

EAGLE BEND METROPOLITAN DISTRICT NO. 2

<http://www.eaglebendmetro.com>

Regular Meeting

Heritage Eagle Bend Clubhouse

23155 E. Heritage Parkway, Aurora, Colorado 80016

Date: June 23, 2010

MINUTES

I. Call to Order

The meeting was called to order at 10:00 am by Director Coker. In attendance were Directors: Coker, Arellano, Geiger, Meyer, and Recording Secretary Audrey Davie. Director Rexroat was absent and excused. Members of the public introduced themselves.

II. Declaration of Quorum/Director Qualifications/Disclosure of Conflicts

Director Coker stated he is a member of the City of Aurora (COA) Citizens Advisory Budget Committee and four other COA subcommittees. In addition, Director Coker is a liaison to Arapahoe County for the COA. Director Meyer is the Environmental & Sustainability Coordinator for COA in the Planning Department and a District Delegate with HEB HOA. Director Arellano serves as a District Delegate with HEB HOA. Director Rexroat is a member of the HEB Golf Committee. Director Geiger serves on several mountain area boards. All disclosures have been filed by legal counsel with the appropriate entities.

III. Approval of Agenda

Director Geiger made a motion to approve the June 23, 2010 agenda. Director Meyer seconded the motion. The motion was unanimously approved.

IV. Approval of Minutes

A. Date: May 26, 2010

Director Meyer made a motion to approve the May 26, 2010 minutes pending revisions. The motion was seconded by Director Arellano. A discussion ensued regarding the format of the minutes. Comments from the public were positive and supportive of the current format and content. The approval of the minutes was tabled until the July 28th meeting of the Eagle Bend Metro District #2 (EBMD#2).

B. Discussion re: Process Changes

Director Geiger, as newly elected EBMD#2 Secretary, will take over the task of editing the minutes along with legal counsel, Kristen Bear and Audrey Davie.

V. Financials

A. Payables

Director Geiger made a motion to approve the payables with check numbers #1460-1472 and ratify check #1459. Director Meyer seconded the motion. The motion was unanimously approved.

B. Approval of Audit

Director Geiger reviewed the draft of the audit and stated he made formatting and footnotes changes only. The audit must be filed with the Secretary of the State by June 30, 2010. Director Geiger made a motion to accept the audit as prepared by the firm of Wagner Barnes PC. Director Coker seconded the motion. The motion was unanimously approved.

VI. Business

A. Guest: State Senator, Nancy Spence

Director Arellano introduced State Senator, Nancy Spence, noting that she has been a great supporter of the HEB Community. Senator Spence was asked to present an overview of Proposition 101, and Amendments 60 and 61 which will be on the November ballot.

Proposition 101: This Proposition will reduce vehicle taxes; “rolling back registration fees to what they were in 1919”. A new car will cost \$2 to register and a used car will be \$1. Senator Spence stated that

Proposition 101 continued:

Aurora will lose more than \$15 million a year under this Proposition. She questioned how roads, bridges and the transportation infrastructure will be built and maintained should this Proposition pass. Car rental fees will be affected as well. In addition, this Proposition states that no state or local taxes will be assessed on telecommunication services. Senator Spence reported this would be an additional loss of \$8 million dollars. Director Geiger added that the impact on EBMD#2 would exceed \$200,000 annually and all EBMD#2 landscaping projects would go away if this passes. The Proposition reduces state income tax rates from 4.63 to 3.5% over time and is not realistic per Senator Spence.

Amendment 60: This Amendment limits the property tax collection by certain entities. All governmental enterprises, including, colleges, universities, water and sewer districts would have to pay property taxes on real property they own. The Amendment would also phase out school mill levies and the state would be required to “back fill the losses”. Senator Spence stated it would take \$1.2 billion to back fill the public school losses and the State of Colorado doesn’t have the money to do this. Director Geiger stated that this would subject \$1,000,000 in EBMD#2 assets to an annual property tax with a related increase in the price of water provided to EBMD#2 customers.

Amendment 61: Amendment 61 limits the ability all levels of Colorado governmental entities to issue long term debt in order to finance capital projects as well as limits voter approved borrowing up to 10 years. Senator Spence stated this would eliminate governments from constructing roads, bridges or road improvements in the future. Projects such as DIA, fast track, future universities and/or hospitals etc. would be prohibited.

Senator Spence advocated that all voters study each bill carefully in the Blue Book (mailed to all registered voters) and then “vote NO”. Ballots will be mailed out October 19, 2010. The following comments are recorded from the Q & A session which followed Senator Spence’s presentation.

Public Comment: Proposition 101 abolishes Referendum “C”.

Public Comment & Question: I lived in a state with no state taxes and that particular state had more improvements than CO. Why isn’t the government and governor bringing in more industry and jobs into CO? Senator Spence replied, “We killed more jobs because of the “dirty dozen” tax fees/increases to get over budget deficits versus reducing budget spending.”

Public Comment: Having a different tax for each zip code will make it difficult for small businesses.

Public Question: How has the Legislature cut spending? Senator Spence stated that CO Democrats propose raising fees to cut spending however, Republicans suggest cutting back on state employees’ salaries (no increases and furlough days w/o pay).

Public Question: What is difference between an Amendment and Proposition? Senator Spence reported that the Amendments are a part of the Constitution and the Proposition is statutory.

Public Comment: Voting information comes out too late and many people have already voted before the information comes out.

