

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF

DEEP CREEK WATER AND SANITATION DISTRICT

HELD: Thursday, the 4th day of December, 2014, at 10:00 a.m. at 13133 East Arapahoe Road, Suite 100, Centennial, CO 80112

ATTENDANCE:

A regular meeting of the Board of Directors of Deep Creek Water and Sanitation District, Mineral 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:

John Parker, President
Ann Parker, Secretary/Treasurer (via conference call)
William Parker, Assistant Secretary (via conference call)
Ethan Hampton, Assistant Secretary (via conference call)
Margaret Hampton, Assistant Secretary (via conference call)

Marcus McAskin of Widner, Michow & Cox, LLP was also present.

CALL TO ORDER:

President Parker noted that a quorum was present for the purpose of conducting a meeting of the Board of Directors of the Deep Creek Water and Sanitation District and called the meeting of the Board of Directors of the District to order at approximately 10:02 a.m.

CONFLICTS OF INTEREST:

The Directors present noted for the record that they own property within the boundaries of the District, have financial interests in entities active in developing and/or marketing property within the boundaries of the District, or are employed by such entities, and that such interests may be affected from time to time by actions of the District's Board of Directors. In accordance with state law, the Directors have filed written disclosures describing such potential conflicts of interest with the Secretary of State, and the Directors present verbally reaffirmed such disclosures on the record of this meeting.

PUBLIC COMMENT:

None.

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MINUTES:

The Board considered the minutes from the special meeting of the Board held October 31, 2014. Upon motion duly made, seconded, and unanimously approved, the Board approved the minutes and authorized Secretary A. Parker to execute a copy thereof.

FINANCIAL MATTERS:

2015 BUDGET:

President Parker declared the public hearing on the 2015 budget opened at 10:08 a.m. Mr. McAskin confirmed that public notice of the budget hearing had been published in accordance with Colorado law. President Parker closed the public hearing on the 2014 budget at 10:09 a.m.

The Board reviewed the final proposed 2015 budget, as prepared by Rosemary Gentry, CPA. Upon motion duly made, seconded, and unanimously carried, the Board: (1) approved and adopted the 2015 budget as presented; (2) approved the appropriation and expenditure of funds as shown therein; (3) approved and adopted a 0.000 mill levy to be certified in 2014 (for collection in 2015); (4) authorized President Parker and Secretary A. Parker to execute the necessary documentation; and (5) directed Mr. McAskin to submit the certification of tax levies to the Mineral County Board of County Commissioners no later than December 15, 2014, and file the 2015 budget with the Division of Local Government prior to January 31, 2015. The Board's approval of the 2015 budget items are set forth in Resolution 2014-2, 2014-3 and 2014-4.

DIRECTOR ITEMS:

President Parker noted for the record that the Intergovernmental Agreement between the School District, the City of Creede, and the District has been finalized and also noted that the School will be required to upgrade the District's lift station, including upgrading or replacing the control panel.

ATTORNEY ITEMS:

2015 Regular Meeting Schedule

Upon motion duly made, seconded, and unanimously carried, the Board selected the following dates in 2015 on which to conduct the regular meetings of the Board of Directors of the District: the 2nd Thursday of the months of March, June,

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September and December at 10:00 a.m., with all such regular meetings to be held at the offices of Widner, Michow & Cox, LLP, 13133 East Arapahoe Road, Suite 100, Centennial, CO 80112.

Establishment of Water and Sewer Rates for Commercial Users

Attorney McAskin reminded the Board that prior to establishing water and sewer rates for commercial (non-residential) users, C.R.S. § 32-1-1001(2)(a) requires public notice to the District's customers at least 30 days prior to the date on which the Board will conduct a hearing to consider the establishment of such fees. The Board tentatively targeted the March 12, 2015 regular meeting as the date on which the Board would conduct a public hearing to receive input on the proposed commercial user fee structure.

NEW BUSINESS:

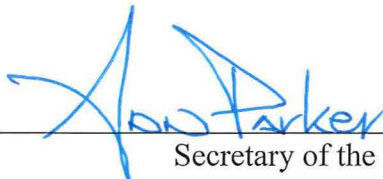
None.

OTHER BUSINESS:

Upon motion duly made, seconded, and unanimously approved, the Board ratified all Board actions taken during calendar year 2014 for the record.

ADJOURNMENT:

There being no further business at said regular meeting, and following a motion duly made, seconded, and unanimously approved, the Board adjourned the meeting of the Board of Directors of Deep Creek Water and Sanitation District at approximately 10:28 a.m.


Secretary of the District