

RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
NORTHWEST LAKEWOOD SANITATION DISTRICT
AND THE BOARD OF DIRECTORS OF THE
WASTEWATER UTILITY ENTERPRISE
HELD
AUGUST 26, 2015**

A regular meeting of the Board of Directors of the Northwest Lakewood Sanitation District and the Board of Directors of the Wastewater Utility Enterprise (referred to hereafter as "Board") was convened on Wednesday, the 26th day of August, 2015, at 4:00 P.M., at the offices of Martin/Martin, Inc., 12499 W. Colfax Avenue, Lakewood, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Anthony M. Dursey, President
Robert J. "Bob" Burn
James D. "Jim" Zimmerman
Gregory A. "Greg" Fabisiak
Catherine "Cici" Kesler

Also In Attendance Were:

AJ Beckman and George Turtle; Special District Management Services, Inc.

Tim Flynn, Esq.; Collins, Cockrel & Cole, P.C.

Wayne Ramey; Ramey Environmental Compliance

Bill Willis; Martin/Martin Consulting Engineers

ADMINISTRATIVE MATTERS

Minutes: The Board reviewed the minutes of the July 22, 2015 regular meeting.

Following discussion, upon motion duly made by Director Zimmerman seconded by Director Kesler and, upon vote, unanimously carried, the minutes of July 22, 2015 regular meeting were approved.

FINANCIAL MATTERS

Claims: The Board considered approval of the payment of claims through the period ending August 26, 2015, as follows:

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General Fund	\$ 266,932.91
Enterprise Fund	\$ <u>125,572.95</u>
Total	\$ <u>392,504.86</u>

Following discussion, upon motion duly made by Director Kesler, seconded by Director Burm and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending August 26, 2015, as presented

Unaudited Financial Statement: Mr. Beckman reviewed with the Board the unaudited financial statements of the District setting forth the cash deposits, investments, and budget analysis, and accounts payable vouchers for the period ending July 31, 2015, and the schedule of cash position updated as of July 31, 2015.

Following discussion, upon motion duly made by Director Kesler, seconded by Director Burm and, upon vote, unanimously carried, the Board accepted the unaudited financial statements of the District setting forth the cash deposits, investments, and budget analysis, and accounts payable vouchers for period ending July 31, 2015, and the schedule of cash position updated as of July 31, 2015, as presented.

Status of Investments: Mr. Turtle reviewed the status of investments with the Board.

Following discussion, upon motion duly made by Director Kesler, seconded by Director Fabisiak and, upon vote, unanimously carried, the Board accepted the investment report.

Preparation of 2016 Budget: The Board discussed the preparation of the 2016 Budget.

Following discussion, upon motion duly made by Director Kesler, seconded by Director Zimmerman and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2016 Budget.

The Board determined to hold the public hearing to consider adoption of the 2016 Budget during a special meeting to be held on Wednesday, November 18, 2015 at 12:00 p.m. at the regular meeting place, in lieu of the Board's regular November 25th meeting, which was cancelled.

Metro Wastewater Annual Charges: The Board reviewed and discussed Metro Wastewater Reclamation District's 2016 Annual charges. No action was taken by the Board.

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LEGAL MATTERS

Deane and Alex Fehrman Claim: Attorney Flynn reported to the Board that the reported case is still in the preliminary filings stage. Plaintiffs are moving forward with the litigation.

November 2015 Election: Attorney Flynn reviewed with the Board a minor change to the previously approved ballot question for the November 2015 Election.

Following discussion, upon motion duly made by Director Kesler, seconded by Director Zimmerman and, upon vote, unanimously carried, the Board approved of the minor change and authorized attorney Flynn and the Designated Election Official to certify the ballot content as modified.

Intergovernmental Agreements: The Board discussed the Intergovernmental Agreements.

