Robbins and subscribed and sworn to by Director Hammond.

ADDITIONS/CHANGES TO AGENDA

No additions or changes to the agenda.

DIRECTOR'S COMMENTS

None

PUBLIC COMMENTS

Stakeholder Sheryl Smyth requested that her comments in the August 28, 2013 Meeting Minutes be corrected to more accurately reflect her stated opinions in regard to the water quality. She did not intend to imply that the district's water quality was bad.

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 there was a water main break on September 13th on S. Billings Street. It was a beam break caused by settling due to the heavy rains. Repair of the water main break was completed at a cost of \$6,780.

Static Water Level Report

Directors Sandstede and Waller commented on the fact that they were pleased with well levels as they are better than last year. Well levels are coming up.

Customer Usage and Billing Reports

The Board reviewed the usage and billing reports.

Delinquent Notices

The Board discussed two delinquent homeowners. They briefly discussed an email sent to the Board members earlier this afternoon from Steve Wasiecko in regard to the owner of a rental property that is behind on payments. The Board is comfortable with how BlueSpruce Management is handling the situation. Based on the information provided by BlueSpruce Management, the Board decided to wait to act on this information until they see what happens next month. Director Hammond stated that he would let BlueSpruce Management know that the Board supports his actions and to continue as he has been in regard to this situation. The Board also discussed a letter sent out to a homeowner in regard to the repair or replacement of a faulty water meter. The homeowner was instructed to contact Mr. Clodfelter with questions regarding the repair, and provided a deadline of October 23, 2013 for completion of the repairs. If repairs are not completed by the deadline, Mr. Clodfelter will have the water meter replaced and bill the homeowner for the repair costs.

Customer Feedback

The Board addressed BlueSpruce Management's email to the Board on September 25, 2013 in regard to his correspondence with a delinquent homeowner and their request for a time extension on their account due to renter problems.

In response to Stakeholder Smyth's comments at the previous Board meeting, Director Robbins commented that his wife had noticed the chlorine smell in their water so he put in a water filter system that appears to have helped. Mr. Clodfelter commented that chlorine is required to be added to the water to ensure that the water is disinfected. Chlorine is added as a constant feed when the pump is running and is in direct proportion to the amount of water in the well. Mr. Lindholm stated that chlorine will dissipate over time so the chlorine level will be different depending on how close you are to the distribution point. Director Morgan stated that you will notice the smell if the chlorine level is too high as well as too low.

Insurance Rating

Director Hammond said he would follow up with Mr. Mumej in regard to his inquiries into the insurance rating. As there was nothing to discuss at this time, he requested that it be taken off the agenda for the next meeting.

SDA Grant

Director Hammond reported on his findings in regard to acceptable expenditures for the SDA Grant money. He passed around a list of real life examples of things that had been paid for with SDA grant money. His understanding is that you apply for reimbursement and then they approve the amount spent. He does not see any expiration dates so he thinks the Board can submit previous expenditures. He recommended that Ms. Beard break out what was spent on the improvements they have completed so far and organize/gather receipts to submit for reimbursement. Ms. Beard will call the SDA to determine what is allowed in terms of expenses the District has accrued thus far. Director Hammond agreed to coordinate with Ms. Beard on the list and the phone call to the SDA.

Director Hammond doesn't think that they will have a problem getting the money reimbursed. Mr. Lindholm stated that you get a 50/50 match up on what you spend. They don't want to have to spend more money just to get the money. They can just submit what they have and they should be able to get it all.

2014 Proposed Budget

Ms. Beard provided the initial version of the 2014 Proposed Budget in the meeting packet. The Board plans to review it this month, make any necessary changes at the October meeting, and approve it at the November meeting. Director Hammond suggested increasing the rates for 2014 in order to build the district's reserves and handle maintenance issues. He also noted that the Board's pricing model is changing since homeowners are cutting back on their water usage. Mr. Lindholm stated that he will notify the Board to let them know if, and when, a proposed rate increase needs to be published. Mr. Lindholm also requested that future proposed budgets include the document(s) used to determine budget valuations. Director Robbins asked if there is anything that the Board can do reduce costs.

