

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE ROXBOROUGH WATER AND SANITATION DISTRICT AND THE BOARD OF DIRECTORS OF THE PLUM VALLEY HEIGHTS SUBDISTRICT OF ROXBOROUGH WATER AND SANITATION DISTRICT HELD November 20, 2013

A regular meeting of the Board of Directors of the Roxborough Water and Sanitation District and the Board of Directors of the Plum Valley Heights Subdistrict of Roxborough Water and Sanitation District was held on Wednesday, November 20, 2013 at 8:00 a.m. at the Roxborough Water and Sanitation District's offices located at, 6222 N. Roxborough Park Road, Littleton, Colorado 80125. Notice of the meeting was duly posted in at least three locations within the boundaries of the District and three locations within the boundaries of the subdistrict, as required by State law.

Attendance: Directors: Dave Bane
John Dillon
Dave Thomas
Dave Heldt
Tim Moore
Consultants: Bill Goetz, TST Infrastructure, LLC
Alan Pogue, Esq. Icenogle, Seaver, Pogue
Ted Snailum, TWS Financial
RWSD Employees: Larry Moore
Mike Marcum
Vickie Nolen
Cindy Taylor
Joanne Cleveland
Guests: Jack McCormick, PVH resident
Tim Murrell, Douglas County
Esty Atlas, Hughes and Stuart

Call to Order: The meeting was called to order by Dave Bane, President of the Board. It was also established that a quorum was in attendance and there were no conflicts of interest to disclose.

PUBLIC COMMENT:

There was no public comment.

CONSENT AGENDA: Upon a motion by Director Thomas and second by Director Heldt, the Board approved the Consent Agenda, which consisted of:

1. Ratify Payroll for October 31, 2013 and November 15, 2013
2. Approve Payment of Claims- checks #54599-54626
3. Ratify Payments since October 16, 2013 – checks #54556-54598
4. Approve Minutes of the October 16, 2013 Regular Meeting

Douglas County Water Resources: Tim Murrell representing Douglas County gave the Board an update regarding the Counties efforts in obtaining a water supply from Aurora Water. Mr. Murrell also talked to the Board about the possibilities involved in RWSD and Douglas County collaborating on the building of the Water Treatment Plant and treating water for other existing communities in Northwest Douglas County.

Amend Agenda: The Board upon a motion by Director Thomas, second by Director Heldt, and a unanimous vote agreed to amend the agenda to move the Plum Valley Heights Subdistrict meeting to the first item on the Agenda.

Director Thomas made a motion to adjourn as the Board of Directors of the Roxborough Water and Sanitation District and convene as the Board of Directors of the Plum Valley Heights Subdivision. Upon a second by Director Dillon the motion was unanimously approved.

PLUM VALLEY HEIGHTS SUBDISTRICT:

ACTION ITEMS:

2014 Budget: Alan Pogue indicated that the Notice to Consider Approval of the 2014 budget was duly noticed in the local newspaper as previously established by the Board. Director Bane opened the 2014 Budget Hearing for Public Comment. No comments were made so Director Bane closed the Public Hearing. The Board took action to approve the 2014 Budget. A motion was made by Director Thomas and seconded by Director Moore to approve Resolution 13-11-09PVH which adopts the budget, appropriates revenues and authorizes expenditures as set forth in the budget resolution. The Board acknowledged and authorized Staff to make any necessary final changes to the Budget to reflect the revised assessed valuation from Douglas County when those numbers are received. Resolution 13-11-09PVH is attached and becomes a part of these minutes, which also includes all appropriate documentation for the 2014 Budget as, required by state statutes. The motion passed unanimously.

Resolution No. 13-11-10PVH:

Resolution No. 13-11-10PVH regarding Annual Administrative Matters regarding the District's duty to perform certain obligations on a reoccurring basis in order to assure the efficient operation of the District was presented by Alan Pogue, Esq. Upon a motion and second and unanimous vote this Resolution No. 13-11-10PVH was adopted and is incorporated as a part of these minutes.

Director Thomas made a motion to adjourn as the Board of Directors of the Plum Valley Heights Subdistrict and reconvene as the Board of Directors of the Roxborough Water and Sanitation District with a second by Director Heldt the motion passed unanimously.

