

**EAGLE BEND METROPOLITAN DISTRICT # 2**  
**<http://www.eaglebendmetro.com>**  
Monthly Meeting  
Heritage Eagle Bend Clubhouse  
23155 E. Heritage Parkway, Aurora, Colorado 80016  
**Date: October 27, 2011**  
**10:00 am**

**MINUTES**

**I. Call to Order**

The meeting was called to order at 10:03 am by Director Coker. In attendance were Directors: Coker, Arellano, Rexroat, Meyer, Geiger and Board Recording Secretary Audrey Davie. Members of the public introduced themselves.

**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.

**III. Approval of Consent Items**

**A. Agenda for October 27, 2011**

**B. Minutes for September 22 and September 26, 2011**

**C. Check Register for October**

Director Geiger made a motion to approve the following consent items: October 27, 2011 agenda, September 22 and September 26, 2011 minutes, ratification of check number #1688 and August payables with check register #1689-1704. Director Coker seconded the motion. The motion was unanimously approved

**IV. Reports of Officers, Committees and Professional Consultants**

**A. Treasurer's Report**

**1. Public Budget Hearing for 2012 Budget**

Director Geiger explained the Metro District is bound by state law concerning the process for adopting its annual budget and those processes include conducting a public hearing regarding the proposed budget. Director Coker then moved the Board open the public hearing, seconded by Director Geiger and passed without discussion. Director Geiger presented the District's three funds and their respective budgets: the General Fund which is the Governmental entity of the District, the Water Enterprise Fund and the Debt Service Fund. He pointed out historical data (projections, estimates and actual) from 2010 and 2011, and highlighted the "Proposed Budget 2012" column for each of the three funds.

**General Fund** - Due to the decline (\$64 million to \$57, 603,960) in property values as assessed by the Arapahoe County Appraiser, monies available for Operations in 2012 will be directly affected. Various Expenditures within the General Fund were explained which included the 2012 election and landscaping. Expenditures for 2012 total approximately \$2 million.

**Water Enterprise Fund** – This fund represents the business side the District. The projected 2011 HEB HOA water sales were \$400,000 however as of August 31 the actual sales total \$251,748, therefore a projected loss in revenue to the District. The expenditures for the East Cherry Creek Valley (ECCV) pipeline, the Buchanan Tap and the wells were discussed. The District pays the City of Aurora (COA) a "rate per gallon" usage fee for the ECCV and a monthly meter fee for the Buchanan Tap. As of today, the 2012 water rate has not been established. Director Coker stated this fund must be self generating because tax money cannot be used to subsidize it.

**Debt Enterprise Fund** - Thirty year "general obligation bonds" make up the Debt Enterprise Fund. These specific bonds were originally established by the original developer of the community and have been refinanced once. Director Coker reported that approximately \$600,000 of the debt is paid each year. Currently, 49 mills are projected for the proposed 2012 budget which is the same mill levy as the current 2011 budget.

### **Questions from the Public:**

1. If a church were to operate the assisted living; do they have to pay taxes? *Answer:* Not known at this time.
2. What will the water rate be? *Answer:* Not known at this time.
3. Why is there a line item of \$20,000 for an election? *Answer:* May 2012 an election will be held in for two Board positions. Should Director Coker be elected to Aurora City Council on November 1 he will have to resign no later than November 28, 2011. The process for filling his seat was explained.
4. What tax revenue will come from the 7-11 being built? *Answer:* None. That location is outside the District's boundary.

Upon no further public comments Director Coker closed the public hearing.

Director Geiger then reviewed the Quarterly financials as prepared by Simmons and Wheeler PC, accounting firm for the District. Again, all three funds were examined. Notables included: a bond payment of \$1.3 million will be made in October, the General Fund is currently \$10,635 short due to uncollected property taxes and actual water sales total \$307, 304. Upon no further discussion Director Geiger made the motion to accept the "Eagle Bend Metropolitan District #2 Quarterly Financial Statements dated September 30, 201," as prepared by Simons & Wheeler, PC. Director Arellano seconded the motion. The motion was unanimously approved

### **B. Water**

#### **1. Update on Current Water Usage - East Cherry Creek Valley Pipeline and Wells**

Director Rexroat stated the following information during his report: **1.** water consumption was less this year than 2010 with 15% of the water being delivered via the ECCV pipeline; **2.** water is delivered more efficiently this year due to careful monitoring, the wi-fi system and also establishing processes according to well specifications; **3.** back-up equipment was purchased; **4.** District is responsible for the probes in the wells and **5.** HEB HOA and Metro district will establish a new contract for the upcoming year with Roe Sherbert, HEB HOA Facilities Manger as the contact person. Director Rexroat reported the next phase/upgrade to the system will be attaching sensors to the equipment.

### **Questions and Comment from the Public:**

1. Are we storing less water now? *Answer:* Yes.
2. So when it rains isn't there more? *Answer:* No. The water is maintained at a certain level in the pond. When it rains there is not enough capacity in the pond to hold the extra rain water so it spills over.
3. The water usage that went down - what was the total? *Answer:* Approx. 25% less.
4. I cannot imagine the operation of the water being done by anyone other than the current Metro Board. You guys are fantastic.