Director Waller stated that the Board has no room to move, while Director Hammond noted that the Board had previously asked Xcel Energy to run through the district's systems a short time ago to determine where we could cut costs and they were impressed with the District's efficiencies already in place. The Board has explored every possible avenue to save money. Director Waller noted that the district has previously compared itself with surrounding water districts and determined that we're not the highest and we're not the lowest. He will contact BlueSpruce Management to determine how the district's current rates compare with the surrounding areas. The Board has explored every possible avenue to save money. Director Hammond advised everyone to review the proposed budget, think about possible increases in water rates, and come prepared for a more in-depth discussion at the October Board meeting. Director Hammond also requested that a discussion of water fees and the proposed budget be added to the October meeting agenda.

Mr. Lindholm noted that the General Property Tax amount is most likely down due to the fact that assessed values are going down. Director Sandstede questioned the reduction in water usage fees in the proposed budget. He will wait to see what it does over the next month and reevaluate in October once he clarifies Ms. Beard's methodology on the proposed numbers.

The Board's understanding of budget process is this is the first version of it. In October any changes will be nailed down. It will be approved in November. The Board is prepared to call a special meeting if required in order to insure approval before the deadline in mid December.

Elections

The Board noted that Directors Morgan and Robbins are up for re-election in 2014.

ACTION ITEMS REQUIRING MOTION

Approval of Meeting Minutes

Director Hammond presented the minutes from the August 28, 2013 meeting. Ms. Smyth requested a correction of the wording on Page 2, Public Comment, paragraph 1, lines 1 and 2 from "expressed concerns over the quality of the district water/corrosive elements in the district water citing" to "cited" as she did not feel that the original wording accurately portrayed her comments. Director Hammond requested a correction of the wording on Page 2, System Operator Monthly Report, paragraph 3, line 1 from "Mr. Clodfelter agreed to" to "Ms. Beard will" and two additional corrections on line 5 of that paragraph from "Mr. Clodfelter" to "the District" and the deletion of the words "of September 20th (the day the meter is read)." Director Waller made a motion to approve the minutes as amended. The motion was seconded by Director Hammond and upon vote, the motion was unanimously approved.

Acceptance of Compilation Report

Director Hammond presented the Compilation Report for the eight months ending August 31, 2013. Director Sandstede made a motion to accept the Compilation Report as presented. The motion was seconded by Director Morgan and upon vote, unanimously approved.

Approval of Expenditures

Director Hammond presented the expenditures for July 2013 for approval. He reported the expenditures total \$22,969.99. Director Waller made a motion to approve the list of expenditures. The motion was seconded by Director Sandstede and upon vote, unanimously approved.

Director Robbins requested an update on the generator repair. Mr. Clodfelter stated that the company scheduled to repair the generator is backlogged right now so he does not have a date for the repair. He estimates that it is still 2-3 weeks out. Director Waller requested that he contact them again to find out when they anticipate performing the repair, and to ensure that they will get it done before the end of the year. Director Robbins offered to contact someone he knows who may be able to fix the generator.

Long Range Planning

Mr. Lindholm stated that that the Sewer Service IGA was signed and in effect for another 20 years until 2033. The agreement was extended with the same terms as the previous agreement with no rate increase. Mr. Lindholm noted that there are some loose ends to tie up in regard to the agreement. The new agreement refers to the 1993 agreement, but the county clerk's office only recorded the agreement extension, not the 1993 agreement. The new agreement also mentions the map of the East Valley, but it is not apparent whether the map was attached to the agreement or not. There is also no date on the approved agreement. Mr. Lindholm would like for ACWWA to take

the original agreement in their files, add the date and an Exhibit A which would include the 1993 agreement along with the map, and refile the full agreement with the county. Director Hammond and Mr. Lindholm will contact Mr. Arnie Reil of ACWWA and make sure the agreement gets recorded properly.

Attorney Report

Mr. Lindholm addressed the Morningstar Agreement to pay the District’s legal and consulting fees incurred in finalizing the agreement. He reminded Mr. Clodfelter to submit his fees to Director Hammond to submit to Morningstar so that the District can get reimbursed for these expenses. Mr. Clodfelter stated that Morningstar had been in touch with him to find out how things were going in the field.

Mr. Lindholm asked the Board if it was possible to cancel the tap fees on the two homes previously damaged by fire and currently vacant. He cited District Regulation 6.8, Move to Destroy Building, pertains to this situation and has been in effect since 2006. The statute allows the District to collect half of the fixed cost (\$135). We have been collecting the minimum amount. He suggested that we terminate their tap, collect Availability of Service Fee which would provide a revenue stream of approximately half of what they’re paying now. Then if the properties are rebuilt, collect another tap fee. Mr. Lindholm did acknowledge that the regulations were silent on this course of action.

