

MINUTES OF A REGULAR
OF THE BOARD OF DIRECTORS
EAGLE BEND METROPOLITAN DISTRICT
HELD
JANUARY 19, 2011

MEETING
OF THE
DISTRICT

A regular meeting of the Board of Directors of the Eagle Bend Metropolitan District was held on January 19, 2011 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.

Directors of the Eagle Bend Metropolitan District were present at 10:00 a.m. at the Heritage Eagle Bend Clubhouse, 23155 East Heritage Parkway, Aurora, Colorado 80016.

Attendance

In attendance were the following

Directors:

Rex Rexroat
George Arellano
Ed Malone
Larry Moore
David Gruber

Also in attendance were:

Kim Herman; Clifton Larson Allen LLP
Kristen Bear; White Bear Ankele T.
John Simmons; Simmons and Wheeler
Connie Smith 8127
Irv Reinke 2285
Bob Harston 7976
Will Schippers 7755
Johnny Watson 7871
Roe Sherbert Herit

(CLA")
Ka & Waldron
Catawba Court
David Place
Shawnee Street
Waldai Court
Duquesne Way
Eagle Bend

Call to Order

Director Moore called the meeting

to order at 10:03 a.m.

Declaration of
Quorum/Director
Qualifications/
Disclosures of
Conflicts

Ms. Herman 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 required to disclose any potential conflicts of interest with regard to any matter scheduled for discussion at this meeting, and incorporated for the record the applicable disclosures made by the

Board members were present at 10:03 a.m. at the Heritage Eagle Bend Clubhouse, 23155 East Heritage Parkway, Aurora, Colorado 80016. The meeting was open to the public.

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 January 19, 2017
- B. Minutes for December 1, 2016 Special Meeting and January 9, 2017 Traffic Meeting
- C. Review and Ratify December Invoices and Claims
- D. Review and Approval of January 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 amended agenda for the January 19, 2017 meeting, adding review and consider acceptance of the December 31, 2016 financial statements to the financial items, review and consider approval of the Norris Designs Proposal to assist with developing the districts water budget to water operations, and discuss status of Safeway space to business development.

Following discussion, upon a motion duly made by Director Gruber, seconded by Director Rexroat and, upon vote unanimously carried, the Board approved Minutes from the December 1, 2016 special meeting and January 9, 2017 traffic meeting, the January 2017 invoices and checks and ratified the December 2016 invoices and checks as presented.

Public
Comments

None.

Financial Items

- A. Review and Consider Acceptance of the December 31, 2016 Financial Statements

Mr. Simmons reviewed the December 31, 2016 Financial Statements. Following discussion, upon a motion duly made by Director Rexroat, seconded by Director Malone and, upon vote unanimously carried, the Board accepted the December 31, 2016 financial statements as presented.

B. Other

There were no other financial matters to discuss.

Water
Operations

A. Monthly Report

Director Rexroat reported the wells are being tested to confirm operations and the rate study is being completed. He indicated he will have a report for review at the February Board meeting. Director Gruber requested clarification regarding the inclusion of all well equipment in the rate study. Director Rexroat confirmed well equipment will be included in the study as well as its cost for replacement and predicted future costs for repairs or replacement.

B. ECCV Pipeline Relocation Update

Director Rexroat stated he has been working with Legal Counsel and representatives with KB Homes regarding the legal agreements to move the ECCV pipeline. He reported ECCV is requiring two sources of power and KB Homes has agreed to cover the cost of installing power from the vault to the relocated line to meet the ECCV requirements.

C. Discuss Reserve Study

Director Rexroat stated TZA Engineering is working on the reserve study and will have a draft report for review at the February Board meeting. He reported working with GeoLens to better define the "open areas" and determine how much water is used on a monthly and annual basis to maintain these areas in hopes of supporting water needs with the City.

D. Water Sustainability

Director Moore stated there have been no further conversations with the City of Aurora regarding additional water source options.

E. Review and Consider Approval of Norris Designs Agreement

Following discussion, upon a motion duly made by Director Arellano, seconded by Director Gruber and, upon vote unanimously carried, the Board approved the proposal from Norris Designs at a cost not to exceed \$2,860.00.

Landscape
Maintenance

A. Monthly Report

Director Arellano reported there are no updates at this time as the irrigation system has been winterized. He stated he has spoken with the City of Aurora and the claim has been processed regarding the accident involving a police vehicle and an island off of Aurora Parkway and payment for repairs will be mailed to Simmons and Wheeler for processing.

B. Review and Consider Approval of Summer Floral Color with Keesen Landscaping at a cost not to exceed \$540

Director Arellano reported the summer floral proposal is included with the approved Keesen Landscaping annual agreement.

