

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 June 17, 2015

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, June 17, 2015 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
 Dave Thomas
 Dave Heldt
 Tim Moore
 John Dillon
 Consultants: Bill Goetz, TST Infrastructure, LLC
 Alan Pogue, Esq. Icenogle, Seaver, Pogue,
 Deborah Early, Esq. Icenogle, Seaver, Pogue
 Ted Snailum, TWS Financial, Inc.
 Franchesca Snailum, TWS Financial
 RWSD Employees: Larry Moore
 Mike Marcum
 Vickie Nolen
 Cindy Taylor
 Joanne Cleveland
 Public: Jack McCormick, PVH resident
 Ann Sheflin, PVH resident
 John Redman, PVH resident
 Annette Stearman, RWSD Resident
 Dan Guerra, Seven Stones
 Doug Flin, Seven Stones

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 Dillon, the Board approved the Consent Agenda, which consisted of:

1. Approve Minutes of the May 20, 2015 Regular Meeting
2. Ratify Payroll for May 31, 2015 and June 15, 2015
3. Approve Payment of Claims- check #55818-55836
4. Ratify Payments since May 20, 2015 – checks #55767-55817
5. Pay App #5, Water Line Relocation

GENERAL MANAGER'S REPORT:

Sterling Ranch/DWSD (D/SR): D/SR approved the agreements that RWSD approved 5-20-15 and RWSD is awaiting copies. D/SF anticipates closing with its builders on 6-24-15.

WTP: The pre-construction meeting with Garney, TST and RWSD is complete and there will be activity to begin the week of 6-15-15.

NWDC Water Project: Financing was approved by CWCBS for \$2.2 M loan on 5-21-15. Larry Moore met with the Backcountry HOA, Commissioner Jill Rapella, Tim Murrell, DC, Chet Latcham, Shea Homes, John Kaufman, Centennial Water and Sanitation District (CWSD) GM, Jeff Case, CWCD Engineering, Stephanie Stanley, CWCD Finance regarding building a water storage tank in the Backcountry open space. Mr. Latcham, Shea Homes and Backcountry assured us that they would do anything and everything to prevent us building a tank in their open space. As the meeting progressed, CWSD assured us that they firmly believed that they could provide the treatment and deliver service that would allow elimination of the tank. Mr. Moore stated at the meeting that RWSD is committed to bringing renewable water to these properties. Mr. Moore then met with CWSD and they are working on an agreement based on RWSD project costs, however, if RWSD is not successful in obtaining the treatment and delivery agreement with CWSD, RWSD would have to build the water storage tank, therefore, Resolution 15-06-10 was presented to the Board which would allow RWSD to move forward with condemnation proceedings. The condemnation resolution is plan B if we are not able to finalize the Intergovernmental Agreement with CWSD. The Resolution will be considered under the action items.

LEGAL ISSUES: Alan Pogue asked to amend the agenda with item viii to approve a contract for a metal storage building to be built at the RWSD Lift Station by Norkoli Construction as the general contractor. The amendment was approved by a motion from Director Thomas and second by Director Heldt. Mr. Pogue gave the legal 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 gave the status report to the Board and discussed the rainfall/water treatment report.

FINANCIAL: Mr. Snailum presented the May Cash in Bank report to the Board and explained that with all of the construction activity financial reports can no longer be completed for the previous month, therefore at the July Board meeting he will present the May, 2015 financials which means financials will be presented 45 days after the end of the reporting period.

ADMINISTRATIVE:

Monthly Customer Summary: Ms. Taylor reviewed the Monthly Customer Summary with the Board. Since we started the rebate program, January 1, 2008, we have rebated \$66,930.11.

5962 Silverthorn Run- Availability of Service Charges: Annette Stearman, owner of 5962 Silverthorn Run appeared in person and asked the Board to consider waiving the fees that would be accrued to Lot 304 which was vacated in 1992 and now she would like to reinstate the lot line and sell the lot. Mrs. Stearman pointed out that this would be an economic benefit to the District by adding another customer. The District would receive a Systems Development Charge, and additional tax payer and billable customer. After discussion with Mrs. Stearman the Board said they would consider her request in executive session then render a decision.

Director Bane 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 Subdistrict. Upon a second by Director Heldt the motion was unanimously approved.

PLUM VALLEY HEIGHTS SUBDISTRICT:

ACTION ITEMS:

2014 Audit: The 2014 Audit is being finalized and a copy is expected to be delivered to the Board by 6-19-15.

PVH Lot 7 Inclusion: Director Bane opened a public hearing regarding the inclusion of Lot 7 PVH into The PVH Subdistrict. Lot 7 was the only lot not previously included with the other 28 PVH lots. After having no public comment, Director Bane closed the public hearing.