Adjournment

There being no further business to come before the Board, at 8:43 pm 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,

Mary Long, Acting Secretary

October 23, 2013 MEETING MINUTES

A regular meeting of the East Valley Metropolitan District was held on Wednesday, October 23, 2013 at 6:30 p.m. at TACAir 7425 S. Peoria Street Englewood, CO 80112.

Board Members Present:	Larry Hammond	President
	Neil Sandstede	Vice President
	Bill Waller	Secretary
	Danelle Morgan	Director
	Trey Robbins	Director
Others:	Bob Clodfelter	Professional Water Services
	Darcy Beard	Manager
Stakeholders Present:	Rhonda Livingston	

CALL TO ORDER AND ROLL CALL

Director Hammond called the meeting to order at 6:45 pm noting the presence of all the directors and appointed Ms. Beard Acting Secretary.

ADDITIONS/CHANGES TO AGENDA

Ms. Beard requested the addition of the setting of the budget hearing. Director Hammond added the Morningstar Update and a discussion of the process to add new directors as signers to the bank accounts.

DIRECTOR’S COMMENTS

None.

PUBLIC COMMENTS

None.

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 a leak on the District's side of a customer's meter. The repair required a new yoke. The cost of the repair was \$1,000. Mr. Clodfelter noted he will activate the Jordan Well quarterly during the winter months. He further reported the Colorado Department of Public Health and Environment will be on site on Friday, October 25th to conduct the bi-annual inspection.

Static Water Level Report

Mr. Clodfelter noted the well levels continue to rise and the level is up from the same period one year ago.

Customer Usage and Billing Reports

The Board reviewed the usage and billing reports. The board noted one past due account. Director Hammond referenced correspondence from BlueSpruce Management regarding a customer request for relief from a high water bill due to a leak which has been repaired. Director Hammond noted in the past the board has not reduced water bills in such a situation but has offered customers the option to pay the bill over a payment schedule. The board reached a consensus to continue to deal with situations such as this in the same manner as board's in the past.

Customer Feedback

None.

Addition of Signatories

Director Hammond reported Wells Fargo requested copies of the District's Articles of Incorporation prior to the addition of the new directors as signers. Ms. Beard noted the District does not have Articles of Incorporation. Ms. Beard noted Mr. Lindholm may have a copy of the District's Service Plan. The Board directed Ms. Beard to contact Mr. Lindholm.

2014 Proposed Budget

Ms. Beard reviewed the 2014 Proposed Budget. The Board discussed the need to continue to build reserves to ensure the District has adequate funds in the event of a well failure or other expensive infrastructure repair. The board discussed a target of \$400,000 to \$500,000 in reserves and requested the addition of a schedule tracking the reserve balance on a monthly basis. The Board directed Ms. Beard to prepare an analysis of usage within tiers and the revenue generated by each tier. In addition, the board directed Ms. Beard to include a \$10 monthly increase in the base rate in the budget presented for the budget hearing. The Board requested BlueSpruce Management update the comparison of neighboring water rates for review at the next meeting.

Morningstar Update

Director Hammond has provided Jerry Blocher with Morningstar, a final accounting of the District's costs and Mr. Blocher indicated he will turn the expenses in for reimbursement to the District. The costs total approximately \$2,600.

ACTION ITEMS REQUIRING MOTION

Approval of Meeting Minutes

Director Hammond presented the minutes from the September, 2013 meeting. After review, Director Waller made a motion to approve as presented. The motion was seconded by Director Morgan and upon vote unanimously approved.

Acceptance of Compilation Report

Ms. Beard presented the Compilation Report for the nine months ending September 30, 2013. 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

Director Hammond presented the expenditures for September 2013 for approval. He reported the expenditures total \$16,461.75. Director Waller made a motion to approve the list of expenditures. The motion was seconded by Director Sandstede and upon vote, unanimously approved.

Appointment of Budget Officer

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

Establish Budget Hearing Date

Director Hammond noted with the Thanksgiving holiday, the November meeting will be held on Tuesday, December 10, 2013 and was established as the Budget Hearing Date.