ROXBOROUGH WATER AND SANITATION DISTRICT:

GENERAL MANAGER'S REPORT:

Sterling Ranch/DWSD (D/SR): Mr. Moore informed the Board that he has met with D/SR and they have completed a proposed revised extension IGA for the WWTP, an IGA for shared design cost of a replacement Water Treatment Plant and a term sheet for consideration of construction and operation of a joint 8 MGD facility. All of these will be discussed in executive session.

Douglas County: Mr. Moore relayed to the Board that he has also continued meeting with all three Douglas County officials to discuss RWSD's conceptual plan, schedule and process for replacing the District's WTP.

Aurora Water: Aurora Water has decided to not increase their tap fees for 2014 which will allow us one more year to keep our rates to Aurora under the old agreement and not have to jump to the new agreement rate. This also means the District will not make the capitol water supply payment to Aurora in 2013.

LEGAL ISSUES: Alan Pogue gave the status report to the Board.

OPERATIONS: Mike Marcum gave the Board an overview of work done in the District, at the Plants, and in the Field.

ENGINEERING: Mr. Goetz presented the engineering status report and discussed the rainfall/water treatment report.

FINANCIAL: Mr. Snailum presented the October 2013 Financial Statement to the Board. Upon a motion by Director Thomas, second by Director Dillon and unanimous vote the Board accepted the October 2013 Financial Statement.

ADMINISTRATIVE:

Monthly Customer Summary: Ms. Taylor reviewed the Monthly Customer Summary with the Board. Since we have started the rebate program, January 1, 2008, we have rebated \$61,905.11.

ACTION ITEMS:

2014 Budget: Alan Pogue indicated that the Notice to Consider Approval of the 2014 budget was duly noticed in the local newspaper as previously established by the Board. Director Bane opened the Public Hearing on the proposed 2014 Budget. No comments were received so Director Bane closed the Public Hearing. The Board took action to approve the 2014 Budget. A motion was made by Director Thomas and seconded by Director Moore to approve Resolution 13-11-10 which adopts the budget, certifies its 2014 mill levy, appropriates revenues and authorizes expenditures as set forth in the budget resolution. The Board acknowledged and authorized Staff to make any necessary final changes to the Budget to reflect the revised assessed valuation from both Douglas County and Jefferson County when those numbers are received. Resolution 13-11-10 is attached and becomes a part of these minutes, which also includes all appropriate documentation for the 2014 Budget as, required by state statutes. The motion passed unanimously.

Poysti and Adams 2014 Letter of Engagement: Larry Moore presented a letter of engagement for services for the 2013 Audit. After discussion a motion was made by Director Thomas, seconded by Director Heldt and unanimously passed to approve Poysti and Adams services for 2014. The cost for the auditing service is \$8,400.00.

Resolution No. 13-11-11: Resolution No. 13-11-11 regarding Annual Administrative Matters regarding the District's duty to perform certain obligations on a reoccurring basis in order to assure the efficient operation of the District was presented by Alan Pogue, Esq. Upon a motion by Director Thomas and second by Director Heldt and unanimous vote this Resolution No. 13-11-11 was adopted and is incorporated as a part of these minutes.

Resolution No. 13-11-12: Resolution No. 13-11-12 regarding Meetings, posting of said Meetings, locations and times of said Meetings was presented by Alan Pogue, Esq. Upon a motion by Director Thomas, second by Director Dillon and unanimous vote the Board adopted Resolution No. 13-11-12 and the resolution is incorporated as a part of these minutes.

Resolution No. 13-11-13: Resolution No. 13-11-13 to call the Election for purposes of electing three (3) directors to each serve a term of four years on the Board of District and setting forth the procedures for conducting the Election. Upon a motion by Director Heldt, seconded by Director Dillon and unanimous vote Resolution No. 13-11-13 was adopted and is incorporated as a part of these minutes.

Resolution No. 13-11-14: Resolution No. 13-11-14 adopting and approving a first amendment to the district's policy regarding the inspection, retention and disposal of public records was adopted by a motion by Director Thomas, seconded by Director Heldt and unanimous vote. This Resolution No. 13-11-14 is incorporated as a part of these minutes.