Senator Spence was asked to submit an article for the September newsletter. Directors Meyer and Geiger were assigned to work with Senator Spence on this task. When asked Senator Spence agreed to speak to the Metro Board as well as the other HOA’s (Creekside, HEB, and Ridgeview). It was suggested that perhaps the Metro Board could adopt and possibly publish a resolution dealing with these issues in its newsletter.

Directors Arellano and Coker were assigned to contact the HOA’s at Creekside, HEB, and Ridgeview with the possibility of setting up a series of meetings with Senator Spence so that the constituents would have the opportunity to become informed before the November election.

B. Update on Installation of Wi-Fi

Director Coker introduced Scott Lehman, PureCycle Corporation which is the Board’s contracted water consultant. Mr. Lehman’s duties are to evaluate the water systems and conduct the day to day operation of the EBMD#2 systems. Mr. Lehman reported: **1.)** Browns Hill Engineering installed the supervisory and data control acquisition system (SADCA); **2.)** the flow rates and water levels of the North and South

B. Update on Installation of Wi-Fi continued

wells; **3.)** the water level of the pond. If the pond is requiring more water data is kept on how many days the pumps have to run to reach the desired level; **4.)** that he is the only authorized person who can make changes to the water monitoring system (Note: Mr. Roe Sherbert, HEB HOA Maintenance Manager, has been included throughout the process; **5.)** the flow meters passed the calibration tests as required by the

COA; 6.) that Director Rexroat and Roe Sherbet gave a presentation to the HEB Golf Committee regarding the water system. and 7.) that temperature and rain fall is monitored at Centennial and used to predict when to shut the wells down. Mr. Lehman notified the Board that the East Cherry Creek Valley (ECCV) service line will need to be automated in order to monitor it properly. This project is currently scheduled for the fall and is projected to cost approximately \$14,000. Mr. Lehman reported that the ECCV pipeline is being kept at a low level and is monitored regularly. Director Coker asked how often the wells were running. Mr. Lehman stated the goal is to run the wells only 50-60% of the time and that the target was missed in May (complications at the North well). Numbers for June TBD. Mr. Lehman noted he will provide monthly water use information to the Board. A short discussion was held as to posting this information on the website pending Board and legal counsel approval.

C. Update on Landscaping and Center Median Projects.

Daniel Levine with TerraCare Associates, the Board contracted landscaper, reported that the landscaping plan for the Aurora Parkway median has been submitted to the COA for approval. He is working with a surveyor to secure a permit for the following area: Gartrell and Aurora Parkway to East Irish Drive on South Aurora Parkway in order to allow for easement accessibility. It was asked whether this work is a change order or a new contract? Upon discussion Director Coker made a motion to approve the change order for \$175,000. The motion was seconded by Director Arellano. The motion was unanimously approved.

Mr. Levine reported that he and Mr. Lee Ruterbories, Chairman of the HEB HOA Facilities & Grounds Committee, have completed the first landscaping design and are currently working on a second design. Mr. Ruterbories will present the plans to the HEB Finance Committee. Note: the final decision will be made by the HEB HOA Board. Mr. Levine noted that some areas will be tiered and natural stone walls will be installed on Gartrell. Mr. Levine suggested that the area may have to be surveyed again in order to obtain accurate measurements. Mr. Bruce Simner, HEB HOA Board Member, was acknowledged for submitting an article for the July newsletter.

Director Coker volunteered to contact Mr. Frank Massey, Creekside HOA Board President, to secure information on whether Creekside is moving forward on their landscaping project.

D. Update on Landscaping & Erosion Project with Creekside

Directors Geiger and Meyer visited Creekside to view the erosion. Director Geiger stated it is not clear what is causing the erosion and that Creekside has retained an engineer. The Directors will continue to stay in contact with Frank Massey, Creekside's HOA Board President.

E. Update on Dog Run Project with Ridgeview

Director Arellano reported that the Ridgeview dog run project is finished and a final walkthrough will be conducted.

F. Update on HEB HOA Landscaping Project

See section C above "Update on Landscaping and Center Median Projects" for information.

G. Continued Discussion re: Upgrading of Safeway Area Landscaping

Directors Arellano and Coker, along with Mr. Levine conducted a walk-through of the Safeway area. Mr. Levine reported that the plan is to review the current survey which outlines the official boundaries. For the record it was stated that Mr. Bob Simons is the owner of the Safeway commercial area. Mr. Levine suggested that the 7 principles of xeriscape along with informational pads detailing the plants could be installed. Per Director Coker a preliminary landscaping plan may be ready to share at the July meeting and this project could become a joint COA and Metro District project.

VII. Legal

A. General Update

No update at this time.

VIII. Communications

A. Newsletter

Audrey's note: Newsletter is at the publisher with mailings to begin.

B. Website

Director Meyer reported that the website is up to date and includes the July 2010 newsletter. He would like to include a water enterprise category - see discussion above.

IX. Public Input

Various issues were addressed:

- Request to install a crosswalk within the Ridgeview community. *Metro Board response:* Metro does not own the roads but offered research assistance to Ridgeview.
- What will be built or installed at the north east corner of Gartrell and South Aurora Parkway? *Metro Board response:* The District does not have ownership rights to this area and is unaware of any development plans.
- Why are the trees declining or dying on Gartrell Road? *Metro Board response:* The trees were planted too close together and the water system was not effective. The trees were projected to have a life span of 10 years since they are planted in an identified pollutant area containing salt. The trees are being replaced as part of the ongoing landscape project.
- Compliments given regarding the: landscaping, website, controlled/ monitored use of water and information presented during the meeting.

X. Adjourn

The meeting ended at 12:16 pm.

The next meeting will be held July 28, 2010