

RECORD OF PROCEEDINGS**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF
ALPENSEE WATER DISTRICT**

HELD: Monday, November 27, 2000 at 4:00 p.m.
at 16195 Highway 9, Farmer's Korner Mobile
Home Park, Manager's Office, Frisco, Colorado.

ATTENDANCE:

A special meeting of the Board of Directors of Alpengsee Water District, Summit 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:

Lori Cutunilli, President
Laurence E. Smith, Vice-President
Kevin R. Smith, Secretary
Joseph E. Dismont, Jr.

Absent: Travis A. Smith

Also present: Joan M. Fritsche of Grimshaw & Harring, P.C. and Bob Hoerr of Robert L. Hoerr, P.C.

CALL TO ORDER

With the consent of the Board, Director Cutunilli noted that a quorum existed for the purpose of conducting business and called the meeting to order.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

The Board noted that written statements disclosing potential conflicts of interest had been filed on behalf of the members of the Board with the Secretary of State and Secretary of the District at least 72 hours in advance of this meeting and verbally disclosed the same, to wit:

Lori Cutunilli is currently employed by Farmers Korner Mobile Home Park, Inc.

Laurence E. Smith is the developer/manager of Farmers Korner, Inc., Developer of Highland Meadows and Alpengsee Subdivision III, Farmers Korner Mobile Home Park.

Kevin R. Smith is the son of Laurence E. Smith.

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Joseph E. Dismont, Jr. is the son-in-law of Laurence E. Smith.

President Cutunilli asked the members of the Board and those present for any additional information they may have concerning potential conflicts of interest. There was none.

APPROVAL OF MINUTES

After review, upon a motion and a second, the Board unanimously approved the minutes of the August 31, 2000 meeting as amended.

OFFICIAL POSTING LOCATION

After discussion, upon a motion and a second, the Board designated Building 3, Unit D of Highland Meadows Business Park, 105 Alpensee Loop, Frisco, Colorado, as the official posting location for the District.

PUBLIC HEARING ON AMENDMENT TO 2000 BUDGET

President Cutunilli opened the public hearing on the proposed amendment to the 2000 budget. There being no public comment, the public hearing was closed.

RESOLUTION AMENDING 2000 BUDGET

Following discussion, upon a motion by Director Laurence Smith, and a second by Director Dismont, the Board unanimously approved a resolution amending the 2000 budget.

PUBLIC HEARING ON PROPOSED BUDGET FOR FISCAL YEAR 2001

Director Cutunilli declared the public hearing for the consideration of the proposed budget for fiscal year 2001 open at 4:05 p.m. Ms. Fritsche noted that a notice of the public hearing had been published as required. Mr. Hoerr presented and reviewed the proposed budget for fiscal year 2001. There being no public comment, upon a motion duly made, seconded and unanimously carried, the public hearing on the proposed budget for fiscal year 2001 was closed.

APPROVAL OF THE PROPOSED 2001 BUDGET, APPROVAL OF THE APPROPRIATION OF FUNDS, AND AUTHORIZATION OF TAX LEVIES TO BE CERTIFIED FOR COLLECTION IN FISCAL YEAR 2001

After review and discussion, and upon motion made by Director Dismont, seconded by Director Kevin Smith, and unanimously carried as described in the copy of the 2001 Budget

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Proceedings attached hereto and made a part of these minutes, the Board approved and adopted the 2001 budget. Upon a motion made by Director Kevin Smith, seconded by Director Cutunilli, and unanimously carried, the Board authorized the appropriation of funds for the expenditures set out in the budget. Upon a motion by Director Laurence Smith, seconded by Director Kevin Smith, the Board approved and adopted the mill levy as indicated in the resolution within said Proceedings.

ENGAGEMENT OF AUDITOR AND ACCOUNTANT

Following discussion, upon a motion by Director Cutunilli, seconded by Director Dismont, the Board approved the engagement of Bob Hoerr as auditor for the District. Upon a motion by Director Cutunilli, seconded by Director Dismont, the Board approved the engagement of Paul Goedecke as accountant for the District.

ADJOURNMENT:

There being no further business to come before the Board and upon motion duly made, seconded and unanimously carried, the meeting was adjourned.

The foregoing minutes constitutes a true and correct copy of the minutes of the above-referenced meeting and was approved by the Board of Directors of the Alpensee Water District.

Secretary of the District