Following discussion, upon motion duly made by Director Kesler, seconded by Director Zimmerman and, upon vote, unanimously carried, the Board ratified the Designated Election Official's acceptance and signature of the Intergovernmental Agreements by and between the Clerk and Recorder for the County of Jefferson, State of Colorado and the Northwest Lakewood Sanitation District for the conduct of the District's November 2015 Election.

Participation Fee: Mr. Willis distributed and reviewed a letter regarding SFRE charges for change in capacity. The Board of Directors directed staff to move ahead with the methodology detailed in option No. 2 of the example calculations and present at the next meeting.

OPERATIONS MATTERS

Operations Monthly Report: Mr. Ramey from Ramey Environmental Compliance, Inc. briefed the Board on the monthly report. Mr. Ramey reported that a homeowner at 31110 Ward Court removed a carbon filter from a sewer vent and subsequently complained of odor. The Board of Directors directed Mr. Ramey to provide a replacement filter for the homeowner and to make the same available for approximately eight neighboring homes similarly situated. The Board directed Mr. Ramey to advise the resident to have the sewer vent inspected if the newly installed filter does not improve the odor problem.

Engineer's report:

Status update for Quail Hollow: Mr. Willis reported to the Board that two man holes have been installed and the line installation is in process.

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Status of Quail Street Sump Pump Inspection Program (2931 Oak Street): Mr. Willis reported that he scheduled inspections by plumbers to provide estimates however the resident has been unresponsive to the requests to perform the inspection. No action was taken by the Board.

2015 Capital Improvements Project: Mr. Willis reviewed the 2015 Capital Improvements report with the Board.

Pay Application No.2: The Board considered approval of Pay Application No.2.

Following discussion, upon motion duly made by Director Burm, seconded by Director Zimmerman and, upon vote, unanimously carried, the Board approved Pay Application No. 2 in the amount of \$401,691.82 and Change Order No.2 in the amount of \$4,050.00.

OTHER BUSINESS

4101 Miller Street Property: Mr. Beckman distributed and reviewed with the Board the appraisals for the 4101 Miller Street property.

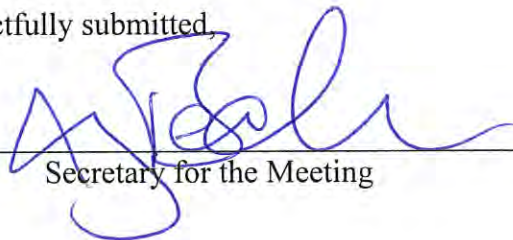
Following discussion, upon motion duly made by Director Kesler, seconded by Director Zimmerman and, upon vote, unanimously carried, the Board approved the proposal submitted by Daniels Real Estate Services and directed Mr. Beckman to verify that the property would be valued according to its highest and best use.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made, seconded and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By _____



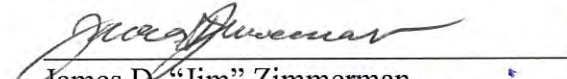
Secretary for the Meeting

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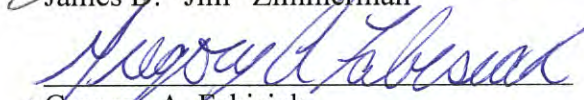
THESE MINUTES APPROVED AS THE OFFICIAL AUGUST 26, 2015
MINUTES OF THE NORTHWEST LAKEWOOD SANITATION DISTRICT BY
THE BOARD OF DIRECTORS SIGNING BELOW:



Anthony M. Dursey



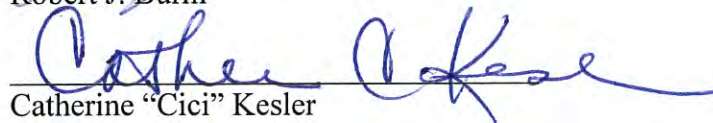
James D. "Jim" Zimmerman



Gregory A. Fabisiak



Robert J. Burn



Catherine "Cici" Kesler