C. Creekside Trees and Potential Cost Sharing Agreement

Mr. Johnny Watson presented a proposal for the replacement of 10 trees along the eastern border of the Creekside HOA and replacement of miscellaneous plants at the entry to the Association with a total cost of \$13,495.87. He requested the Eagle Bend Metropolitan District consider cost sharing the two projects with the HOA to allow both projects to be completed in 2017. Mr. Watson reported the Creekside HOA has changed their landscaping maintenance contractor to Keesen Landscaping for 2017. He also noted, the trees being replaced are in addition to the trees that will be installed by Xcel near the power lines.

Following discussion, upon a motion duly made by Director Arellano, seconded by Director Rexroat, and upon a vote, the Board approved cost sharing with Creekside HOA to replace 10 trees along the east border and miscellaneous plants at the Association entrance. Director Arellano reported he will work directly with Keesen Landscaping to ensure all tax is removed from the total cost and the District pays all cost and receives reimbursement from Creekside HOA. Director Gruber abstained from the vote due to his involvement on the Creekside HOA Board of Directors.

Traffic
Safety

A. Traffic Update

Director Gruber stated a traffic safety meeting was held on January 9, 2017 with representatives from the Heritage Eagle Bend HOA, the City of Aurora, the Eagle Bend Metropolitan District Board and Councilwoman Bergen to discuss the potential need for a new traffic light in the District. He noted the group reviewed the traffic study commissioned by the City and reported the

City intends to move forward with a traffic light based on the findings and growth expectations of the area.

Director Gruber reported the City will be conducting an engineering study and ordering materials in 2017 with planned installation in 2018. He further reported the District will be working with the City to ensure all line of sight issues are cleared and noted there has been no official agreement as to the cost and payment of the traffic light. Director Gruber informed attendees of a traffic meeting with Councilwoman Bergen on January 25, 2017 at 6:00 p.m. at Heritage Eagle Bend to discuss the potential light and safety concerns.

Business
Development

A. Carefree Living Center Update

Director Gruber reported there are no updates regarding the potential Senior Living Apartments near the fire station. Ms. Herman stated she had spoken with a representative for Carefree Living Centers, Mr. Bill Mahar of Norris Designs, who would be happy to attend a Board meeting once there is new information to provide.

B. KB Homes Update

Director Gruber stated the KB Homes project is proceeding and building will begin once the ECCV pipeline relocation is complete.

C. Storage Facility Update

Director Gruber reported building of the storage facility is expected to begin in the second quarter of 2017.

D. Safeway Update

Director Gruber informed the Board there has been no progress regarding repurposing the Safeway space in the marketplace. He stated that the City is preparing to attend an annual vendor conference in Las Vegas. He noted the City is interested in knowing which stores residents would prefer in that space, keeping in mind that any new stores considered cannot be within a three mile radius of a similar store.

Manager Issues

A. Other

None.

Legal Items

A. Review and Approve Agreement to Relocate Water Line and Vacate Associated Easement with KB Home Colorado, Inc., and Related Attached Agreements

Following discussion, upon a motion duly made by Director Gruber, seconded by Director Malone and, upon a vote unanimously carried, the Board approved the Agreement with KB Home Colorado, Inc., to relocate the water line and vacate associated easement and related associated agreements.

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

Upon a motion duly made by Director Gruber, seconded by Director Malone and, upon a vote unanimously carried, the Board entered into Executive Session at 11:27 a.m.

Upon a motion duly made by Director Gruber, seconded by Director Arellano and, upon a vote unanimously carried, the Board exited Executive Session at 12:23 p.m.

Director Moore reviewed the course of action for all parties:

- Ms. Bear will work with Ms. Stephanie Neitzel to determine specifics for the potential raw water line as well as scheduling a follow up meeting with the City.
- Director Arellano will contact Mr. Simmons to review the current budget and potential cost needs of the District for the proposed raw water line.

Next Meeting

Confirm Quorum for the Next Regular Board Meeting to be Held Thursday, February 16, 2017 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, February 16, 2017 at 10:00 a.m. at the Heritage Eagle Bend Clubhouse.

Adjournment

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

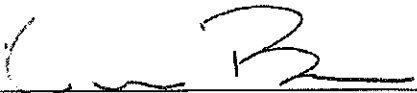
Respectfully submitted,

A handwritten signature in blue ink, appearing to read "K. Heiman", is written over a horizontal line.

Secretary for the Meeting

ATTORNEY STATEMENT
REGARDING PRIVILEGED ATTORNEY-CLIENT COMMUNICATION

Pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., I attest that, in my capacity as the attorney representing Eagle Bend Metropolitan District, I attended the executive session meeting Eagle Bend Metropolitan District convened at 10:00 A.M. on Thursday, January 19, 2017, for the sole purpose of discussing contract negotiations and legal advice regarding the same authorized by Section 24-6-402(4)(b) and (e), C.R.S. I further attest it is my opinion that as the executive session discussion constituted a privileged attorney-client communication as provided by Section 24-6-402(4)(b), C.R.S. and, based on that opinion, no further record, written or electronic was kept or required to be kept pursuant to Section 24-6-402(2)(b), C.R.S. or Section 24-6-402(2)(d.5)(II)(B), C.R.S.



Kristen D. Bear, Esq.