

EAGLE BEND METROPOLITAN DISTRICT # 2

<http://www.eaglebendmetro.com>

Monthly Meeting

Heritage Eagle Bend Clubhouse

23155 E. Heritage Parkway, Aurora, Colorado 80016

Date: November 8, 2012

10:00 am

MINUTES

I. Call to Order

The Regular meeting was called to order at 10:00 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 November 8, 2012

B. Check Register for November 2012

Director Coker made a motion to approve the following consent items: November 8, 2012 agenda. Director Simner seconded the motion. The motion was unanimously approved. After delivery of the November payables by Peggy Purcell, Director Coker made a motion to approve the payables with check register #1876-1880. The motion was seconded by Director Simner. The motion was unanimously approved.

IV. Public Input, self-introduction by guests

Three (3) members of the public introduced themselves.

V. New Business and Special Orders

A. Public Hearing relating to 2013 Budget

John Simmons of Simmons & Wheeler, District Accountant, was introduced. Director Geiger called the Public Annual Budget Hearing to order. Copies of the "Eagle Bend Metropolitan District #2 Proposed Budget for the Year Ended December 31, 2013" were distributed. Mr. Simmons reviewed the document covering the: General, Water Enterprise and Debt Service Funds. Highlights included but were not limited to: **1.)** the District is required by Tabor to set aside an Emergency Reserve Account, totaling approximately 3% of revenues \$28,000+; **2.)** forecasting possible maintenance to the District's aging wells necessitated an increase in the "Water Operations Repair & Maintenance" line item; and **3.)** the budget was affected by the economic down turn due to reduced appraisal values of residential properties and consequently the property taxes associated with such therefore, the mill levy for Debt Service is insufficient to raise enough money for debt payments in 2013 thus the budget provides for the transfer of monies from the General Fund to the Debt Service Fund to avoid additional monetary burden to Eagle Bend taxpayers. Director Geiger called for questions and comments from the Board and Public having heard none the Public Hearing of the 2013 Budget was closed at 10:32 am.

VI. Reports of Officers, Committees and Professional Consultants

A. Treasurer's Report

1. Third Quarter Financial Report

John Simmons, Board Accountant, reviewed the District's 3rd Quarter Financial Report. Director Meyer made a motion to accept the "EBMD#2 Financial Statements dated September 30, 2012" as presented. Director Simmer seconded the motion. The motion was unanimously approved.

B. Water

1. Update re: Wells and Maintenance

No report at this time.

C. Landscaping

1. Update re: Eagle Bend Marketplace/N.W. Project – "Demo Garden"

2. Update re: South Aurora Parkway

Director Simmer stated the TerraCare landscape contract for 2013 was secured with the following addendum added: **1.)** 124 plants will be replaced spring of 2013; **2.)** trash removal will be continued during the winter; **3.)** all duties and responsibilities will be carried out and performed at the 2012 contract rate. Director Simmer made a motion to accept the 2013 TerraCare Landscape contract in the amount of \$23,304 to be paid in 8 installments. Director Coker seconded the motion. The motion was unanimously approved.

Director Simmer secured a storage unit with keys held by Directors Simmer and Coker. The unit will house the shade sails during the winter months. In addition, the aggregate walkway from the commercial area (EB Marketplace) to the garden has been completed.

D. Communications

1. Update re: October Newsletter & Website

The fall newsletter was mailed in October and the first 2013 mailing will occur in January. Director Geiger has contacted the Special District Association (SDA) to secure information regarding "special software" which enables the vision impaired access to the District's website.

E. Legal

No information at this time.

VII. Unfinished Business

A. 2013 Water Rate Resolution

The Water Rate Committee comprised of Directors Coker, Rexroat and Geiger brought two resolutions for the Board to consider. One resolution had a fixed rate for water while the second contained a fixed and variable consumption rate. After a lengthy discussion and comment from a Heritage Eagle Bend Master Association Board member, Director Coker made a motion to accept the "Resolution of Eagle Bend Metropolitan District No. 2 Concerning the Imposition of 2013 Water Rates" as prepared by legal counsel. Director Geiger seconded the motion. The motion was unanimously approved. This Resolution provides 8 fixed monthly payments of \$22,000 and a variable consumption water rate of \$2.58 per 1000 gallons provided from the District's wells or the ECCV pipeline.

B. 2013 Budget Resolution

Director Coker made the motion to accept the 2013 Budget Resolution. Director Simmer seconded the motion. The motion was unanimously approved.

C. Continued discussion re: Alternate Management

No information at this time.

D. 2013 Administrative Resolution

Director Coker made a motion to accept the 2013 Administrative Resolution. Director Geiger seconded the motion. Director Meyer objected to the wording of Item #12. This item was changed (see handwritten changes) to read, "Officers, Directors and Appointed Staff". Director Coker made a motion to accept the 2013 Administrative Resolution with the handwritten changes noted above. Director Geiger seconded the motion. The motion was unanimously approved.

E. Executive Session re: Legal Matters

Director Geiger stated, "I move to go into executive session for the purposes of discussing negotiations pursuant to CRS 24-6-402(4) (e)." The motion was seconded by Director Coker. The motion was unanimously approved. Digital recording of the session began. Director Geiger continued, "An executive session meeting of the Eagle Bend Metropolitan District #2 is convened at 10:55 am on November 8, 2012 for the sole purpose of discussing negotiations pursuant to CRS 24-6-402(4)(e). Attending are: Directors Geiger, Meyer, Coker, Simner, Board Recording Secretary Audrey Davie and Bill Hayne, Engineer at Mulhern, MRE." After discussion was completed, Director Geiger stated, "The Board did not engage in substantial discussion of any matter not enumerated in Section 24-6-402(4) (b) or (e). The Board did not adopt any proposed policy, position, resolution, rule, regulation, or formal action. The executive session meeting was adjourned at 11:23 am on a motion by Director Meyer, seconded by Director Coker and passed on the affirmative vote of four members."

Director Coker moved to adopt the Resolution entitled, "Concerning Cost Share & Construction Authorization for the Filing 9 Underdrain System Improvements" with monies not to exceed \$7500 and adopted in agreement of the Project Manager. Director Simner seconded the motion. The motion was unanimously approved.

Director Geiger moved to accept the engineering contract with Mulhern MRE dated Nov. 6, 2012. Director Meyer seconded the motion. The motion was unanimously approved.

VIII. Adjournment

The meeting ended at 12:00 noon.

The next regular meeting will be held December 13, 2012