Certification of Delinquent Accounts

Ms. Beard presented two past due accounts for the board to consider certifying to Arapahoe County for collection. Ms. Beard reported each account holder had been notified via mail of the consideration of such accounts for certification for collection. After review and discussion a motion was made by Director Sandstede to adopt Resolution 13-01, A Resolution of the Board of Directors of East Valley Metropolitan District Authorizing the Certification of Delinquent Accounts to the Arapahoe County Treasurer for Collection. The motion was seconded by Director Morgan and upon vote, unanimously passed.

Adjournment

There being no further business to come before the Board, at 8:50 pm 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

November 19, 2013 MEETING MINUTES

A special meeting of the East Valley Metropolitan District was held on Tuesday, November 19, 2013 at 6:30 p.m. at TACAir 7425 S. Peoria Street Englewood, CO 80112.

Board Members Present: Larry Hammond President
Neil Sandstede Vice President
Bill Waller Director
Danelle Morgan Secretary
Trey Robbins Director

Others: Bob Clodfelter Professional Water Services, Darcy Beard Manager

Stakeholders Present: Sheryl Smyth

CALL TO ORDER AND ROLL CALL

Director Hammond called the meeting to order at 6:30 pm noting the presence of all the directors and appointed Ms. Beard Acting Secretary.

ADDITIONS/CHANGES TO AGENDA

None.

DIRECTOR’S COMMENTS

None.

PUBLIC COMMENTS

None.

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 met with the Colorado Department of Public Health and Environment for the biannual Sanitary Survey inspection. The inspector, Ms. Lukasik, noted the monitoring plan for the water sampling should be reported on the new state template. Ms. Lukasik noted the District has not kept record of chlorine analyzer drift checks. The District's chlorine analyzer varied from the state's chlorine analyzer by .04/mg/liter - a very insignificant variance. Ms. Lukasik made ten additional suggestions. Several of the suggestions are insignificant improvements to the District facilities that would be very expensive to implement. Director Robbins noted the inspector complimented Mr. Clodfelter on his experience and organization. The report from the state inspector is attached to the minutes.

Static Water Level Report

Mr. Clodfelter noted the well levels continue to rise and the level is up from the same period one year ago.

Customer Usage and Billing Reports

The usage and billing reports were not available for review due to the changed date of the meeting.

Correspondence

Director Waller reviewed the customer notes provided by BlueSpruce Management.

Customer Feedback

Director Sandstede discussed a potential increase in the flat rate with neighbors and noted the customers did not seem concerned about the potential \$10 per month increase in the flat rate.

2014 Proposed Budget

Ms. Beard reviewed the 2014 Proposed Budget and the rate comparisons prepared by Mr. Wasiecko. The Board will take formal action on the 2014 Proposed Budget and Proposed Rate Increases at the Budget Hearing scheduled for Tuesday, December 10, 2013 at 6:30 p.m.

Morningstar Update

Director Hammond reported Mr. Blocher confirmed a check will be issued to East Valley Metropolitan District for reimbursement of the costs submitted.

ACTION ITEMS REQUIRING MOTION

Approval of Meeting Minutes

Director Hammond presented the minutes from the October 23, 2013 meeting. After review, Director Sandstede made a motion to approve as presented. The motion was seconded by Director Robbins and upon vote unanimously approved.

Acceptance of Compilation Report

Ms. Beard presented the Compilation Report for the ten months ending October 31, 2013. Director Morgan 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

Director Hammond presented the expenditures for October 2013 for approval. He reported the expenditures total \$13,918.29. Director Sandstede made a motion to approve the list of expenditures. The motion was seconded by Director Waller and upon vote, unanimously approved.

Election of Treasurer

Director Hammond made a motion to elect Director Robbins as the Treasurer. The motion was seconded by Director Morgan and upon vote, unanimously approved.

Long Range Planning

Director Hammond reported he had not heard from Arapahoe County Commissioner Nancy Sharp regarding a time she would meet with the East Valley Metropolitan District Board. He noted he would follow-up with Commissioner Sharp and try to establish a date and time. Ms. Smyth reported discussions with a neighbor about securing additional water storage. The Board discussed the possibility of raising funds for such a project with an additional general obligation bond after the Series 2008 General Obligation Bonds are paid in full. The Series 2008 General Obligation Bonds will be paid in full July 1, 2028 and are subject to optional redemption prior to the maturity date any time on or after October 30, 2018.

