

EAGLE BEND METROPOLITAN DISTRICT NO. 2
<http://www.eaglebendmetro.com>
Regular Meeting
Heritage Eagle Bend Clubhouse
23155 E. Heritage Parkway, Aurora, Colorado 80016
Date: February 23, 2011 10:00 am

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, Rexroat and substitute Board Recording Secretary Patti Capps. Ryan Frazier of the Aurora City Council was present. Also in attendance were Ashley Stiles of TerraCare Associates, John Simmons, the District Accountant and several community members: Shirley Benton, John Eaton, Dennis Lumley, Henry Schroeder and John McCracken. Ashley Stiles, of Terracare Associates, reported to the board that she has the final agreements with the E-470 Highway Authority for the xeriscape project to be completed on the west side of Gartrell between the exit ramp and Aurora Parkway. She will deliver the paperwork to the city today. Director Geiger requested a fully executed contract with E-470 be delivered to him in PDF form so an insurance policy can be put in place and work can begin.

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

It is the responsibility of each Director to disclose any matter of conflict of interest with the District to the Board prior to each meeting, and any such potential conflicts must also be filed with the Secretary of State. The current practice of filing each month will be amended to filing on an annual basis for all meetings, absent new conflicts that arise during the year.

III. Approval of Consent Items

Director Geiger made a motion to approve the Minutes of the January 12, 2011 meeting and the approval of the payables with check numbers 1579-1589 and checks to be ratified numbered 1574 - 1578. Director Rexroat seconded the motion. The motion was unanimously approved.

IV. Public Input

See New Business

V. Reports of Officers, Committees and Professional Consultants

A. Water

1. Update on current water usage - ECCV Pipeline and Wells
Director Rexroat reported that the easement agreement to allow trenching for the new remotely controlled motorized valve for the system was signed

by the Heritage Eagle Bend HOA. Trenching will begin in the spring when soil conditions permit. He suggested the District consider increasing fees to the HOA to cover legal costs. He also reported that the HOA will be advising the district on the settings to maintain their desired water level in the lake. Director Arellano suggested that a structure be put in place to facilitate communication with the HEB HOA.

2. Update on Irish Tap

In January the Irish Tap was turned over to Creekside.

3. Northwest Project

There are currently no issues or problems with the Northwest Project.

B. Landscaping

1. HEB HOA

Director Arellano does not expect anything to be done this year.

2. Creekside

Director Arellano reported that the landscaping bids are out to board members of the Creekside HOA. Once the bids are back, the District will be able to determine the plans are in compliance with regard to the City of Aurora rebate requirements and their irrigation policy. Work will start in early April.

3. Northwest Project

Director Arellano reported that landscaping work will probably begin in April but could start sooner weather permitting. Director Geiger requested that a full color PDF of the project be requested from TerraCare and placed on the District Website.

4. South Aurora Parkway

Director Arellano stated that the work is almost finished on the South Aurora Parkway landscaping project. He will consider another watering of trees depending on wind and precipitation.

C. Communications

1. Newsletter

The board agreed that the next date for newsletter release will be April 15th. All newsletter contributions should be submitted to Director Meyer by April 1st. Directors Geiger, Coker and Meyer will meet some time toward the end of March to decide which featured articles will be included in the April newsletter.

2. Website

Director Meyer reported that the website is currently up to date and ready for new content.

D. Financials

1. Discussion re: 2010 Financial Reports

John Simmons, District Accountant, reviewed the District financial statements for the 12 month period of January to December 2010. These

are unaudited financials. He reviewed cash balances and expenses of the District for the calendar year. Director Coker asked if the District has enough money to repair wells if they malfunction. The potential cost of well repair could be over \$40,000. Mr. Simmons stated that there are healthy reserves in the general fund which would pay for repairs. Director Arellano stated that there would be no interruption of water service to the customers if one of the wells went down because there would be plenty of water in the other well. Director Coker made a motion to accept the unaudited financial statements for 2010. Director Rexroat seconded and the motion carried. Director Geiger suggested the financial statements be put on the District Website.

Mr. Simmons informed the board that he has a new engagement letter which outlines his responsibilities as District Accountant and the responsibilities of the board. Mr. Simmons reported there were no increases in hourly rates from the previous year. Director Geiger moved to approve the engagement letter. Director Coker seconded. The motion carried.

