

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS

APPROVED

OF

BATTLEMENT MESA METROPOLITAN DISTRICT

Held Thursday, the 28th day of April 2011 at 398 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:

Fred Inman
Sara McCurdy
Bruce Richards
Michelle Foster

A motion was made by Director McCurdy and seconded by Director Richards to excuse Director Shore' absence. The motion carried unanimously.

Bob Arrington, Rex Smith, Keith Lammey, Jason Fletcher, Paul Bussone, Anne Huber, Steve Rippy and Amie Martin were also in attendance.

Call to Order

Director Inman called the meeting to order at 9:00 am and established that a notice of the meeting had been posted as required by statute. Director Inman noted that a quorum was in attendance.

No potential conflict of interest disclosures were noted or filed on behalf of any of the Directors.

Shepherd of the Mesa Lutheran Church Tap Fees

Rex Smith appeared before the Board to discuss the water & sewer tap connection options for the new church. Mr. Smith stated that he had been made aware that the church parcel had already been designated for a septic system. Mr. Rippy confirmed that he had been provided a copy of the recorded plat of the church parcel from Bill Wilde and the plat included language which stated the church parcel would be served by a septic system.

Mr. Smith stated that the water pressure at the church site location is 40 lbs. and he was unsure this would be adequate for fire flow requirements at the fire hydrant or to service the church. Mr. Rippy stated that he believed that amount of pressure from an 18" water main would provide the needed volume. Mr. Rippy stated that he will do some research and have District staff member, Ted Anderson, work with Mr. Smith to address this issue.

March 2011 Regular Meeting Minutes

A motion was made by Director McCurdy and seconded by Director Foster to accept the March 24, 2011 meeting minutes as presented. The motion carried unanimously.

Accounting Manager Report

A motion was made by Director McCurdy and seconded by Director Foster to accept the March 31, 2011 financial statements, subject to audit. The motion carried unanimously.

Activity Center Report

Mrs. Huber stated that a former employee, Kaylyn Stewart, is a senior in college majoring in Recreation and Tourism. Ms. Stewart is returning to BMAC for an eight week internship.

Mrs. Huber reported that she has received the computer program for random drug testing.

Mrs. Huber reported that swim lessons are planned to begin on June 13, 2011 and run through July 28, 2011. Mrs. Huber also stated that the Grand Valley Fire Protection District will be using the pool for deep water training.

Mrs. Huber reported that the community yard sale is scheduled for June 11, 2011.

Mrs. Huber stated that she did some spot checking on the BMAC records. About 25% of the eligible members have activated.

District Manager Report

Mr. Rippy reported that the District sold nearly 2,000,000 gallons of water to Antero and Williams during the month of March.

Mr. Rippy reported that BMMD contracted with Garfield County to remove the excess chip and seal from Ponderosa Circle, Monument Creek Trail and Sagemont Circle. Street sweeping for BMSA was started on April 22, 2011.

Mr. Rippy reported that the application for the building permit for the remodel of the new District Office was submitted to Garfield County and the permit has been issued. Mr. Rippy stated that he requested three bids for the project, but only received one bid.

Mr. Rippy stated that he will meet with Ted Anderson to discuss the water & sewer service for the Shepherd of the Mesa Lutheran Church.

Tap Fees

Mr. Rippy reported that the current system development fees for access to the District's water and sewer services are \$9,000. The fee is broken into \$5,000 for taping into the system and \$4,000 reserves and replacement. There is no separation between water and sewer and no adjustment in the fee if only water service is needed or only sewer service is needed. In the instance of the church only needing water service they would still be required to pay the entire fee of \$9,000 under the District's current regulations. Mr. Rippy stated that the majority of water and sewer providers have a split development fee that allows for the purchase of only water service or sewer service. Mr. Rippy asked the Board if they would like him to research the issue of separating the fees for water and sewer. The Board directed Mr. Rippy to come up with a proposal to modify the language of the system development fee resolution that would separate the water and sewer fees.

Office Remodel Bids

Mr. Rippy reported that only 1 of the 3 contractors that had been solicited to provide bids on the District office remodel had submitted a bid. Mr. Rippy stated that he and Architect Greg Robson had reviewed the bid and felt it was thorough and the costs were reasonable. The bid was within \$4,000 of Mr. Rippy's estimate and also within \$4,000 of the estimate calculated by the Garfield County Building Department. Mr. Rippy requested the Board move forward with the remodel and award the bid to the contract.

A motion was made by Director Richards and seconded by Director Foster to move forward with the remodel process. The motion carried unanimously.

Mr. Rippy reported that the total bid to complete the construction portion of the remodel submitted by Vanhooose and son Construction is \$96,367.

A motion was made by Director McCurdy and seconded by Director Richards to award the bid to Vanhooose and Son Construction for \$96,367. The motion carried unanimously.

Mr. Rippy reported that there would be additional site costs not included in the bid such as concrete work to replace some of the sidewalks, irrigation modifications, landscaping upgrades etc. He estimated that there were probably \$38,000 worth of additional costs on the site.

A motion was made by Director Richards and seconded by Director McCurdy to approve \$150,000 to complete the project. The motion carried unanimously.

Director Discussion

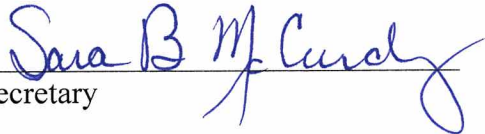
Director Richards commented on the memorandum recently passed by the Board regarding drilling in the Battlement Mesa PUD. He felt, as he stated before, that an independent water expert should have participated in the study. He recommended again to have risk management of our insurance company consulted.

Director McCurdy stated that the banner BMMD purchased from the Grand Valley Echo was in the most recent paper.

Adjournment

There being no further business to come before the Board, and upon a motion made and carried, the meeting was adjourned at 9:52 am.

The foregoing 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 26 day of May, 2011.


Secretary