

HAMILTON CREEK METROPOLITAN DISTRICT

BOARD OF DIRECTORS MEETING

Friday, November 12, 1999

Community Room, Silverthorne Recreation Center

Attending board members:

Kolbjorn Tenfjord
Lowell Graves

Eddie O'Brien

Others attending:

Bob Polich
Jeff Cohen

Mountain Systems, Inc.
Cohen and Associates

President Kolbjorn Tenfjord called the meeting to order at 1:45 PM.

Budget – Public Hearing. The public hearing for the year 2000 budget was called to order. As no member of the public was present, the meeting was closed.

Minutes. *The minutes from the October 1, 1999 Board meeting were approved as written. (Graves/Tenfjord,3-0).*

Water Operator. The District received three proposals for year 2000 water operators. The proposals were from the current provider Aqua Source, Karl Johnson of the Town of Silverthorne, and Matt Willitts from the Town of Frisco. A proposal from Dave Morris of Water Works West had been requested, but Dave declined at this time indicating he did not feel his business had adequate staffing to take on another district. Bob Polich, Administrator, interviewed all applicants and recommended the District contract with Matt Willitts. *A motion was made to hire Matt Willitts as the water operator for the District for the year 2000. The contract included base services at \$675 per month. Additional work would be at \$45 per hour. (Tenfjord/Graves,3-0).*

Road Signs. The Board reviewed language (“private community”) to use in the entrance sign. The Board approved speed limit signs of 20 mph for all of the District roads and slow 5 mph curve signs on all corners. The signs would be prepared and installed pending application to and approval from Summit County Engineering.

Financial. Proposals for the year 2000 audit were received from Roger Swift and Don Gruenler of Hiratsuka & Schaus. Don Gruenler had been consulted with regards to the pending declaratory judgment action. *The Board approved contracting with Hiratsuka & Schaus for three years beginning with the year 2000 audit. (Tenfjord/O'Brien,3-0).*

A financial summary through October was provided to the Board. A modification to the year 1999 budget was proposed providing additional funding for legal and accounting fees related to the declaratory judgment court case. Public notice of the proposed 1999 budget amendment had been published. *The Board approved the amendment to the 1999 budget. (Tenfjord/O'Brien,3-0).* Notice of the year 2000 budget had been published. The Board reviewed and discussed the year 2000 budget. *A motion was made to approve the year 2000 budget as presented and the required 40-mill levy tax assessment. (O'Brien/Tenfjord,3-0).*

Legal. Attorney Jeff Cohen briefed the Board on the declaratory judgment action and the schedule set by the court. The State of Colorado is a party to the legal action with regards to the level set for fluoride. The State had made an offer to the District to settle their portion of the legal action. The offer required the District to find a solution to the fluoride problem and bring the levels below the EPA standard. The District would have 18 months from the end of the court action (with a 6 month extension if work was proceeding) to complete the repair of the water system. If the District completes the work, all potential fines against the District for non-compliance would be waived. *The Board authorized Jeff Cohen to accept the offer from the State of Colorado on behalf of the District. (Graves/Tenfjord,3-0).*

Executive Session. The remaining parties in the legal action were scheduled for a settlement conference the week following the Board meeting. The Board adjourned into executive session at 2:30 PM to discuss potential settlement offers to be presented by the District and the guidelines for acceptance of a settlement with the bondholders.

The meeting was adjourned at 3:00 PM.