

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF ST. MARY'S GLACIER WATER AND SANITATION DISTRICT

Held: Monday, June 9, 2008 at 6:00 pm at the Alice School House, Silver Creek Road, Idaho Springs, CO.

ATTENDANCE A regular meeting of the Board of Directors of the St. Mary's Glacier Water and Sanitation District, Clear Creek County, CO, was called and held as shown above in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting:

C.J. Galbraith
Paul Johnson
Tony Distrola
John Wood
Heather Ulrich, excused absence

Also in attendance: Fred Huff, District Counsel, Nicole Faneuf from AAA, and members of the public.

CALL TO ORDER: Paul Johnson called the meeting to order at 6:06 pm.

APPROVAL OF MINUTES: By motion and unanimous vote, the minutes for May were approved.

FINANCIALS: By motion and unanimous vote, the District approved payment of outstanding invoices in the amount of \$18,915.45.

MANAGER'S REPORT: Jack Barker was not present; Manager's Report will be emailed to the Directors in the next week.

LEGAL REPORT: In response to an inquiry from Greg Marsh after May's meeting was adjourned, Mr. Huff addressed the issue of initiating an Availability of Service Charge on lots within the District that were within 400 feet of service lines. In addition to providing the Board and members of the public copies of the applicable statute, Mr. Huff explained that any revenue from such a charge could only be used to retire existing debt; it cannot be used for operating expenses, to fund capital improvements, etc. Since the existing District debt is already in the process of being repaid with existing tax revenue, and since that revenue can only be used to repay that debt, there is no advantage at this time of replacing one debt and repayment structure with another. At the time the existing debt is paid (there are approximately five years left), should the District at that time want to consider getting additional bond revenue to finance capital improvements, the Availability of Service Charge might be reconsidered. Mr. Huff cautioned, however,

that revenue to be used for such debt repayment, in a District with as many improved properties as St. Mary's has, would be more collectable from improved lots, than from unimproved lots. It is one thing to assess a charge; it is another thing to enforce the collection of that charge. Director Galbraith made a motion that the District table the discussion of an Availability of Service Charge to unimproved lots for the foreseeable future, until such time as the current bond debt was repaid or close to being repaid. Motion seconded by John Wood and approved unanimously.

OTHER MATTERS: The issue of Mr. Carroll's unpaid balance of approximately \$7,000 was brought before the Board for consideration of potential foreclosure action. It was decided that the issue would be brought up again when all members of the Board were present to discuss the issue.

PUBLIC INPUT: Glen Clarke indicated that he was contacting nearby property owners to his Lot 502 on Hilltop, to see if there was any interest in a joint venture in extending the line.

There being no further business, the meeting was adjourned at 6:50 pm.

Approved at District Meeting on July 7th, 2008.

A handwritten signature in black ink, consisting of a large, stylized initial 'G' followed by a horizontal line extending to the right.

C.J. Galbraith, Secretary
St. Mary's Glacier Water
& Sanitation District