TST Engineering Services for 4MGD Plant: Bill Goetz presented a contract outlining the Engineering Services TST Infrastructure LLC would provide to Roxborough Water and Sanitation District in the design and construction of the Water Treatment Plant. The Board upon a motion by Director Thomas, second by Director Heldt and unanimous vote approved this contract subject to review by Larry Moore and Alan Pogue. The Board also instructed Larry Moore to sign the contract on behalf of the Board.

EXECUTIVE SESSION: The board was advised that due to the need to discuss matters subject to negotiation and to direct negotiators related to the sale of the WWTP to Dominion Water and Sanitation District and the design of RWSD's new water treatment facility and Dominion Water and Sanitation District's capacity in the new plant, it was appropriate, upon compliance with the requisite statutory procedures, to convene an Executive Session. The Directors, by motion duly made and seconded, and approved by greater than two-thirds of the Directors present:

RESOLVED by a unanimous vote to convene an Executive Session, pursuant to Section 24-6-402(4)(e), C.R.S., for the purposes of discussing matters subject to negotiations and to direct

negotiators related to the sale of the WWTP to Dominion Water and Sanitation District and the design of RWSD's new water treatment facility and Dominion Water and Sanitation District's capacity in the new plant.

Director Bane reported, "It is November 20, 2013 and the time is 9:40 a.m. For the record, I am the presiding officer, Dave Bane. As required by the Open Meetings Law, the Executive Session is being recorded.

Present at this Executive Session were the following persons:

Dave Bane, President
Dave Thomas, Vice-President
John Dillon, Assistant Secretary
Tim Moore, Assistant Secretary
Dave Heldt, Assistant Secretary
Larry Moore, RWSD
Alan Pogue, Esq.
Bill Goetz, TST Infrastructure

This is an executive session for the following purposes:

For the purpose of discussing matters subject to negotiations and to direct negotiators related to the sale of the WWTP to Dominion Water and Sanitation District and the design of RWSD's new water treatment facility and Dominion Water and Sanitation District's capacity in the new plant, pursuant to Section 24-6-402(4)(e), C.R.S.

Director Bane cautioned each participant to confine all discussions to the stated purposes of the executive session.

If at any point in the executive session any participant believes that the discussion is going outside the proper scope of the executive session, please interrupt the session and make an objection. The purpose of the Executive Session was to discuss matters subject to negotiations and to direct negotiators related to the sale of the WWTP to Dominion Water and Sanitation District and the design of RWSD's new water treatment facility and Dominion Water and Sanitation District's capacity in the new plant. The time is now 11:10 a.m. and the executive session has been concluded. The participants in the executive session were:

Dave Bane, President
Dave Thomas, Vice-President
John Dillon, Assistant Secretary
Tim Moore, Assistant Secretary
Dave Heldt, Assistant Secretary
Larry Moore, RWSD (left at 10:40 a.m.)
Alan Pogue, Esq.
Bill Goetz, TST Infrastructure

Director Bane stated "For the record, if any person who participated in the executive session believes that any substantial discussion of any matters not included in the motion to go into the Executive Session occurred during the Executive Session or that any improper action occurred during the Executive Session in Violation of the Open Meetings Law, I would ask that you state your concerns for the record."

None were stated.

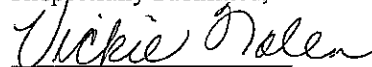
Third Amendment to WWTP Agreement: The Board upon a Motion from Director Thomas, second from Director Dillon and a unanimous vote approved a Third Amendment to the Wastewater Treatment Facility Purchase and Sale Agreement with Dominion Water and Sanitation District.

IGA with DWSD Regarding WTP: The Board upon a motion from Director Thomas, second from Director Moore and a unanimous vote approved an Intergovernmental Agreement with Dominion Water and Sanitation District regarding the funding of the Water Plant Design Costs.

December Meeting: The Board upon a motion, second and unanimous vote agreed to cancel the regular board meeting for December. The next regular board meeting will be held on January 15, 2014.

ADJOURN: Being no further business, a motion was made by Director Thomas and seconded by Director Heldt to adjourn the meeting at 11:30 a.m. The motion passed.

Respectfully Submitted,

A handwritten signature in cursive script, reading "Vickie Nolen".

Secretary for the Meeting