Adjournment

There being no further business to come before the Board, at 8:25 pm 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

December 10, 2013 MEETING MINUTES

A special meeting of the East Valley Metropolitan District was held on Tuesday, December 10, 2013 at 6:30 p.m. at TACAir 7425 S. Peoria Street, Englewood, CO 80112.

Board Members Present: Larry Hammond President, Neil Sandstede Vice President , Trey Robbins Treasurer, Danelle Morgan Secretary, Bill Waller Director

Others: Bob Clodfelter Professional Water Services, Darcy Beard Manager, David Lindholm Attorney

Stakeholders Present: Sheryl Smyth

CALL TO ORDER AND ROLL CALL

Director Hammond called the meeting to order at 6:30 pm noting the presence of all the directors and appointed Ms. Beard Acting Secretary.

ADDITIONS/CHANGES TO AGENDA

Director Hammond requested addition of Wells Fargo review.

DIRECTOR’S COMMENTS

None.

PUBLIC COMMENTS

None.

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. The Board of Directors reviewed the budget and opened the hearing to public comment. There was no public comment. At 6:50 p.m. the budget hearing was closed.

RESOLUTION TO ADOPT BUDGET

Director Waller made a motion to approve the Resolution to Adopt Budget. The motion was seconded by Director Sandstede and upon vote, the motion was unanimously approved.

RESOLUTION TO APPROPRIATE FUNDS

Director Sandstede made a motion to approve the Resolution to Appropriate Funds. The motion was seconded by Director Hammond and upon vote, the motion was unanimously approved.

RESOLUTION TO SET MILL LEVY

Director Waller made a motion to approve the Resolution to Set Mill Levy. The motion was seconded by Director Sandstede and upon vote, the motion was unanimously approved.

RATE INCREASE

The Board tabled the rate increase to January to allow customer notification on the water bill. The Board is considering an increase rate of \$10 per month in the flat rate. The proposed flat rate under consideration is \$162.55 and will be discussed and voted on at a special meeting to be held on January 29, 2014.

REVIEW ITEMS – NO ACTION REQUIRED

System Operator Monthly Report

Mr. Clodfelter reported the water system is working well. He reported the Jordan well level is the highest it has been in seven years and up 16 feet from last year at the same time. In addition, the Carson well level is 19 feet higher than last year.

Customer Usage and Billing Reports

The board noted four accounts are now past due.

Customer Feedback

None.

Laramie Fox Hills Water Decree

Mr. Lindholm reported the deadline to quantify the Laramie Fox Hills Water Decree is May 2016. He explained the history of the Laramie Fox Hills Decree and the importance to the water system in quantifying the decree. Director Sandstede requested the information regarding the Laramie Fox Hills Water Decree be explained on the District website. After further discussion, Director Sandstede offered to prepare a draft of the explanation. Director Waller made a motion to have Mr. Lindholm begin the legal proceedings and work with Tom Dea to complete the engineering work necessary to quantify the decree. The motion was seconded by Director Hammond. Upon vote, the motion passed with Director Sandstede abstaining.

LONG RANGE PLANNING

Mr. Lindholm discussed the expansion of Gross Reservoir. He noted this may be an indication that Denver Water has become more comfortable expanding service boundaries. Mr. Lindholm reported the Sewer Agreement East Valley has with ACWWA has not been properly recorded. He noted the original agreement is not included and the recorded extension has not been signed by all parties. Director Hammond volunteered to follow up with ACWWA to get the documents properly signed and recorded.

WELLS FARGO REVIEW

Ms. Beard reported Wells Fargo has been charging a monthly \$10 fee to maintain the savings account with a balance of approximately \$1,000. The Board agreed when the newest directors are added as signers, the account will be closed and the funds will be transferred to ColoTrust.

ACTION ITEMS REQUIRING MOTION

Approval of Meeting Minutes

Director Hammond presented the minutes from the November 19, 2013 meeting. After review, Director Sandstede made a motion to approve as presented. The motion was seconded by Director Robbins and upon vote unanimously approved.

Acceptance of Compilation Report

Ms. Beard presented the Compilation Report for the eleven months ending November 30, 2013. Director Waller 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 Hammond presented the expenditures for November 2013 for approval. He reported the expenditures total \$8,956.71. Director Waller made a motion to approve the expenditures. The motion was seconded by Director Sandstede and upon vote, unanimously approved.

Adjournment

There being no further business to come before the Board, at 8:30 pm 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