

**HAMILTON CREEK METROPOLITAN DISTRICT  
BOARD OF DIRECTORS MEETING  
Wednesday, November 4, 2013**

Attending Board members:

|                    |              |
|--------------------|--------------|
| Tom Hand           | Ann Beauprez |
| Chuck Harris       | Bill Ferris  |
| Jacques DeLorimier |              |

Others attending:

|               |                                       |
|---------------|---------------------------------------|
| Bob Polich    | Administrator, Mountain Systems, Inc. |
| Matt Willitts | Water Operator, Water Solutions       |

President Tom Hand called the meeting to order at 3:02 PM.

**Minutes.** *The minutes from the September 11, 2013 meeting were approved as written. (Ferris/Harris,5-0).*

**Water Operations Report.** Matt Willitts of Water Solutions provided the Board with an update of operations. Matt reported the State had approved reduced monitoring from quarterly to annually for disinfection byproducts. The report provided reflected reduction to 36 and 30 resulting in the reduced monitoring schedule. While various factors contribute to the reduction, the new microfiltration system with the use of pretreatment coagulate is primarily responsible for the lower test results. Final configuration of the microfiltration system has resulted in the equipment operating as intended. The Hach water testing equipment has been recalibrated as part of the annual maintenance agreement for the equipment. The maintenance of the two PRV vaults has been completed. The PRV maintenance is easier because of improved water quality. Maintenance was also completed at the vault at the tank. The tank cathodic protection was checked. Signs were installed at the tank and water plant providing notice of the water system operator contact information and that the facilities are protected by federal laws. The status of an unknown mainline water valve on the line from the water tank was discussed. The valve would be located or replaced as part of any fire hydrant replacement or water line work near the tank access road. Another “missing” valve is at the intersection of Hamilton Creek Road and Lakeview Circle.

**Water Treatment Plant.** The follow up work on the treatment plant was completed by the end of September. The work included the microfiltration equipment operations modifications and the exterior grading including a rock wall around the buried water tanks and installing recycled asphalt in the drive areas. Residents Chuck Harris and Bill Bonner seeded and relocated pine trees to the disturbed areas. Sign off from the Fire Department and the Planning Commission is required to obtain the final certificate of occupancy. Some chemical signs were ordered for the Fire Department sign off and the easement agreement with the Schlesingers. The landscape company replaced one of the three transplanted trees and extended the owners sprinkler system to the trees. The insurance coverage of the District from the Special District Pool was updated for coverage of the new treatment plant. The coverage includes earthquake and flood with some limitations. Overall, the new treatment plant was operating as expected and should handle the anticipated future water treatment needs of the District. The problem encountered with the buried water tanks may have been a result of more fill being added by the District to the tanks for

appearance. The tanks were repaired and the fill reduced to below the original plan scope. The water tanks rest on original soils. There was some slight movement of the tanks detected by laser levels during the leak inspection of the tanks in the area of the excavation where ground water existed. The connection lines have slight tolerance variations handled by rubber connecting boots. The tanks are designed to retain sediment and the frequency of cleaning will not be known until a year or more of treatment is completed. Noise from the treatment compressors has not been an issue at this time, but potentially could be a factor when residence windows are open. Final sealing of the door area is expected to mitigate the source point of noise. The exterior stucco cracks were patched and the building recoated with the elastomeric paint.

**Roads.** The asphalt patches were completed at a cost below projections. Patches were completed on Hamilton Creek Road above the entrance; areas on Heathers Way, Hamilton Creek Trail, Indian Paint Trail; and the lower portion of the Harris/Bonner driveway. There are three areas in the District where the asphalt problems are related to water drainage and drainage changes would be necessary before the paving patching. The long-term plan for the asphalt work focuses on problem road areas rather than a full resurfacing. The corner area of Hamilton Creek Road below the entrance sign does not appear to have been accepted for maintenance by the County and there will be a discussion with the County regarding road repairs in this area. The Hamilton Creek Association has reported difficulties in working with the Sheriff's office on illegal hunters parking on the roads.

**Financial Report.** A financial summary for the nine months ending September 2013 was provided to the Board. The report included a projected year end 2013 and the 2014 budget. There was a line by line discussion of the financial summary and budget. A proposed change was to borrow an additional \$50,000 from the owners to provide the cash flow for the additional water plant cost. The 2014 base water rate was proposed to be increased \$5 per quarter from \$125 to \$130. Notice was provided to the ownership and no comments were received. The 2014 budget reflects the continuation of limitation on operating expenses for adequate cash flow to pay off the ownership water treatment plant loans. The Board was provided a summary of the water plant costs reflecting a 23% increase from the original projected cost. The increase from \$730,000 to \$900,000 was allocated to \$28,000 in contractor costs, \$62,000 in engineering, \$19,000 in excavation, \$5,000 in landscaping, \$12,000 for microfiltration work, and \$44,000 for plant work and operations by Water Solutions. *A motion was approved by the Board to obtain additional loans from owners for a total of \$50,000 payable over five years at 5.5% interest. (Harris/Ferris,5-0).* Two owners were on the loan request list and families of Board members were eligible if no owner was interested in the \$25,000 loan shares. *A motion was approved to adopt the 2014 rates schedule that included a \$5 per quarter increase in the base rate from \$125 to \$130. (DeLorimer/Beaprez,5-0).*

A public meeting was opened for discussion of the 2014 budget. No members of the public were present and the public meeting was closed. *The Board approved the 2014 budget with a five year amortization schedule on the new owner loans. (Harris/DeLorimer,5-0).*

**Next Meeting.** The 2014 meeting schedule was set for March 12, 2014; June 11, 2014; September 17, 2014; and November 12, 2014. The Board indicated their appreciation to Bill Bonner and Chuck Harris for the plant landscaping work and Matt Willitts for the use of his office for this meeting.

The meeting was adjourned at 4:54 PM.