Mr. Simmons also presented the board with a letter from the IRS stating the IRS determination that Colorado Metropolitan District Board Directors are employees of the District and not independent contractors and should be taxed accordingly and that Directors be subject to FICA tax and have earnings reported on form W-2 instead of Form 1099 as presently done. A short discussion ensued about the appropriateness of this directive. Director Coker reported that Directors may receive a fee of \$100 per meeting attended not to exceed \$1600 per annum per Colorado state law. Director Meyer made a motion that the board team up with other Districts to contest the directives of the IRS with respect to the Social Security tax on the directors and method of reporting Director income. Director Geiger seconded. Motion carried.

E. Operations & Services

F. Legal

Director Geiger reminded the directors that it is the individual responsibility of each Director to file a conflict of interest form with the District and the Colorado Secretary of State by January 1 of each year. The suggestion that non-filing by two directors was due to no conflict is impossible since the form calls for disclosure of all property owned in the District and owning property in the District is a pre-requisite for holding office as District Director. He reminded the Board that the District, in December, determined that we would not be using District legal counsel for the filing in 2011. He will e-mail copies of the disclosure forms to those who have not completed them.

G. Erosion

1. Creekside Director Coker reported that over the years a major drainage problem has developed at a location within the boundaries of Creekside HOA. The Metro District is not involved in this issue from a funding or liability issue other than the Board's concern for the homes involved with the problem and the financial risk to the HOA. He believes that Creekside and Lennar are working with the COA to resolve the issue and asked Ryan Frazier for his assistance at this point in the process. Councilman Frazier responded that he would look into the situation and do his best to help resolve the problem.

VIII. Unfinished Business

IX. New Business and Special Orders

A. Safety Issues / Traffic Concerns

Director Coker brought to the attention of the board, audience and City Councilman Ryan Frazier the ongoing concern about the dangerous traffic situation at several entrances to Heritage Eagle Bend off Gartrell Road. Leaving the residential area is dangerous because visibility is poor and the posted speed limit on Gartrell is 40MPH. A member of the community stated it is very difficult to cross from the East side of the community over to the clubhouse area because the intersections of Phillips and Heritage Parkway at Gartrell are dangerous. Another community member reiterated how dangerous the two intersections are because drivers are speeding and that golf carts and pedestrians are in particular danger. Director Coker informed the group that in the past the District has requested a traffic signal be put up at the Heritage Parkway entrance to the community. The request was denied by the city because it was felt that traffic unit count was low on Gartrell and traffic needed to be kept moving at the 40MPH rate. Director Coker suggested that a new study be done to evaluate the need for a traffic signal or 4-way stop signs at this location to insure the safety of the residents. He asked Councilman Frazier to work with City Traffic Engineers to install traffic control systems at the following locations within the District:

- The intersection of E. Phillips Place and Gartrell Road near the Heritage Eagle Bend Maintenance Facility. The problem is visibility for the northbound cars on Gartrell Rd and the cars, maintenance vehicles golf carts, etc. exiting Phillips. Recommended solution might be a flashing yellow light for cars approaching this intersection along with pavement stripping that would hopefully slow and warn the traffic on Gartrell Road going in both directions. The District would be willing to discuss a financial participation with the COA and the Heritage Eagle Bend Community (HEB) on this safety issue.

- The intersection of Heritage Parkway and Gartrell Road which is the main entrance into the golf course and clubhouse and the east side of Heritage Eagle Bend. Vehicles exiting Heritage Parkway (especially seniors and golf carts) have difficulty gauging traffic going north and south on Gartrell Road. The District has worked with the City of Aurora (COA) on redoing the landscaping on the center median for this intersection, but there is still a major traffic concern. Recommended solution would be a four way stop sign at this intersection. The District would be willing to discuss a financial participation with the COA and HEB on this safety issue.
- The intersection of Jamison Place and S. Aurora Parkway (vehicle entrance into Red Tail Hawks Park). The current speed limit is forty miles per hour. The concern is the children crossing the S. Aurora Parkway at this intersection to enter the park. Recommendation is a yellow flashing light and stripping for cars going east and west on S. Aurora Parkway. The District would be willing to discuss a financial participation with the COA and the Creekside HOA on this safety issue.
- The pedestrian entrance to the authorized dog park at Ridgeview HOA has created traffic issues with drivers going to and from the school just adjacent to the community. Recommendation is a yellow flashing light with stripping. The District would be willing to discuss a financial participation with the COA and the Ridgeview HOA on this safety issue.

Councilman Frazier responded that he would do his best to help resolve the situations. One community member suggested that stop signs would be an inexpensive solution to the problem. It was suggested that police enforcement of speeding laws would help on a short term basis.

X. Adjournment - 12:05 p.m.

The next meeting will be held March 24, 2011