

---

MINUTES OF A REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
EAGLE BEND METROPOLITAN DISTRICT NO. 2  
HELD  
DECEMBER 17, 2015

A regular meeting of the Board of Directors of the Eagle Bend Metropolitan District No. 2 was held on December 17, 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:

Tom Coker  
Rex Rexroat  
George Arellano  
Bruce Simner  
Ed Malone

Also in attendance were:

Denise Denslow and Kim Herman; CliftonLarsonAllen LLP ("CLA")  
Kristen Bear; White Bear Ankele Tanaka & Waldron  
Sam Sharpe; D.A. Davidson  
Kevin Hougen: Aurora Chamber of Commerce  
Gene Blum; Heritage Eagle Bend Master Association General Manager  
Carrol Howard                      8156 S. Tempe Court  
John McCracken                      8214 S. Catawba Court  
Will Schippers                      7759 S. Valdai Court  
Dennis Lumley                      8086 S. Shawnee Street  
Tom & Nancy McClanahan                      7955 Rome Court  
Gary Decolati                      8167 S. Tempe Court  
Steve Hungerford                      8156 S. Tempe Court  
Connie Smith                      8127 S. Catawba Court  
John Kerbaugh                      23400 E. Moraine  
Irv Reinke                      22852 E. David Place  
Dale Taylor                      7899 S Zante Court  
Pam Earnest                      8127 S. Catawba Court  
Carl Rydberg                      22969 E. Long Drive

Call to Order

Director Coker called the meeting to order at 10:01 a.m. after those in attendance introduced themselves.

---

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.

Recall & Special  
Election Update:

A. Presentation of Canvassers Certification to Board

Director Simner reported that 1131 ballots were submitted, 10 rejected, 4 spoiled and 259 returned as undeliverable. Director Simner reported 668 votes were for recalling Director Larry Geiger and 463 were against. He stated Edward Malone received the highest number of votes for the election, with the vote tally as follows: 193 for Lynn Bittel, 270 for Edward Malone and 144 for Dale Taylor.

Director Arellano questioned the 259 ballots that were returned as undeliverable, asking if the information would be correct for the May election. Director Simner stated ballots are returned any time a name and address do not match public record, possibly due to a homeowner moving but not updating their voting registration.

Ms. Denslow reported homeowners were able to call and request a ballot if they did not receive one. She also stated the certificate was in the board packet for Board review.

B. Oath of Office for Edward Michael Malone

Director Coker recited the Oath of Office for Edward Michael Malone with his term ending in May of 2018. Mr. Malone signed all legal documents required. Director Coker requested Director Malone send a resume to the Board for posting online for constituents.

---

C. Election of Officers

Following discussion, upon a motion duly made by Director Simmer, seconded by Director Malone and, upon vote, unanimously carried, the Board voted to appoint Board Positions as follows: Director Coker – Board President, Director Rexroat – Board Vice President, Director Simner – Board Treasurer, with Ms. Denslow acting as Secretary.

Special Guests

A. Steve Hungerford, Heritage Eagle Bend Homeowners Association

Mr. Hungerford stated the 3<sup>rd</sup> quarter newsletter is complete and the Homeowners Association (HOA) would like to request the Metro District Board undertake and finance a traffic light at Gartrell and Heritage Parkway due to safety concerns of speeding in the area.

Director Coker reported having a traffic light installed is an interesting process involving traffic counts and he is not sure there is a high enough volume to justify. He stated the Board is working on refinancing bonds and the money currently in reserves could be available depending on the refinancing.

Ms. Bear stated that the Metropolitan District's Service Plan authorized specific amounts of money that could be used for debt purposes, and that currently, there is not sufficient authorization left to proceed. She stated the Board could amend the Service Plan but only with City Council approval. Ms. Bear stated the Board could vote to use reserve funds to pay for this project however the City would need to approve of the installation of a traffic light and she would recommend the authorization from the City be received before any funds are appropriated.

Director Arellano reported there have been two accidents on Aurora Parkway and one accident on Gartrell which caused damaged to District property. It is believed that the majority of these accidents have been caused by speed.

Mr. McCallahan stated he believes installing a traffic light costs around \$375,000. Director Coker stated it could be higher and he doesn't believe it is likely that the City will assist with funding.

B. Kevin Hougen, President of Aurora Chamber of Commerce

Mr. Hougen reported he has been the President of the Chamber of Commerce for 21 years. He stated the Chamber is currently working on

---

building community, job development, purchasing land around Buckley Air Force Base to allow for expansion and working with Denver on new master plans for DIA. Mr. Hougen noted Aurora is considering adding another reservoir and working on the Aurora Highlands Development off of I-70 and E-470.

