

**MINUTES OF THE REGULAR MONTHLY MEETING
OF THE BOARD OF DIRECTORS
OF THE TABERNASH MEADOWS WATER AND SANITATION DISTRICT**

TMWSD Water Plant, 729 County Road 5141, Tabernash, Colorado
January 25, 2010
6:30 p.m.

1. DIRECTORS PRESENT:

Irene Cooke, President
Lee Reynolds, Secretary/Treasurer
Susan Koeneke, Director
Marilyn Hajicek, Director
Molly Lipke, Director

2. PUBLIC IN ATTENDANCE:

Dick Sprague

3. STAFF/CONSULTANTS PRESENT:

Lauralee Kourse, Manager/Operator
Cindy Greiner, Administrative Staff
Donette Schmiedbauer, District Accountant
Georgia Noriyuki, District Legal Counsel
Sara Rosene, Grand County Clerk and Recorder

The meeting was called to order at 6:30 p.m.

4. DISCLOSURES: There were no disclosures presented at this meeting.

5. 2010 ELECTION: Sara Rosene, the County Clerk and Recorder, discussed with the Board the District's upcoming election, laws, and procedures. The mail ballot system and walk in voting systems were discussed. Sara is willing to be our Designated Election Official and her office would conduct the entire election at a cost of a minimum of \$500.00. The hard costs (postage, envelopes, etc.) would also be charged. See Action Item 12a.

Sara will need a resolution appointing her the Designated Election Official.

The Board directed Sara not to send notice to property owners that are not registered to vote in the state of Colorado. Sara suggested giving notice to the property owners in our next billing. The SDA website will also have a notice. Being a property owner and being registered to vote in Colorado allows you to vote. See Action Item 12b.

Sara Rosene left the meeting at 6:43 p.m.

6. **MINUTES APPROVED:** Upon a motion by Lee Reynolds, seconded by Susan Koeneke, the Board voted unanimously to approve the Minutes of the December 14, 2009, meeting, as amended on the last page to call the water plant the TMWSD Water Plant instead of the Pole Creek Valley Water Plant.
7. **ELECTION OF OFFICERS:** See Action Items 12c and 12d.
8. **FINANCIAL REPORT:** Donette Schmiedbauer presented the financials for December, 2009, and the preliminary 2009 year-end report to the Board for review. This information was also provided to the bond underwriters to review for the bond refinance. The December cash disbursements were reviewed. See Action Item 12e.
9. **BOND REFINANCE:** LL Kourse reviewed the terms of the current bond refinance option with the Board. Georgia Noriyuki shared information from a discussion with the bond underwriter. Terms of the refinance were discussed. The Covenant to Levy is required by law and is not negotiable. Other terms are negotiable. The Surplus Fund, Trust Fund etc are terms that can be negotiated. The purpose of the Surplus Fund and the Reserve Fund is to make financing the bond more appealing to the investors and make them feel secure in their investment. It was suggested to set aside one year's worth of funds to cover operations.

Georgia suggests that the Board use the bond counsel during all bond refinance negotiations. The bond counsel is paid a flat fee no matter how much he is used and only if the refinance goes through.

LL reviewed what the District gains by refinancing the bonds over a longer time period. The interest rate will be lower. The longer time period will likely mean that there are more properties to share these costs. The District will be able to pay the bonds off with a reasonable mill levy and will not have to depend upon tap fee income (developers). Refinancing the bond will also provide a cash reserve for operations and capital replacement.

The initial proposal for the bond refinance with Wells Fargo was discussed as to why it would not work for the District.

The Board and LL decided to put together a list of questions for a tele-conference with bond counsel including; who else offers similar bonds for a comparison.

10. **MANAGER'S REPORT:** Operations - LL reviewed the plant flows for December. The staff is able to detect leaks when they are happening.

Moffat Firming Project - The Moffat Firming Project was discussed. Denver wants to approve a firming project to make Gross Reservoir higher. Public comments need to be provided to the Army Corp of Engineers questioning the water saving processes on the front range by March 1, 2010.

ARRA Funds - The ARRA funds and the three suggested projects for the funds were discussed. The Eligibility Survey's submitted and qualifying for assistance are a sewer line extension up Red Dirt Hill to Alpine Park and Alpine Acres, biosolids drying beds for the Waste Plant, and a water line extension to Tabernash. There is a meeting on February 2, 2010, at 6:30 p.m. in Hot Sulphur Springs regarding these projects. There is a sewer problem in the Alpine Park and Alpine Acres community and a central sewer could help solve the problem.

Litigation update -. The District is still waiting on a ruling regarding the Thompson Creek Townhome Appeal. An oral argument was asked for by Seymour Joseph at which time he will have the opportunity to rebut assertions of Thompson Creek Townhome LLC. We are waiting for this to be scheduled. It was asked if Thompson Creek Townhomes will have to pay attorney fees. LL will check into this.

Dick Sprague left the meeting at 8:18 p.m.

11. **EXECUTIVE SESSION:** Upon a motion by Lee Reynolds, seconded by Susan Koeneke, the Board unanimously approved moving into Executive Session for the purpose of discussing legal issues with the District's Legal Counsel and personnel issues. The Board moved into Executive Session at 8:20 p.m. The Board returned from Executive Session at 9:05 p.m.

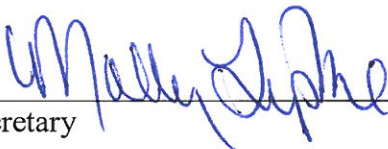
12. **ACTION ITEMS:**

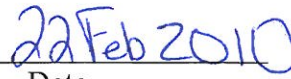
- a. Upon a motion by Molly Lipke, seconded by Lee Reynolds, the Board voted unanimously to do a mail in ballot and to appoint Sara Rosene as the Designated Election Official for TMWSD.
- b. Upon a motion by Molly Lipke, seconded by Lee Reynolds, the Board voted unanimously to approve Resolution # 1/10-01 to appoint Sara Rosene as the Designated Election Official for TMWSD's 2010 election.

- c. Upon a motion by Marilyn Hajicek, seconded by Susan Koenke, Marilyn nominated Molly Lipke to be Secretary/Treasurer and the Board voted unanimously to elect Molly Lipke as Secretary/Treasurer.
- d. Upon a motion by Marilyn Hajicek, seconded by Molly Lipke, Marilyn nominated Irene Cooke to be President and the Board voted unanimously to elect Irene Cooke as President.
- e. Upon a motion by Marilyn Hajicek, seconded by Susan Koenke, the Board voted unanimously to approve the disbursements for December, 2009, as presented.

13. **ADJOURNMENT:** There being no further business, upon a motion by Susan Koenke, seconded by Marilyn Hajicek, the Board voted unanimously to adjourn the meeting at 9:06 p.m.

The next Board meeting is scheduled for February 22, 2010, at 6:30 p.m. at the TMWSD Water Plant.


Secretary


Date