

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS

OF

BATTLEMENT MESA METROPOLITAN DISTRICT

Held, Thursday, the 28th of June 2012 at 401 Arroyo Drive, Battlement Mesa, Colorado.

Attendance

A regular meeting of the Board of Directors of Battlement Mesa Metropolitan District, Garfield County, Colorado was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following Directors present and acting:

Michelle Foster
Sara McCurdy
Jason Fletcher
Bruce Richards
Lynn Shore

Steve Rippey, Anne Huber, Sandy Yeager, Keith Lammey, Elizabeth Jones and Amie Martin were also in attendance.

Call to Order

Director Foster called the meeting to order at 9:00 am.

Conflict/Disclosures

Director McCurdy disclosed that she is a member of the BMSA Board of Directors.

Public Comments

Elizabeth Jones asked if the Board of Directors has had any discussion regarding the new water plant Rifle is considering building. Ms. Jones stated that she has attended meetings in Rifle and it appears the new plant will be a reverse osmosis plant. The waste associated with this type of plant is a very salty brine. This brine will be released into the Colorado River. Will this salty brine change the quality of the water which Battlement Mesa takes from the river? Will Battlement Mesa need to raise there fees to offset the treatment of the water?

Mr. Rippy stated that the Colorado Department of Public Health and Environment must issue an approval permit for the new Rifle water plant and they will require some form of treatment or detention pond for the brine. In addition, the brine would become heavily diluted due to the large volume of water in the Colorado River. There should be no need to make modifications to our treatment of the water.

Keith Lammey thanked the Board of Directors for supporting the Insider's Guide to Battlement Mesa and Parachute.

May 24, 2012 Regular Meeting Minutes

A motion was made by Director McCurdy and seconded by Director Shore to approve the May 24, 2012 regular meeting minutes as presented. The motion carried unanimously.

Accounting Manager Report

A motion was made by Director McCurdy and seconded by Director Richards to accept the May 2012 financial statements; subject to audit. The motion carried unanimously.

Water Engineer Presentation-Tom Zancanella

Mr. Zancanella explained that our main water right is called the Colorado River Dow Pump and Pipeline. This junior water right was established in 1955 and allows Battlement Mesa to take 20cfs from the Colorado River. This water right is augmented by a 1982 right from the Reudi Reservoir. The Reudi water right allows us to take 12,050 acre feet of water from the Reudi Reservoir. Of the 12,050 acre feet, 50 acre feet is dedicated to the golf course. Mr. Zancanella stated that in the original water right plan, each property was allowed to irrigate, up to, 2,500 square feet. Most properties are irrigating more than what the original plan called for. The Reudi water right is a 35 year contract, but can be renewed for another 35 years at the end of the term. There are about 20,000 acre feet of water left to distribute from the Reudi Reservoir. Mr. Zancanella suggested that the Board write a letter to the Bureau of Land Reclamation stating that Battlement Mesa Metropolitan District is interested in purchasing another 300-400 acre feet of water from Reudi Reservoir.

A motion was made by Director Shore and seconded by Director McCurdy that BMMD write a letter to the Bureau of Land Reclamation requesting to purchase another 500 acre feet water right. The motion carried unanimously.

Mr. Zancanella will work with our attorney, Matt Dalton, regarding the purchase.

Director Shore stated that years ago he asked Battlement Mesa Service Association to decrease the required amount of yard on all properties that needs to be grass. Mr. Shore asked Keith Lamme and Sara McCurdy if this has been discussed at the BMSA meetings.

Mr. Lamme stated that it had not been discussed.

Director Shore stated that BMSA should to have this discussion.

Activity Center
Report

See attached report.

A motion was made by Director McCurdy and seconded by Director Shore to change the name of the activity center from Battlement Mesa Activity Center to Grand Valley Recreation Center effective January 1, 2013. The motion carried with Director Fletcher opposed.

A motion was made by Director Richards and seconded by Director McCurdy to accept the Amended Articles of Incorporation of Grand Valley Active Community Fund. The motion carried unanimously.

District Manager
Report

See attached report.

Investment Policy
Review

The Board of Directors agreed that a committee of Director Richards and Fletcher with guidance from Sandy Yeager will endeavor to update and improve the existing investment policies and procedures. The committee will bring their recommendations to the Board for further corrections and ratifications.

Water Conservation
Discussion

Mr. Rippey stated that he will hand out paperwork regarding water conservation as requested.

Other Business

Director Shore handed out the list of possible new rates that Rifle will be charging when their new water plant is built.

Mr. Rippy discussed the purchasing of shirts/coats/hats for employees and Board of Directors. The Board requested Mr. Rippy to put this into the budget for 2013.

