

EAGLE BEND METROPOLITAN DISTRICT # 2

<http://www.eaglebendmetro.com>

Regular Meeting

Heritage Eagle Bend Clubhouse

23155 E. Heritage Parkway, Aurora, Colorado 80016

Date: May 19, 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, Meyer, Geiger and Rexroat, Board Recording Secretary Audrey Davie, Scott Lehman, Pure Cycle Corporation, Ashley Stiles, TerraCare and members of the public. The HEB HOA Board Liaison was not present.

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

A. Minutes for the April 28, 2011 Metro Dist. Meeting

B. Check Register for March / April.

Director Geiger made a motion to approve the Consent Items: the April 28, 2011 minutes and the payables with check numbers #1615-1624. Director Arellano seconded the motion. The motion was unanimously approved.

IV. Public Input

Director Coker invited public input. The following statements were given: **1.)** I find the meetings fascinating; **2.)** I like to know what's going on and have found the meetings to be informative; **3.)** I learn more about the community than at the other meetings; and **4.)** The Metro District does a lot.

V. Reports of Officers, Committees and Professional Consultants

A. Water

1. Update on current water usage-East Cherry Creek Valley (ECCV) Pipeline& Wells

Director Rexroat and Scott Lehman, Water Operations Manager, reported that a meeting with HEB HOA personnel was held to discuss questions regarding the water probes. Director Rexroat reported there are two sets of probes; one is owned by the HEB HOA and the other is property of the Metro District. The District's probe turns the wells on and off. It was reported by Director Rexroat that the District will have access to the HEB HOA pump house (probe location) with the understanding that prior notification must be given to three HEB HOA personnel via email or phone *before* the pump house is accessed. The same notification must be given to Metro Board members. In turn, designated HEB HOA personnel have the Metro's codes for activating and deactivating the wells. Director Meyer stated for the record he was not in favor of the HEB HOA having the ability to do so given the communication problems in the past.

Another issue discussed at the same meeting was the settings on the HEB HOA water probes, which had been calling for water when the Board believed it was not necessary. The Board agreed that HEB HOA personnel established those probe settings. After much discussion regarding the low water level in the lake, Director Rexroat stated a credit of \$136 would be returned to the HEB HOA. Director Geiger stated the probes called for water "because the HEB HOA had established their desired water levels" and therefore a refund should not be given. In conclusion, the HEB HOA has now established and communicated to Director Rexroat and Mr. Lehman their desired high and low water levels. A follow-up email which outlines what was accomplished and decided will be sent to all HEB HOA personnel in attendance and the Metro Board so that everyone receives the same information. Mr. Lehman will compile and send a monthly water average to the HEB HOA which means their water rates may or may not increase. The current price is \$4 per 1000 gallons of water.

1. Update on current water usage-East Cherry Creek Valley (ECCV) Pipeline& Wells continued

Public Comment: "There seems to be a problem with dispensing frozen water and also liquid water. I'm becoming angrier. Communication is very bad between the two organizations with the HOA running the whole show. They are wasting my money and I want to go before the HOA meeting in order to communicate my displeasure regarding the high cost due to losses of water especially during these trying times in the economy."

Mr. Lehman reported the wells were shut down on or around May 11, 2011 due to the rain we received. See handout distributed by Mr. Lehman entitled, "Monthly Summary" dated May 19, 2011 for more information. He stated the lake level was low because there is a level of capacity and the East Cherry Creek Valley (ECCV) was not activated. The current contract states the ECCV and wells are available to the District at any time however; the ECCV is activated on predetermined dates. As of today, May 19, 2011 the ECCV pipeline has been turned on.

Mr. Lehman reported he met with a utility locating and mapping consultant in order to locate the buried PVC pipeline between the pond and the wells. It was determined that the pipeline was not installed with transmitter tape or locating devices. He proposed alternative options for locating the pipeline however these options are cost prohibitive at this time. Directors Rexroat, Arellano and Mr. Lehman were thanked by Director Coker for their hard work on this on-going project.

2. Northwest Project / Eagle Bend Market Place Agreement / Irrigation

Director Coker reported that the Eagle Bend Market Place project permitting is almost finished. Pricing of all plant materials was provided by TerraCare, who is a known contractor for the District. TerraCare is reasonable in their pricing and their pricing of this project was consistent with all previous District projects. They have consistently demonstrated quality and responsible work. It is unlikely that the Metro District would engage another contractor through a bidding process for lesser pricing; given all of the work that TerraCare has performed in connection with the Eagle Bend Market Place project. TerraCare has been involved in the project from the beginning which has involved many facets such as but not limited to: preparing and being involved in all of the plans for the project, being aware of all the requirements and license agreements with both of the underlying property owners, and they have coordinated many of the discussions with the City of Aurora (COA) when needed. All of this would have to be re-done from the beginning by a new contractor which is not desired by the Board.

3. Update on North Well / Accident

On May 3, 2011 the District's north well area, specifically the fence, was damaged due to an auto accident. The driver was insured and the District's insurance agent has filed a claim of approximately \$4058 for damages .

B. Landscaping

1. HEB HOA

No report given at this time.

2. Creekside HOA

Director Arellano reported the Creekside cost sharing landscape project should be finished next week. Director Arellano stated he is pleased with Keesen Landscaping Company and Dan Dickson. Creekside resident, Pat Mosley, concurred that Keesen Landscaping has been very responsive to their requests. Ms. Mosley stated the trees planted met the 2" diameter requirement and a count of all the plants will be conducted. She reported that Creekside plans to xeriscape all common areas within the next 5 years. Ms. Mosley and Director Arellano stated the landscaped areas are well done and look very nice.

