
MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
EAGLE BEND METROPOLITAN DISTRICT
HELD
AUGUST 18, 2016

A regular meeting of the Board of Directors of the Eagle Bend Metropolitan District was held on August 18, 2016 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:

Rex Rejoat
George Arellano
Ed Malone
Larry Moore
David Gruber

Also in attendance were:

Denise Enslow and Kim Herman; CliftonLarsonAllen LLP ("CLA")
Kristen Lear; White Bear Ankele Tanaka & Waldron
Nancy McClanahan 7955 Rome Court
Connie Smith 8127 S. Catawba Court
Dave Burnett 8007 S. Shawnee Street
Robert Teckley 7800 S. Buchanan Way
John McCracken 8214 S. Catawba Court
Bob Hattor 7976 S. Shawnee Street

Call to Order

Director Moore called the meeting to order at 10:00 a.m.

Declaration of
Quorum/Director
Qualifications/
Disclosures of
Conflicts

Ms. Beard 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.

Approval of
Consent Items

- A. Agenda for August 18, 2016
- B. Minutes for July 21, 2016 Board Meeting and July 27, 2016 Working Session
- C. Review and Approval of Invoices and Checks

Ms. Denslow stated additional invoices had been approved for Xcel Energy since the report was sent to the Board as they were received late. She requested the Board consider them with their approval of the current invoices and checks.

Following discussion, upon a motion duly made by Director Gruber, seconded by Director Malone and, upon vote unanimously carried, the Board approved the Minutes from the July 21, 2016 Board meeting and July 27, 2016 Working Session as presented and the Agenda with the addition of Item B. Impact of New Growth in the District under the Financial Items and the Invoices and Checks with the addition of the Xcel Energy checks at a total cost of \$12,351.66

Public
Comments

Ms. McClanahan notified attendees of the upcoming City Council meeting on September 12, 2016 at 7:30 p.m. She requested residents within the Eagle Bend Metropolitan District attend the meeting to show their concern for traffic safety within the District. She stated Director Gruber and Heritage Eagle Bend Homeowners Association President Steve Hungerford will be formally presenting to the Council; however the more attendees the District has in attendance the better.

Financial Items

- A. Review and Consider Acceptance of the Current Cash Position

Ms. Denslow reviewed the Cash Position report with the Board.

Upon a motion duly made by Director Gruber, seconded by Director Malone and, upon a vote unanimously carried, the Board accepted the Current Cash Position as presented.

B. Impact of New Growth in the District

Director Gruber requested an analysis be done to show the potential increase in revenue to the District as the Storage Facility, KB Homes paired homes and the Carefree Retirement Facility are built.

Ms. Denslow stated she would need to know the construction value of all projects before an analysis could be run but agreed it would be a very useful tool. Ms. Bear reported she could contact DA Davidson to determine exactly what information would be needed to proceed and will report back to the Board.

Water
Operations

A. Monthly Report

Director Rexroat stated the report was received late from TZA and apologized to the Board. He reported he and Ms. Denslow have already spoken with TZA about the time frame and it will be received in time for the September Board packet.

Director Rexroat reported the ECCV waterline has been used four times to date in 2016 and he hopes it will not be needed again. He noted that Hess will be taking over the ECCV line in a few years and will have new standards. He believes it will cost around \$100,000 to meet the standards, however he will provide more information once specifics are known.

B. ECCV Pipeline Relocation Update

Director Rexroat stated there was no update on this item and he did not expect one until the City Council approves the plans for the KB Homes development.

B. Discuss Potential Reserve Study

There was no update on this item.

C. Review and Consider Approval of VCD proposal

Director Rexroat reported meeting with TZA, Browns Hill Engineering and Controls and Layne to discuss the installation of the new VFD and it was determined that TZA will manage the project.

Director Rexroat presented a proposal from Browns Hill Engineering for the cost of additional equipment for the installation of the VFD. Upon a motion duly made by Director Malone, seconded by Director Gruber and, upon a vote

unanimously carried, the Board approved the proposal from Browns Hill Engineer with cost not to exceed \$35,000.

