

EAGLE BEND METROPOLITAN DISTRICT # 2

<http://www.eaglebendmetro.com>

Monthly Meeting

Heritage Eagle Bend Clubhouse

23155 E. Heritage Parkway, Aurora, Colorado 80016

Date: August 23, 2012

10:00 am

MINUTES

I. Call to Order

The Regular meeting was called to order at 10:07 am by Director Geiger. In attendance were Directors: Rexroat, Meyer, Coker, Geiger, Simner, and Board Recording Secretary Audrey Davie.

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

A quorum was present. 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. An annual Conflict of Interest Disclosure must also be filed with the Colorado Secretary of State.

III. Approval of Consent Items

A. Agenda for August 23, 2012

B. Minutes for July 26, 2012

C. Check Register for August 2012

Director Coker made a motion to approve the following consent items and Director Rexroat seconded the motion. Chairman Geiger asked if there was any objection and Director Meyer indicated an objection to the agenda and due to the objection the Chairman removed the Consent Resolution from the floor.

Director Coker then made a motion to approve the Agenda and Director Rexroat seconded the motion. Director Meyer made a motion to remove item VII - C from the agenda and presented the following statement, "Eagle Bend Metro District Board duties, responsibilities and authority extend to only those powers and authorities granted by Colorado State Statue," Lyons, Geddis, Kahn and Hall PC. Director Geiger reported that the District's legal counsel was involved in drafting the Resolution of Public Censure and thus tacitly approved the District's authority to take such action. Director Meyer's motion died without second. As a result, Director Geiger made a motion to table agenda item VII - C for future consideration. Director Simner seconded the motion. The motion was not approved with 4 Directors voting "nay" and Director Meyer voting "in favor". The motion to approve the Agenda then passed 4-1.

Director Rexroat made a motion to approve the July 26, 2012 Minutes. Director Coker seconded the motion. The motion was unanimously approved 5-0. A short discussion ensued about what content is and is not recorded in the minutes.

Director Coker made a motion to approve the August payables with check register #1838-1849. Director Rexroat seconded the motion. The motion was unanimously approved 5-0.

IV. Public Input, self-introduction by guests

Seven members of the public introduced themselves including Robbie Stjernholm, Financial Advisor with Morgan Stanley Smith Barney.

Questions from the Public:

1. Should the Board have gone into Executive Session regarding agenda item VII C? **Answer: No.** *Legal counsel was consulted and indicated this action was not subject to Executive session.*
2. Is the Board's information available to all residents? **Answer: Yes.** *The District's website contains a plethora of information as well as the Special District Association's (SDA) website.*
3. Are Board members paid? **Answer: Yes.** *State law allows Directors to be paid \$100/meeting up to \$1600 per year. Hours spent volunteering are not paid.*
4. Comments regarding the demonstration garden included: I enjoy the park with the wind sails. It is well maintained. It was clarified that the shade sails are gathering points and as the trees grow they will provide the desired shade. The garden is an issue and residents were not informed. It was stated that residents were informed for many months regarding the garden which included newsletter articles and monthly meetings.
5. Pat Goodman's articles in the 2 previous newsletters were praised.

V. New Business and Special Orders

No new business or special orders at this time.

VI. Reports of Officers, Committees and Professional Consultants

A. Water

1. Update on Water

a. Scott Lehman, Board Water Consultant, Monthly Report

The variable frequency drive on the South well needed to be replaced. Director Rexroat analyzed the short and long term costs to the District and opted to replace the part. This allowed for uninterrupted service and water supply to HEB HOA (1.2 million gallons/day). Director Simner questioned the District's ability to supply water in the future. Directors Rexroat and Coker gave a history regarding actions taken in this area. In 2008 the Board hired an engineering company to perform a study which included Roe Sherbet, HEB HOA Grounds Manager. The company and Directors researched the following options: **1.)** drill a third well; **2.)** access other lakes on the golf course; **3.)** expand current lake; and **4.)** construct additional lakes. All four options were presented and rejected by the 2008 HEB HOA Board. Director Simner stated that HEB HOA Board had expressed an interest in a joint meeting to review the history and availability of water for delivery to the HOA's storage pond. After discussion, Director Simner was requested to make the appropriate contacts with the HEB HOA Board.

B. Landscaping

1. Eagle Bend Marketplace/Northwest Project – "Demonstration Garden"

Director Simner's report included the following actions: **1.)** once it is determined which trees are and are not under warranty all dead trees will be replaced at the same time; **2.)** Will Medellin of TerraCare, is now aware the 4th median on South Aurora Parkway (SAP) is maintained by the Metro District (watered by Creekside); **3.)** additional mulch will be added to the open spaces in the garden; and **4.)** the vines will be relocated and planted at the base of the shade sail poles.

Director Simner met with Bob Simons, co-owner of Eagle Bend Marketplace Center, to discuss the installation of a walkway which would connect the eateries to the garden. Copies of the proposed walkway were distributed. The cost of the walkway is estimated to be approximately \$1400. Director Simner reported no other HOA's within the District boundaries have inquired about investing in any cost-sharing projects.

2. South Aurora Parkway

See above.

3. Ridgeview Cost Sharing

Director Simner reported that Ridgeview Eagle Bend was in the application process with the City of Aurora (COA) concerning the approved cost sharing project to facilitate first responders ability to locate addresses within the community.

C. Communications

1. Update re: Newsletter & Website

The July newsletter has been mailed out and Director Geiger has received positive comments regarding the content.

D. Operations & Services

No new information at this time.

E. Legal

No new information at this time.

F. Treasurer's Report

1. Smith Barney Morgan Stanley Interest

Robbie Stjernholm, Financial Advisor at Morgan Stanley Smith Barney, gave a brief presentation on capital markets. Copies of "Information Proposal for Eagle Bend Metropolitan District 2 – Cash Management, Investment and/or Investment Advisory Services" were distributed. Other documents prepared for the Boards analysis were: **1.)** Morgan Stanley Smith Barney Capital Markets and **2.)** The Denver Group Information on Cash Management, Investments and Other Services. Mr. Stjernholm reported Smith Barney's average return on investments has been 1.5% -3.5%. No further discussion occurred.

VII. Unfinished Business

A. Continued discussion re: Alternate Management

The Directors are currently researching the cost of outsourcing management of the District. A decision will be made as the 2013 budget is finalized.

B. Newsletter & Website – Answers from Director Meyer on January newsletter & website control matters

No answers were given by Director Meyer. See 2012 Minutes May through July.

C. Resolution of Public Censure

Copies of the Resolution of Public Censure as prepared by District legal counsel were distributed and read aloud by Director Coker. Director Coker made a motion to approve the Resolution of Public Censure with Director Rexroat moving to second the motion. Director Meyer prepared, distributed and read aloud, "Response to Resolution of Public Censure" dated August 23, 2012. Director Meyer was thanked for his response. A conversation ensued covering the actions which lead to the Censure, legalities of the Censure, and meaning of the Censure. Director Coker called for a roll call regarding the approval of the Resolution of Public Censure. Directors Coker, Rexroat and Geiger voted in favor of the Censure, Director Simner and Director Meyer voted "no". The motion passed 3-2.

D. Registration re: Special District Association Conference, Keystone

All Directors are invited to attend the SDA Conference. See July 2012 Minutes.

VIII. Adjournment

The meeting ended at 12:20.

**The next regular meeting will be held September 27, 2012
Special District Conference September 19-21, 2012 Keystone, CO**