Adjournment

There being no further business to come before the Board, and upon a motion made and carried, the meeting was adjourned at 11:22 am.

The forgoing constitutes the true and correct minutes of the above referenced meeting and was approved by the Board of Directors of the Battlement Mesa Metropolitan District on the 26th day of July, 2012.


Secretary

**Battlement Mesa Activity Center
Parachute, CO 81635**

Memo: Battlement Mesa Metropolitan District
From: Anne Huber
Subject: Monthly Report June 20, 2012

Swim Lessons

Preschool age classes are filled for all three summer sessions with a waiting list. Classes for upper levels are also popular but not completely full. A total of 26 students enrolled in the first summer session plus an additional session for eight children from Grace Bible Church's day care program.

Michelle Bargas trained ten lifeguards as Water Safety Instructors (WSI) so that they would be qualified to teach swim lessons; six were from Rifle and four were from Battlement Mesa.

Water Leak

On Sunday evening, June 17, Larry Huber discovered a leak as water was pouring out of one of the light fixtures in the men's locker room. He located the leak and prepped the area so that a commercial plumber could cut out the bad section and solder in a new section. Fortunately, the plumbers were working in Parachute on the EnCana building and were able to come to the Activity Center right away. The Center was closed until about 1 PM on Monday afternoon.

Community Yard Sale June 9th

Thirty-eight yard sales were listed in the 2012 catalog. Participants who gave feedback said their sales were successful.

Movies under the Stars

The second season of movies got off to a good start. We estimated between 100 and 150 children and adults attended. The weather was quite windy on Friday afternoon, but Larry Huber and John Koning tied the blow-up screen to a tree. The next movie, Dolphin Tale, will be shown on June 29th.

Active Members

6/15/2012	1412
6/15/2011	1384

Out-of District Members

6/1/2012	151
6/15/2011	147

New Classes

Beginning Yoga: A 5-week session will be taught by Cathy Carlson. Cathy recently earned her certification to teach.

An Evening Line Dance class taught by Shawnee Barnes was added on Mondays at 5:30PM

BMMD Workshop

The BMMD workshop was a productive 3-hour session. Michelle Foster, Sara McCurdy, Jason Fletcher, Steve Rippy, Amie Martin and Anne Huber attended. One recommendation from the session is to consider a name change for Battlement Mesa Activity Center that would represent a more inclusive image for the greater community. Of several names that were suggested, Grand Valley Recreation Center seemed like the best choice. Further discussion will follow at a regular board meeting.

Board members also discussed funding options that might improve revenue and programming options for the Center.

Battlement Mesa Metropolitan District Manager Report

Date: June 28, 2012

To: Board of Directors, Battlement Mesa Metro District

From: Steve Rippy, District Manager

Capital Projects: On June 6th I met with District staff members, Roger Bulla, Ted Anderson and Don Allred to review the capital improvements list for the water and wastewater departments. The review allowed us to re-evaluate and prioritize the timing of the improvements based upon current growth and development. In addition we reviewed the most pressing replacement or upgrade needs to see if there are particular improvements that can be addressed with DOLA grant funds recently made available by the State. I have attached a draft copy of the capital items.

Nutrient Regulations: As I reported to you by e-mail earlier this month it appears the Board's decision to join the Colorado Nutrient Coalition was very beneficial. The organization was able to convince the Water Quality Control Commission to remove wastewater facilities that treat less than 1,000,000 gallons per day from the newly required compliance standards. BMMD's contract engineer, Steve LeBonde, estimates the cost to modify the BMMD wastewater plant would have been approximately \$2,000,000. As I mentioned in my previous e-mail to the Board the removal of small facilities from the new regulations is not official yet but it appears likely to be approved.

Parachute Vault: BMMD staff continues to move forward on repairs to the wastewater vault identified as the Parachute Vault. This vault handles all of the Battlement Mesa wastewater flows as well as all of the flows from the Town of Parachute.

The vault, which is approximately 30 years old, is becoming structurally unsound due to erosion of the concrete walls. The erosion of the concrete is caused by hydrogen sulfide gas that is created by turbulence of the sewer flows and is very corrosive to concrete and metal.

Westwater Engineering (Steve LeBonde) inspected the vault and noted that 2 to 3 inches of the concrete has been compromised and is flaking off, exposing the reinforcing steel (rebar). Mr. LeBonde has recommended a couple different repairs that would include scraping off the bad concrete and applying epoxy to the walls. He has also provided design to replace the vault. The estimated costs for the project range from \$31,175 to \$59,155.