

EAGLE BEND METROPOLITAN DISTRICT NO. 2

<http://www.eaglebendmetro.com>

Regular Meeting

Heritage Eagle Bend Clubhouse

10:00 am

23155 East Heritage Parkway

Aurora, Colorado 80016

Date: February 24, 2010

AMENDED MINUTES

Call to Order

The meeting was called to order at 9:59 am by Director Coker. In attendance were Directors: Coker, Arellano, Geiger, Meyer, Rexroat and Audrey Davie.

Declaration of Quorum/Director Qualifications/Disclosure of Conflicts

Director Coker declared a quorum of the Board and that all Directors have confirmed their qualification to serve. Director Coker reminded the Board that he serves on the Eagle Bend Homeowners Association Board, is a member of the Aurora Citizens Advisory Budget Committee, and is a liaison to Arapahoe County for the City of Aurora (COA). Director Meyer is the Environmental & Sustainability Coordinator for COA in the Planning Department. Director Arellano serves as a Delegate with HEB. Director Rexroat is a member of the HEB Golf Committee. Director Geiger serves on several mountain area boards.

Approval of Agenda

Director Coker made a motion to approve the February 24, 2010 agenda as presented. Director Geiger seconded the motion. The motion was unanimously approved.

Approval of Minutes

A. January 27, 2010

Director Geiger made a motion to approve the amended January 27, 2010 minutes subject to the pending revisions made by Directors Meyer and Geiger. The motion was seconded by Director Rexroat. The motion was unanimously approved.

Financials

A. Payables

Director Geiger made a motion to approve the payables with check numbers #1421-1428. Check 1428 will be withheld until invoices are received. Check #1414 was released because the account in question is current (See Minutes dated January 27, 2010). Director Arellano seconded the motion. The motion was unanimously approved. For the record, legal counsel credited the Metro District for charges discussed at the January meeting (See Minutes dated January 27, 2010).

B. Discussion of Tax Form 1099

Director Geiger gave a brief summary addressing the IRS' position regarding FICA taxes and Directors fees. He reported that SDA has not taken a position on this issue. Director Geiger recommended the Board continue to use Tax Form 1099 versus changing to "W2 employees". This recommendation was supported by all. Director Coker charged Director Geiger to inform John Simmons, Board accountant, of the Board's decision.

VI. Business

A. HOA Presentations of Xeriscape Projects

Director Coker reported that the Board has carefully planned and worked for years to accumulate capital in order to engage in cost sharing arrangements with other HOA's located within the District's boundaries. If an HOA is

A. HOA Presentations of Xeriscape Projects continued

interested, they must present a plan to the Board explaining how the plan aligns with the City's xeriscape requirements and how the design will improve the overall aesthetics for the community. If the Board chooses to engage in a cost sharing arrangement, the Metro Board takes over the HOA's contract. The Board will communicate regularly with the HOA throughout the process. The HOA's responsibility is to answer questions and concerns from their residents. When the project is completed the HOA will be billed at that time. The HOA and Metro District will split the City's rebate 50/50. Note: before going into a project the Metro Board will have an approximation of what the rebate will be. A standardized contract will be drawn up however; each contract will have an "Exhibit" specific to each HOA. The Exhibit will outline the responsibilities and requirements of the project for both entities. All contracts will be received by Director Coker and Director Arellano will execute them.

Directors Arellano and Rexroat met with members of the HEB HOA regarding their landscaping proposal; consequently they were asked to present their plan to the Board. The HEB HOA plan is to improve the landscaping at five entrance gates: Phillips, Buchanan, Addison, Biloxi and Quemoy. Jeff Powles, General Manager, distributed copies of, "Existing Heritage Eagle Bend Landscape Development" which outlined the five entrances. Mr. Powles reported their plan is a five year plan divided into three categories: **1.)** removing turf, **2.)** examining the intersection at Gartrell and S. Aurora Parkway and **3.)** determining if the monuments met the COA xeriscape requirements.

Mr. Powles reported that 38,000 ft. of turf needs to be removed from the entrances! Mr. Powles stated that he has spoken with several landscape companies regarding the proposed project. A long discussion ensued regarding: tree maintenance and replacement, the Quemoy entrance, volume of traffic at each gate, the easement at Quemoy, and why prioritizing the gates for improvement should be considered. Director Coker stated residents complain most about the Phillips and Quemoy entrance. Mr. Powles reported that improving the Quemoy entrance would probably use most of their current budget.

The goal of the presentation per Mr. Powles was to assess whether the Metro District would be interested in a cost sharing project with the HEB HOA and if so; the HOA would agree to expend the additional monies for design plans and material cost. Director Meyer recommended they use the COA's resources as a way to cut expenses. Director Meyer made a motion to have legal counsel draft a letter of intent to move forward with the HEB HOA landscaping project as presented by Jeff Powles. The motion was seconded by Director Arellano. The motion was unanimously approved.