A member of the public inquired about the erosion situation at Creekside. Director Coker reported the mitigation of the erosion area was approved by the COA and the project has been completed. It was recommended by Director Geiger to have "before and after" photographs of the area to show pre and post drainage patterns and requested that Director Meyer be charged with taking the photographs. The Metro District did not financially support the project per Director Coker.

3. Northwest Project

A discussion ensued regarding fees levied by the COA for taps located on Gartrell Road and South Aurora Parkway. Approximately \$2000 of these fees have been waived by the COA Planning Department. Currently the COA is charging a \$0.36 metering fee for xeriscape and \$0.76 for non-xerisaped areas. Director Arellano

3. Northwest Project continued

suggested that a meeting be held with COA Water Dept. personnel to discuss the fee structure. Directors Geiger, Meyer and Coker also want to be in attendance.

Ashley Stiles, TerraCare landscape architect, calculated an erosion control plan for the project which added to the bottom line. She stated the cost was split between TerraCare and the Metro District with the Metro's portion being \$7500 for material expenses. Director Arellano would set up a meeting with Ashley Stiles and her General Manager, Mr. Trujillo, to meet to discuss the project. In addition to the meeting, Director Arellano requested that TerraCare submit a schedule which outlines who is responsible for each section of the project.

4. South Aurora Parkway

Director Arellano reported the solar clocks in the second section of the medians are not operating correctly and possibly caused by a malfunction in the wiring. A specialist has been contacted. Director Arellano reported that he and Mr. Lehman will be meeting every Thursday to visit all landscape projects. The plants and trees are under warranty and any need for replacements will be documented. Director Arellano would like Davey's Tree Company to explain why some of the pine trees are turning brown. An invoice submitted by TerraCare is currently being held by Director Arellano who reported the drip system on the Gartrell Road medians "is not going to all trees and bushes correctly." Payment will be submitted when the situation is corrected per Director Arellano.

Public Comment: "I am appalled there is not an HEB HOA liaison on the projects especially the water issues. The Metro Board is doing a great job here."

5. Ridgeview HOA

Directors Arellano and Coker met with Jim Fletcher, Managing Director of Ridgeview, who has requested financial assistance from the Board. Mr. Fletcher would like to enhance his community's common areas with: bushes, grasses and trees. Director Arellano stated he has received a list of the desired plants/trees however prices were not given therefore; a decision about moving forward has not been made.

C. Communications

1. Review Comments April Newsletter 2011

Board members reported that residents were positive in their comments regarding the newsletter. Director Arellano reported that Jeff Powles, HEB General Manager, stated in a meeting how important it was for all community members to read the newsletter to become informed. In addition, Director Coker stated the newsletter has been helpful when working with residents, COA and State personnel. Director Meyer thanked everyone for their timely input and contributions which resulted in a "job well done". As a reminder, Director Meyer pointed out the newsletter is posted online.

Topics for the July newsletter will include: Board's strategic plan and long term goals, history of community Part 2, audit results, assessed residential and commercial valuation changes, Water Enterprise information and improvements to the system, Creekside landscape project and joint HOA successes, and why the Board funds and maintains City improvements such as the center medians along South Aurora Parkway.

Public Comment: "I thought the newsletter was great."

2. Website update

Director Meyer reported the website is current. Director Geiger requested the "Procedure for Filing Board Vacancies" form be added to the website.

D. Operations & Services

Director Coker reported that nominations for the Special District Award (SDA) "Outstanding District/Board Member" are due by June 1, 2011. It was decided this issue would be discussed during lunch.

E. Legal

1. Board Member Vacancy Process

Director Coker stated he is meeting with legal counsel next week and will discuss all pertinent legal issues at this time.

F. Treasurer's Report

1. Quarterly Financial Statement

Director Geiger noted that all residents have now received notices from the county assessor regarding changes in the assessed value of their individual home. Given this situation and a three year projected budget Director

1. Quarterly Financial Statement continued

Geiger offered three possible alternatives for the Board to consider: **1.)** leave the current mil levy as is and collect 5% fewer taxes for the next 2 years which would give the Board a negative cash flow; **2.)** adjust the mil levy to leave tax dollars the same but have the rate increase; or **3.)** move a predetermined amount of funds from the Operating budget to Debt Services. Director Geiger stated the Cherry Creek School District levy increased to 50+ mils compared to 49 mils for the Metro District. One mil equals approximately \$30 for residents.

VI. Unfinished Business

A. Strategic Plan for 2011-2015

Director Coker reminded all present that the Board's strategic plan is long term and driven by a vision and mission. He stated that a change in the Board's membership will occur in the future and it is imperative that the Board plans for this change and also knows its current and long term goals and projects.

B. Safety Issues / Traffic Concerns

No report given.

C. Ridgeview Cost Sharing Project

See Section V. Reports of Officers, Committees and Professional Consultants B. Landscaping 5. Ridgeview HOA for information.

VII. New Business and Special Orders

A. Informal Meetings with HOA Boards and Metro Boards

Director Arellano reported informal meetings with the HOA Boards residing in the District will be scheduled soon. He reported that Jeff Powles and Frank Massey, President of Creekside's HOA, are in favor of these meetings. Directors Coker and Arellano will work together to establish and conduct these meetings using funds from the Communication budget. It was requested that a formal agenda be established and an expectation that all HOA members be present. The Board would like name badges for identification purposes.

VIII. Adjournment

The meeting ended at 12:08 pm.

The next meeting will be held June 23, 2011