Resolution No. 15-06-07: Upon a motion by Director Thomas, second by Director Heldt, the Board unanimously approved Resolution No. 15-06-07, approving the inclusion of Lot 7 PVH into The PVH Subdistrict.

CWCB Loan: Alan Pogue discussed the loan documents with the Board which would provide \$2.2 Million to purchase water from the City of Aurora.

Resolution No. 15-06-06: Upon a motion by Director Thomas, second by Director Heldt, the Board unanimously approved Resolution No. 15-06-06, approving the CWCB Loan for NWDC project raw water supply.

Condemnation: If the District is unsuccessful in obtaining an IGA with Centennial W & S District a water tank would need to be acquired in the Open Space of the Highlands Ranch Backcountry.

Resolution No. 15-06-10: Upon a motion by Director Heldt, second by Director Dillon, the Board unanimously approved Resolution No. 15-06-10, approving Condemnation for a storage tank in the Backcountry Open Space if the CWSD IGA is not executed.

FINANCIAL: Mr. Snailum presented the May Cash in Bank report to the Board and explained that with all of the construction activity financial reports can no longer be completed for the previous month, therefore at the July Board meeting he will present the May, 2015 financials which means financials will be presented 45 days after the end of the reporting period.

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:

ACTION ITEMS:

2014 Audit: The 2014 Audit is being finalized and a copy is expected to be delivered to the Board by 6-19-15.

Seven Stones: Director Bane opened a public hearing regarding the inclusion of Seven Stones property into RWSD. After comments from Dan Guerra and Doug Flynn, Director Bane closed the public hearing. The property is located on Rampart Range Road and the developers are requesting 16 Residential Equivalent Connections and will build the infrastructure to connect to the District's system.

Resolution No. 15-06-08: Upon a motion by Director Thomas, second by Director Moore, the Board unanimously approved Resolution No. 15-06-08, approving the inclusion of the Seven Stones property to RWSD.

RWSD Lot 7 PVH Inclusion:

Director Bane opened a public hearing regarding the inclusion of Lot 7, PVH subdivision into RWSD. After no public comment, Director Bane closed the public hearing.

Resolution No. 15-06-09: Upon a motion by Director Thomas, second by Director Dillon, the Board unanimously approved Resolution No. 15-06-09, approving the inclusion of Lot 7 PVH into RWSD.

Storage Building: Mr. Moore asked the Board to approve Norkoli Construction as the general contractor to build the storage building at the RWSD lift station and authorize Mr. Moore to execute the contract with Norkoli Construction and all of the appropriate documents. After a motion from Director Thomas, a second from Director Heldt, and unanimous vote the Board approved the contract for the building by Norkoli Construction and authorized Mr. Moore to execute all required documents.

EXECUTIVE SESSION: The board was advised that due to the need to discuss matters subject to negotiation 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.

Director Bane reported, "It is June 17, 2015 and the time is 10:05 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
Deborah Early, Esq.
Bill Goetz, TST Infrastructure

This is an executive session for the following purposes:

For the purpose of discussing matters subject to negotiations with Annette Stearman regarding a lot line vacation that is being replatted and fees associated with this, 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 with Annette Stearman regarding a lot line vacation that is being replatted and fees associated with this. The time is now 11:10 a.m. and the executive session has been concluded. The participants in the executive session were:

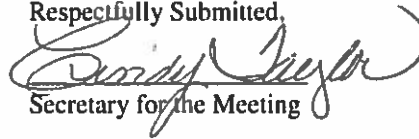
Dave Bane, President
Dave Thomas, Vice-President
John Dillon, Assistant Secretary
Tim Moore, Assistant Secretary
Dave Heldt, Assistant Secretary
Larry Moore, RWSD
Deborah Early, Esq.
Bill Goetz, TST Infrastructure

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.

Stearman Decision: Upon a motion by Director Thomas and a second by Director Dillon, there was a 3-2 vote with Directors Heldt and Moore dissenting to approve charging Ms. Stearman only the principle in the amount of \$10,218.36 and waiving the interest. These principal charges are good through July 31, 2015.

ADJOURN: Being no further business, a motion was made by Director Thomas and seconded by Director Heldt to adjourn the meeting at 11:15 a.m. The motion passed.

Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "Sandy Taylor", written in black ink.

Secretary for the Meeting