

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
EAGLE BEND METROPOLITAN DISTRICT NO. 2
HELD
July 16, 2015

A regular meeting of the Board of Directors of the Eagle Bend Metropolitan District No. 2 was held on July 16, 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
Tom Coker
Rex Rexroat
George Arellano

Also in attendance were:

Denise Denslow and Shannon Torgerson; CliftonLarsonAllen LLP ("CLA")
John Simmons; Simmons and Wheeler
David Patterson; Falck Rocky Mountain, Inc.
Gene Blum; HOA Manager Eagle Bend Metro District No. 2
John Kerbaugh 23400 E. Moraine
Gene Mueller 7784 S. Biloxi Way
Sharon Robinson 7641 S. Addison Way
Valerie Ness 774 S. Biloxi Way
Irv Reinke 22852 E. David Place
Connie Smith 8127 S. Catawba Court
Dennis Tierney 23433 E. Phillips Place

Call to Order

Director Coker called the meeting to order at 10:00 a.m. The absence of Director Simner was excused.

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Declaration of Quorum/Director Qualifications/ Disclosures of Conflicts

Director Coker 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.

Present Recognition Award to Audrey Arellano Davie

The presentation of the recognition award to Ms. Arellano Davie was tabled until the next Board Meeting.

Approval of Consent Items

- A. Agenda for July 16, 2015
- B. Minutes for June 25, 2015
- C. Current Claims

Following discussion, upon a motion duly made by Director Geiger, seconded by Director Rexroat and, upon vote unanimously carried, the Board approved the consent agenda as presented.

Public Comments

Mr. Patterson, the CEO of Falck Rocky Mountain, Inc. updated the Board about 911 City of Aurora ambulance service contract starting September 1, 2015. Prior to the contract start date of September 1, the firm is locating ambulance centers within the city, due to the requirement to respond to calls within 8 minutes. Currently the firm is headquartered in Aurora at I-225 and Parker Road. The firm is considering two suites in the Safeway shopping center for two suites however, the General Development Plan for the area does not allow for use between 11 pm and 6 am. The major concern is about sound mitigation however, sirens do not general need to be used during the middle of the night unless there is traffic. Mr. Patterson further

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noted that vehicles associated with the ambulance service would be parked behind the shopping center so it won't look disparaging to the shoppers. He further noted the City Planning Director has to be able to issue a waiver for their use which will be applicable to all other tenants.

Diane Rael of Norris Design and Bruce Stokes of Castle Rock Development informed the Board and the constituents present about the proposed Kings Point development which is 944 acres in size. The property stretches east as far as Liberty Middle School. There are approximately seventeen hundred eighty- six residential units planned in addition to activity centers such as parks and golf courses. All prior approvals with the City of Aurora expired within the last 2 years. New contextual site plans are under review by City. Filings 1 and 2 are both north of E470 and run from Parker Road to 470. A major east-west roadway, which will connect Aurora Parkway to Parker Road will be built before any of the homes are constructed.

A traffic study is underway to review impact to neighboring communities. Barring any major derailments in the process, the developers anticipate gaining approval in late 2015, commencing construction in mid-2016 with the first homes completed in 2017. It is the developers and surrounding communities strong preference to not build at golf course as there are several in the area, but current agreements make it difficult not to do so.

Gene Mueller, Representing the Village HOA at Eagle Bend is informed the Board he is requesting help to finance the rebuilding of an existing retaining wall on S. Buchanan Way , which is about 5 feet high and 150 feet in length. TL Thompson & Associates, Inc., sent out a geotechnical engineer who reviewed the wall and stated there is nowhere for the water to drain, which is causing the wall to fail. The total project cost is \$49,200.000. The wall was not included in the Association's reserve study and was not included in the Covenants as an Association expense. A Resolution was passed by the Board to finance repairs of the wall due to high cost. Work is scheduled to start in August and it will take approximately three weeks to complete. Director Coker stated that the District cannot assist with this matter due to the wall being on individual owner property and not on Association owned property. He further noted the Board will further discuss at the retreat on July 30.

During open forum, Mr. Blume thanked the Board for assisting with the refurbishment of the main entrance monument. He went on to add a letter is still owed to the District for acceptance of the work.

Old
Business

None.

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Reports

A. Treasurer's Report

Mr. Simmons discussed in detail with the Board the June Financials stating the bonds are callable in December and that the majority of taxes have been collected and highlighting costs incurred in relation to the recall election. Mr. Simmons further noted no other expenses stand out in the general fund.

Following discussion, upon a motion duly made by Director Geiger, seconded by Director Arellano and, upon vote unanimously carried, the Board approved the June Financials.

B. Water Operations – Monthly Report

The North well is now properly functioning, due to the replacement of the motor and pump. Additional work was also performed during the repair of the North well, which included the videoing of the well hole and the removal of silt build up. The District is still on course to have the terms for the third well by the end of July for review and approval by the Board.

C. Landscape Maintenance – Monthly Report

Director Arellano informed the Board about the City of Aurora Xeriscape Program which held a demonstration in the Eagle Bend garden in late June which had good attendance and provides good visibility for the community.

D. Communications – Newsletter and Website

Director Coker updated the Board with his work with Ms. Davie on the newsletter. He went to add the newsletter is still forthcoming and should be done within the next month for the August board meeting.

E. Legal

None.

F. President's Issues

Director Coker informed the Board that a PowerPoint presentation has been emailed to the Board and Management regarding road repairs that may effect the community. He went on to explain how the funds are set-up to pay for the cost of the road repairs (Arapahoe & Quincy). Further noting, work at the I-25 and Arapahoe interchange will commence in 2016.

H. Manager Issues

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- a. Discuss and Approve Independent Contractor Agreement with Layne Christensen Company for Repairs to the North Well

Following discussion, upon a motion duly made by Director Geiger, seconded by Director Coker and, upon vote unanimously carried, the Board approved the Independent Contractor Agreement with Layne Christensen Company for Repairs to the North Well.

- b. Discuss and Approve Independent Contractor Agreement/Stand-by Contract with Layne Christensen Company

Following discussion regarding the need to have Layne Christensen Company under contract for potential repairs needed to the water line should damage occur, upon a motion duly made by Director Coker, seconded by Director Arellano and, upon vote unanimously carried, the Board voted to approve an independent contractor/stand-by contract with Layne Christensen Company as discussed. Ms. Denslow noted that this item would return on the August agenda for ratification.

New Business

None.

Next Meeting

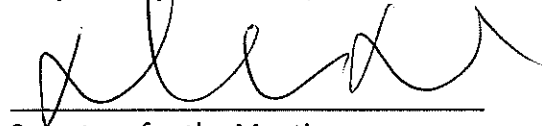
- A. Confirm Quorum for Next Board Meeting to be Held Thursday, August 20, 2015 at 10:00 a.m. at the Heritage Eagle Bend Clubhouse

The Board confirmed the intent of a quorum for the next Board meeting, to be held Thursday, August 20, 2015 at 10:00 a.m. at the Heritage Eagle Bend Clubhouse.

Adjournment

Upon a motion duly made by Director Coker, seconded by Director Rexroat and, upon vote, unanimously carried, the Board adjourned at 11:34 a.m.

Respectfully submitted,



Secretary for the Meeting