D. Water Sustainability

The Board deferred discussion of this item to Executive Session.

Landscape
Maintenance

A. Monthly Report

Director Arellano reported the Creekside HOA has paid their half of the approved and installed xeriscaping project. He stated the demonstration gardens are looking very good and he has submitted the project to the City for their Commercial Garden Award and will notify the Board if he hears back.

Traffic
Safety

A. Traffic Update

Director Gruber restated the City Council meeting is on September 12th at 7:30 p.m., otherwise he did not have any other updates for the Board.

Business
Development

A. Discuss New Business Development Options due to Legislative Changes

Director Gruber briefed the Board on his meeting with the City of Aurora regarding the District's concern of the empty Safeway space off Aurora Parkway. He noted that they are aware of the issue and has other former Safeway spaces within the City that are also empty and they are working to fill.

Manager Issues

A. Other

Ms. Denslow reported working with Simmons & Wheeler to have a smooth Accounts Payable process.

Additionally, she requested the Board review and notify CliftonLarsonAllen of any changes to the District website. Director Gruber stated he has tried to make notes of changes however he feels the site is cumbersome and it is difficult to know where to start. He noted it may be easiest to have a meeting with the web designer to determine the best way to proceed and possibly revamp the entire site. Ms. Denslow stated she will work to schedule a meeting.

Legal Items

A. Review and Consider Approval of Amended and Restated By-Laws

Ms. Bear presented and reviewed the proposed amended and restated bylaws for the Eagle Bend Metropolitan District. She informed the Board that the official name change for the District is complete and the No. 2 has been removed, the District is hereby known as the Eagle Bend Metropolitan District.

Director Arellano requested clarification regarding meeting attendance and a quorum, noting he should be able to attend meetings as a resident and not affect quorum rules. Ms. Bear stated Directors may attend meetings as residents; however they may not discuss any items related to the District at said meetings. Ms. Bear additionally noted that if the District receives an invitation to attend a meeting on the Districts behalf then only two members can attend, unless notice is posted to make the meeting public. She recommended the Board act conservatively and have only two members at meetings outside of standard Board meetings and special Board meetings.

Director Arellano requested clarification regarding the section outlining the roles of each position, specifically the Treasurer duties and the section regarding Budgets. Ms. Denslow reported the sentence regarding the Budget and Audit Committee was meant to have been removed and will be. She stated she will be sending an email to all current Committee chairs (i.e. Director Rexroat as the Water Committee Chair, Director Arellano as the Landscaping Committee Chair, etc.) regarding what they believe will be needed in the upcoming 2017 Budget; noting she will then work with Mr. Simmons to create the draft Budget for the Board to review.

B. Executive Session to Receive Attorney Advise and Discuss Contract negotiations Pursuant to C.R.S. Sections 24-6-402(4)(b) and (e)

Upon a motion duly made by Director Arellano, seconded by Director Malone and, upon a vote unanimously carried, the Board entered into Executive Session at 11:36 a.m.

Upon a motion duly made by Director Malone, seconded by Director Rexroat and, upon a vote unanimously carried, the Board exited out of Executive Session at 12:25 p.m.

The Board requested Directors Moore and Rexroat continue their discussions with the City of Aurora regarding potential additional water sources.

Next Meeting

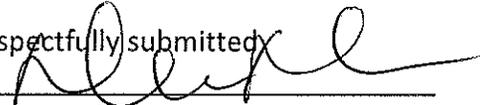
Confirm Quorum for the Next Regular Board Meeting to be Held Thursday, August 18, 2016 at 10:00 a.m. at the Heritage Eagle Bend Clubhouse

The Board confirmed the intent of a quorum for the next Board meeting, to be held Thursday, September 15, 2016 at 10:00 a.m. at the Heritage Eagle Bend Clubhouse.

Adjournment

Upon a motion duly made by Director Moore the Board adjourned at 12:26p.m.

Respectfully submitted,



Secretary for the Meeting