### **C. Landscaping**

#### **1. Creekside HOA**

##### **a. Update re: City of Aurora Xeriscape rebate**

The \$20,000 rebate should be received this week. Director Arellano stated it was a pleasure to work with Creekside and feedback to the landscaping has been favorable.

#### **2. Eagle Bend Marketplace/Northwest Project**

##### **a. Dedication Ceremony**

Director Arellano reported all the materials have been planted and TerraCare will be installing the shade sails once they arrive from New Zealand! Director Arellano is working with the COA xeriscape manager regarding a xeriscape rebate.

The Dedication Ceremony was held October 19, 2011. The press, neighboring HOA's including Wheatlands and Tallyns were invited. It was reported that the Metro District asked the HEB HOA to send an electronic invitation to residents regarding the ceremony however they chose not to do so. Director Coker remarked the demonstration garden is an "ongoing project." For example, next year Virginia Creeper might be planted around the shade sail poles for added color. Spring of 2012, the Board would like to engage in a cost sharing project with the owners of the Eagle Bend Marketplace to construct stairs or a trail(s) to the benches and tables for residents to enjoy a lunch in the garden

### **Questions and Comment from the Public:**

1. What was the total cost of the garden not including the rebate? *Answer:* Approximately \$300,000.
2. Are the utilities going through the area going to be redone? *Answer:* Yes. Comcast will be responsible for replacing the lost plants.

### **Questions and Comment from the Public continued**

3. There are a lot of garden clubs in the area. I think they should go through the demonstration garden. I think it is educational.

4. Who owns the trees on Gartrell on the west side? *Answer:* Lennar Homes

5. Traffic issues are still occurring at the intersections. What is being done? *Answer:* Metro wants to install a stop sign but COA will not allow this. The Metro has trimmed the landscaping at Gartrell and Heritage Parkway. It was stated the stop sign at Gartrell and Heritage Parkway be moved for better visibility.

#### **3. South Aurora Parkway**

Director Arellano reported a new drip system was installed at a cost of \$10,000. The new system will deliver water more efficiently. The trees and pines along South Aurora Parkway (SAP) were discussed. Director Arellano stated the trees were negatively affected this year due to the hot summer and environmental stress. Should they need replacing this will occur next spring.

Director Meyer asked who is responsible for picking up the grass clippings along Gartrell Road which go uncollected for several weeks. The clean-up process is the responsibility of the HEB HOA. The collection of the grass clippings according to Director Rexroat ultimately put sediment into the pond which could be an additional cost for the HEB HOA. A HEB HOA Board member was present for this discussion.

### **D. Communications**

#### **1. Update October Newsletter 2011**

The newsletter was mailed out Oct. 15, 2011. Director Arellano praised the publication and stated "This is best newsletter that has come out."

### **Comments from the Public:**

1. I enjoyed the last newsletter, too.

2. It would be helpful for the Board to publish guide lines of what can and cannot be included in the newsletter (e.g. 9News Health Fair). After a short discussion it was agreed that Director Meyer will propose Guidelines for publishing information generated outside the Board.

#### **2. Update District Website**

Director Meyer reported the website is current. He also attended an Aurora Chamber of Commerce (ACC) meeting and suggested the Board might consider membership into the ACC.

### **E. Operations & Services**

Director Coker suggested the Board pursue membership into the Water Infrastructure Supply Efficiency (W.I.S.E.) Group. This group encompasses 15 municipalities. Should the W.I.S.E. Group make any decisions regarding the ECCV pipeline this would directly affect the District. Director Coker believes membership would be beneficial and advantageous. Also, the Aurora Chamber of Commerce is forming a new South Metro Chamber which will also be investigated by Director Coker and Recording Secretary A. Davie.

Director Coker then addressed the Board regarding an email which was sent to various Board members, landscape personnel etc. by a Director in error. Director Coker stated the issues and problems associated with the email in question. An apology was issued with Director Coker stating the email could have caused legal problems for the Board. President Coker requested that all Directors to be cognizant of their actions and should this type of offense occur in the future Director Coker stated, "I will publically censor the Board member if necessary in the future."

### **F. Legal**

Legal counsel was consulted on the email sent in error.

## **V. Unfinished Business**

## **VI. New Business and Special Orders**

### **A. 2012 Budget Resolution**

Director Geiger read and moved the 2012 Budget. Director Arellano seconded the motion. The motion was unanimously approved

### **B. Carbonite**

Director Geiger explained all Board members should be using a back-up system to protect all Board documents and information. Director Geiger made the motion to authorize the purchase of Carbonite by each Board member. Director Rexroat seconded the motion. The motion was unanimously approved

## **VII. Public Input**

1. If part of the ECCV was purchased what would it cost? *Answer:* Unknown.
2. Will Directors Coker and Arellano be running in the May election? *Answer:* Director Coker stated he would not if elected to City Council and “maybe” if he was not elected. Director Arellano did not state either way.

## **VIII. Adjournment**

The meeting ended at 12:35 pm.

**The next meeting will be held November 10, 2011**