

**Regular Meeting, Sandstone Ranch Second Amended Inclusion Hearing, 2011
Budget Hearing – December 7, 2010**

Board Members

Mike Hayes
Craig Johnston
Jim Matchett
Gary Peterson

Visitors

Judy LaCrosse
Tom Warley – M3 Companies
Barney White – M3 Companies

Excused Absence

Tony Lucas

Staff / Consultants

Sue Byrnes – District Staff
Alan Hill – Tienken & Hill, LLC
Diana Miller – District Manager
Scott Monroe – Semocor, Inc.

1.0 Call To Order

The meeting was called to order at 16:33.

2.0 New Business and Open Items

- 2.1 Meeting Minutes – A motion was made and seconded; (RESOLUTION 10-090) TO APPROVE THE MINUTES OF THE NOVEMBER 16, 2010 REGULAR BOARD MEETING OF THE PERRY PARK WATER AND SANITATION DISTRICT AS PRESENTED. The motion passed unanimously.
- 2.2 Disbursements – A motion was made and seconded; (RESOLUTION 10-091) TO APPROVE CHECKS 20331 THRU 20356 IN THE AMOUNT OF \$63,152.06 TO BE DISBURSED FROM WELLS FARGO BANK WEST. The motion passed unanimously.

It was highlighted that check 20348 issued to Magnum Excavating was for another emergency repair associated with a water main break. The Board discussed another water main break on Fox Court that had occurred on November 19, 2010. The District Manager advised the Board that she and Mr. Scott Monroe were working with the District's engineer to further evaluate the concentration of breaks in the Fox Circle/Fox Court area and that they would likely develop a pipe replacement plan that would include the addition of more isolation valves. Director Peterson

requested that the District Manager develop a graphical report of the water main breaks that had occurred in recent years.

A motion was made and seconded; (RESOLUTION 10-092) TO RATIFY CONSENT AGENDA ITEMS DATED NOVEMBER 26, 2010 IN THE AMOUNT OF \$4,956.71 WHICH WERE PREVIOUSLY DISBURSED FROM WELLS FARGO BANK WEST. The motion passed unanimously.

- 2.3 Sandstone Ranch Second Amended Inclusion Hearing – Prior to opening the public hearing Director Hayes advised the Board and Audience that this public hearing is a quasi-judicial proceeding and as such certain rules and formalities must be followed to insure the integrity of the proceeding. Pursuant to C.R.S §32-1-401, Director Hayes opened the public hearing for consideration of a petition to amend certain sections of the Inclusion Agreement between the Perry Park Water and Sanitation District and A.R. Sandstone, LLC which was approved by the Board of the District on March 10, 2007 and amended on March 15, 2008. The District's legal counsel, Mr. Alan Hill provided a historic summary of the past inclusion proceedings and the events that had initiated the need for a second amendment, specifically, the elimination by Sandstone Ranch of the equestrian center and the District's request to better define the operations and maintenance rules regarding the low pressure sanitary sewer system. Mr. Hill advised the Board that as a result of a discussion with Director Hayes a modification to the agreement had been made to correct the additional inclusion fee calculated in paragraph 3.

Mr. Tom Warley with M3 Companies introduced himself to the Board and provided a high level summary of events that had occurred since the first amendment to the inclusion. He provided to the Board drawings that identify the proposed changes to the boundary.

After discussion a motion was made and seconded; (RESOLUTION 10-093) TO INCLUDE THE LAND DESCRIBED IN THE PETION FOR INCLUSION DATED OCTOBER 21, 2010. The motion passed unanimously. A copy of the Order of the Board of Directors and Affidavit of Publication are attached.

A motion was made and seconded; (RESOLUTION 10-094) TO CLOSE THE PUBLIC HEARING FOR THE SANDSTONE RANCH SECOND AMENDED INCLUSION. The motion passed unanimously. The regular meeting and budget hearing then resumed.

3.0 Old Business/Immediate Issues

- 3.1 Budget Hearing – THE RESOLUTION TO ADOPT THE BUDGET (RESOLUTION 10-095), THE RESOLUTION TO APPROPRIATE SUMS OF MONEY (RESOLUTION 10-096), AND THE RESOLUTION TO SET MILL LEVIES FOR THE PERRY PARK WATER AND SANITATION DISTRICT (RESOLUTION 10-097) were made and seconded. The full text is attached. The motions passed unanimously.
- 3.2 Board Member Items – Director Peterson suggested that as a Christmas token the Board authorized the District Manager to purchase gift cards for herself and Ms. Byrnes in the amount of \$150.00 each, from a provider of their choice. A motion was made and seconded; (RESOLUTION 10-098) TO AUTHORIZE THE DISTRICT

MANAGER TO PURCHASE THE GIFT CARDS IN THE AMOUNT OF \$150.00. The motion passed unanimously. The District Manager thanked the Board for their gift.

Director Peterson advised the District Manager that his work schedule will prevent him from attending the first three Board Meetings of 2011. The Board agreed that the District would move the second and third Board Meeting of the year to the first Wednesday of the month as opposed to the third Wednesday of the month to allow for Director Peterson's participation in the Board Meetings. The first three Board Meetings of the year will be January 19, 2011, February 2, 2011 and March 2, 2011.

Director Johnston suggested that due to the lack of agenda items for the scheduled December 21, 2010 Board Meeting, that it be cancelled. The Board agreed.

4.0 Audience Participation

Ms. Judy LaCrosse offered that she had been following the volume of rate increases by other water and sanitation providers in Colorado. She queried the Board as to the potential of a rate increase for the Perry Park Water and Sanitation District. The District Manager detailed the cost saving measures that the District had undertaken. She added that with utility increases, the potential of replacing sections of water mains in the Perry Park Ranch area and the volume of unscheduled emergency repairs, she believes that the District would need to implement a rate increase for 2012. She advised that midway thru 2011 a rate analysis would be conducted. Director Hayes added that even though there was no rate increase planned for 2011, if the necessity occurred, the District could implement a rate increase in 2011.

5.0 Adjournment - A motion was made and seconded; (RESOLUTION 10-099): TO ADJOURN THE REGULAR MEETING. The motion passed unanimously. The meeting adjourned at 17:48.

ATTEST:

Secretary