The second presentation was made by Frank Massey, Creekside HOA President and Daniel Levine of TerraCare Associates (formerly ACC Landscaping). Pat Mosley also on the Creekside Board was present. Mr. Massey distributed two documents: "Creekside Eagle Bend Metro District II Xeriscape Project" and "Creekside Eagle Bend HOA Xeriscape Project". Director Arellano stated that the Creekside plan has already been submitted to the COA for their approval. The overall cost of the Creekside plan is \$125,000.00 with a projected City rebate of \$30,000.00+. The current Creekside budget for this project is \$40,000. The project area extends from Irish Drive to South Aurora Parkway and Irish Drive to the HEB boundary line. Should the project go through, Director Arellano stated he would like to finish the Safeway area before beginning the Creekside plan. Several Directors offered ideas how Creekside could repay the District should they elect to engage in a cost sharing arrangement.

Director Geiger made then made motion to proceed with a contract for the Creekside landscaping project with a projected cost of \$125, 290.00 with the understanding that the COA rebate is currently estimated at \$39,490.00 which will belong to the Metro District, and the net balance upon receipt of the rebate will be split 50/50 between Creekside and the Metro District. In addition, the tap belongs to the Metro District during 2010 with Creekside taking this responsibility over in 2011 including the extension to the center median. Director Rexroat seconded the motion. The motion was unanimously approved.

B. Contracts for 2010 – Covered during various discussions.

C. Discussion of South Aurora Parkway Median

Director Arellano asked for the Board's approval to allow Daniel Levine, of TerraCare Associates, draw up a landscaping plan for the next phase of the project - Gartrell Road to Addison Court. Mr. Levine stated that the first submittal to the COA must be an architectural drawing which ensures that the overall design is cohesive and adds to the overall beautification of the community. Mr. Levine stated this particular project would involve boring under the road (near Safeway) to run water lines to the two islands. He recommended watering these areas 3 days a week which falls within the COA guidelines. A discussion was held regarding the Metro budget and current HOA projects in process. Director Rexroat made a motion to have Mr. Levine draft the required architectural drawing regarding the South Aurora Parkway medians. Director Geiger seconded the motion. The motion was unanimously approved.

D. Update Water Operations Manual

Director Rexroat reported that City personnel reviewed the manual and additional requirements were added; several of the changes were a refinement of specific processes. All COA rules and regulations are stated in the manual. Calibration of the taps will need to be addressed with the City. RFP's for maintenance of the wells will be sent out after the manual and wi-fi are installed. Mr. Scott Lehman, the Board's water specialist, noted that the City now requires the District to enter the vaults to test the meters. A magnetic flow meter is no longer allowed for billing purposes per Mr. Lehman. Director Coker will supply information regarding the Metro's bonding and insurance requirements to Mr. Lehman which will be needed for the maintenance contract.

Director Geiger noted that the COA did not sign the manual, which means the COA can make changes to the process when they so desire. A brief discussion ensued regarding this information. Director Coker will pursue a sign-off signature from the City regarding the Water Operations Manual. Director Rexroat stated Audrey Davie to have the manual printed and bound.

E. Review of Bids re: Wi-Fi Installation at Well Heads

Scott Lehman stated the wi-fi system will provide valuable information such as: if the wells are running properly, what the flow rate is and the status of the water levels. The wi-fi installation is scheduled for spring when the wells are turned on.

Three bids regarding the installation were received. Hydro Resources Rocky Mountain, Inc. (competitor to Lyne Western), and Browns Hill Engineering Controls were discussed. The Browns Hill Engineering Controls bid totaled \$12,673.00 for one cell site to be located at the North well. The \$12,000+ bid includes free web hosting the first year with each subsequent year costing \$563. A cell phone expense will be an additional charge of approximately \$83 per month. Mr. Lehman recommended Browns Hill given his past experience with them.

Director Coker noted that the Board needs to establish the 2010 water rates. He charged Directors Rexroat and Geiger along with Mr. Lehman to establish a recommendation for the rates and to present this recommendation at a future monthly meeting. Director Meyer asked that if a 3rd well was added how this would change the bid? Mr. Lehman reported that the cost of adding an additional well is approximately \$3,500-\$4000. Director Rexroat made a motion to proceed with Browns Hill Engineering Controls with the exception of increasing the cost of adding a possible 3rd well in the future. Director Arellano seconded the motion. The motion was unanimously approved.

F. Water Options – See email.

G. Discussion and Signing of Creekside Resolution for Irish Drive Water Tap - see Section VI. Business, A. HOA Presentations of Xeriscape Projects

VII. Communications

A. Newsletter

Daniel Levine will be writing an article about the Board's landscaping projects. Director Meyer stated he plans to: 1.) include photos and information from the Rocking Horse community meeting and 2.) include "Letters to the Editor" regarding such meeting. Director Geiger suggested information regarding the upcoming election be included.

B. Website

Director Meyer informed the Board that the website is up to date and includes today's agenda & the minutes from January 27, 2010.

VIII. Public Input

IX. Adjourn

The meeting adjourned at 1:45 pm.

The next meeting will be held March 24, 2010