

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
EAGLE BEND METROPOLITAN DISTRICT NO. 2
HELD
May 21, 2015

A regular meeting of the Board of Directors of the Eagle Bend Metropolitan District No. 2 was held on May 21, 2015 at 10:00 a.m. at the Heritage Eagle Bend Clubhouse, 23155 East Heritage Parkway, Aurora, Colorado 80016. The meeting was open to the public.

Attendance

In attendance were the following Directors:

Larry Geiger (via phone)
Tom Coker
Rex Rexroat
Bruce Simner
George Arellano

Also in attendance were:

Denise Denslow; CliftonLarsonAllen LLP ("CLA")
Johnny Watson; Creekside Eagle Bend
Sam Sharpe; DA Davidson

Call to Order

Director Geiger called the meeting to order at 10:05 a.m.

Declaration of
Quorum/Director
Qualifications/
Disclosures of
Conflicts

Director Geiger declared that there was a quorum and that all Board members were qualified to serve. The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors and to the Secretary of State. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with Statute. It was noted by the Board that disclosures of potential conflicts of interest statements for all directors have been filed with the Secretary of State's office prior to this meeting and that no additional conflicts were disclosed at the meeting.

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Approval of Consent Items

- A. Agenda for May 21, 2015
- B. Minutes for April 23, 2015
- C. Current Claims

Following discussion, upon a motion duly made by Director Rexroat, seconded by Director Simner and, upon vote, unanimously carried, the Board approved the consent agenda items with the discussed amendment to the April 23, 2015 minutes to reflect the continued funding of Carbonite for the next two years.

Public Comments

Johnny Watson, Creekside Eagle Bend, presented a proposal to the Board for improvements such as flowers, flags, entryway, total amount approximately \$30,000. Director Arellano stated he was in favor of the lights. He would also like to look at the plants. It was noted that the pricing need to be revised to reflect sales tax exemption as well as the standard 10% discount for Eagle Bend. Discussion followed regarding the merit of the project. Director Geiger suggested that this is an item for the Board retreat. Upon a motion duly made by Director Coker, seconded by Director Simner and, upon vote, unanimously carried, the Board approved the first two items and authorized Director Arellano and Ms. Denslow to make final determination.

Director Geiger suggested to the Board that the standard and merits of cost sharing improvement projects with the HOAs should be a topic of discussion at the Board retreat.

Old Business

None.

Reports

- A. Treasurer – Monthly Report

Director Coker turned the meeting to Sam Sharp, DA Davidson, who made a presentation to the board on the potential refinance of the \$15.4m, 2005 series, which has a 2015 call date at par. No underlying rating on series 2005, current rating of A- from Standard and Poors. Current interest rate is at 4.9%. DA Davidson looked at several different options. More banks are currently interested in direct placement with now longer terms. Model presented assumes an A- rating, insurance and a 3.9% rate. Discussion ensued. If nothing is done, the principal payment increases, Sam discussed the different approaches that the Board could consider. DA Davidson proposed .5% of par

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amount for fees. Mr. Sharp will provide a proposal to the Board for the next meeting. Upon a motion duly made by Director Coker, seconded by Director Rexroat and, upon vote, unanimously carried, the Board approved to engage DA Davidson at a .5% on par in a non binding agreement subject to final approval by Board president.

B. Senior Vice President – Monthly Report

Director Coker reported on activities of the CABC, and specific issues related to Fitzsimmons and the Gaylord projects. He also reported the air show is the next weekend. He reported on several projects that are coming down the pipe. Discussion followed regarding Kings Point

C. Vice President of Water Operations – Monthly Report

The Board discussed the water billing, the consensus is to delay billing to get 1st month cycle. Director Rexroat reported wells have not been on since March 15. ECCV is ready to go, if needed. He reported on a meeting on April 24th regarding third water source. Purecycle is determining the permitting process and the route for transmission. The district will own that well and purchase water from Rangeview Metropolitan District and State.

D. Vice President of Landscape Maintenance – Monthly Report

Director Arellano reviewed the HEB proposal and briefed the Board on the meeting with Gene Bloom and Roe Sherbet. HEB will donate labor costs. Discussion followed.

E. Vice President of Communications – Newsletter and Website

Director Simner reported that the newsletter should be ready for printing.

F. Legal

None.

G. President's Issues

Director Geiger proposed a meeting with the 3 HOA Boards the second week in June at the clubhouse, early evening in the Antero room (or other large room). Director also suggested a retreat in July at the Inverness.

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H. Manager Issues

a. Affirmation of Suspension of YMCA Proposal Review

Upon a motion duly made by Director Simner, seconded by Director Rexroat and, upon vote, unanimously carried, the Board approved the affirmation of suspension of YMCA proposal review.

b. Review and Consider Approval of Resolution regarding Expenditures

Upon a motion duly made by Director Coker, seconded by Director Geiger and, upon vote, unanimously carried, the Board approved the Resolution regarding Expenditures.

c. Review and Consider Approval of Cost Sharing Project with HEB Monument Sign

Upon a motion duly made by Director Coker, seconded by Director Rexroat and, upon vote, unanimously carried, the Board approved the cost sharing project with HEB monument sign.

New Business

None.

Next Meeting

A. Confirm Quorum for Next Board Meeting to be Held Thursday, June 25, 2015 at 10:00 a.m. at the Heritage Eagle Bend Clubhouse

The Board confirmed the intent of a quorum for the next Board meeting, to be held Thursday, June 25, 2015 at 10:00 a.m. at the Heritage Eagle Bend Clubhouse.

Adjournment

Upon a motion duly made by Director Simner, seconded by Director Coker and, upon vote, unanimously carried, the Board adjourned at 11:45 a.m.

Respectfully submitted,



Secretary for the Meeting