Director Simner questioned the Safeway space that is vacant. Mr. Hougen stated he is working with the new Safeway President for the area and discussing possible new tenants.

Approval of  
Consent Items

- A. Agenda for December 17, 2015
- B. Minutes for November 19, 2015
- C. Current Claims

Following discussion, upon a motion duly made by Director Arellano, seconded by Director Simner and, upon vote unanimously carried, the Board approved consent items A, B and C, with correction to the minutes stating the Bond call date is December 1, 2015 not December 31, 2015 as currently noted.

Public  
Comments

A constituent asked if a Safety Committee could be started to assist with the concerns regarding the need for additional traffic lights.

Ms. Smith asked why a police officer was in attendance at the meeting. Director Coker stated it was at a Board member's request.

A constituent thanked Larry Geiger for his hard work while on the Board.

Old  
Business

- A. Refinance of 2005 Series Bonds

Mr. Sam Sharp was in attendance to review the options for refinancing the 2005 Series Bonds. He reviewed the refunding options handout with the Board which compared a 20 year bond with a 25 year bond.

Following discussion, upon a motion duly made by Director Arellano, seconded by Director Simner and, upon unanimous vote, the Board approved the 25 year bond with \$1,200,000 used from reserves to pay towards the Bonds now.

- 
- a. Discuss and Consider Approval of Appointment of George Arellano to Refinance Committee to Replace Larry Geiger

Following discussion, upon a motion duly made by Director Coker, seconded by Director Simner and, upon vote unanimously carried, the Board approved the appointment of Director Arellano to the Refinance Committee.

- b. Discuss and Consider Approval of Rate Application in an Amount not to Exceed \$20,000.00

Following discussion, upon a motion duly made by Director Simner, seconded by Director Malone and, upon vote unanimously carried, the Board approved the rate application in an amount not to exceed \$20,000.00.

- c. Discuss and Consider Approval of Engagement Letter with Kutak Rock as Bond Counsel

Following discussion, upon a motion duly made by Director Coker, seconded by Director Simner and, upon vote unanimously carried, the Board approved the engagement letter with Kutak Rock as the Districts Bond Counsel.

- d. Discuss and Consider Authorization of Board President and Secretary to Execute Necessary Documents to Prepare for Refinance of 2005 Series Bonds

Following discussion, upon a motion duly made by Director Simner, seconded by Director Coker and, upon vote unanimously carried, the Board approved authorizing the Board President and Secretary to execute the necessary documents of the refinancing.

- B. Discuss Cost Sharing Project Criteria

This item was deferred until the January meeting.

## Reports

- A. Treasurer's Monthly Report

This item was deferred until the January meeting.

- B. Water Operations – Monthly Report

---

This item was deferred until the January meeting.

C. Landscape Maintenance – Monthly Report

This item was deferred until the January meeting.

D. Communications – Newsletter and Website

This item was deferred until the January meeting.

E. Legal

None.

G. Manager Issues

- a. Convene into Executive Session, per C.R. S., Section 24-6-402(4)(e) for the Purposes of Contract Negotiation regarding District Management

Following discussion, upon a motion duly made by Director Coker, seconded by Director Simner and, upon vote, carried unanimously, the Board convened into executive session at 12:09 p.m. pursuant to C.R.S. Section 24-6-204(4)(e) for the purposes of contract negotiation regarding district management.

Following discussion, upon a motion duly made by Director Coker, seconded by Director Simer and, upon vote, carried unanimously, the Board reconvened into general session at 12:59 p.m.

No action was taken as a result of the Executive Session

New Business

The Board discussed the adoption of a resolution naming Ms. Denslow as secretary to the Board.

Next Meeting

Confirm Quorum for Next Board Meeting to be Held Thursday, January 21, 2016 at 10:00 a.m. at the Heritage Eagle Bend Clubhouse

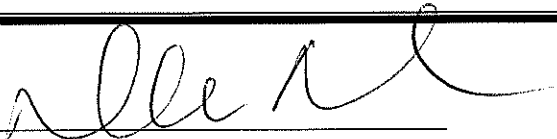
The Board confirmed the intent of a quorum for the next Board meeting, to be held Thursday, January 21, 2016 at 10:00 a.m. at the Heritage Eagle Bend Clubhouse.

Adjournment

Upon a motion duly made by Director Coker, seconded by Director Simner and, upon vote, unanimously carried, the Board adjourned at 11:57 a.m.

Respectfully submitted,

---



Secretary for the Meeting