

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
EAGLE BEND METROPOLITAN DISTRICT
HELD
June 20, 2019**

A regular meeting of the Board of Directors of the Eagle Bend Metropolitan District was held on June 20, 2019 at 10:00 a.m. at Heritage Eagle Bend Golf Club, 23155 E Heritage Pkwy, Aurora, Colorado 80016. The meeting was open to the public.

Attendance

In attendance were the following Directors:

Larry Moore
George Arellano
Will Schippers
Mark Rumlow
Ed Malone

Also in attendance were:

Denise Denslow & Jerel Sangster; CliftonLarsonAllen LLP (“CLA”)
Kristin Bear & George Rowley; White Bear Ankele Tanaka & Waldron (“WBA”)
John Simmons; Simmons & Wheeler
Tom Dea; Colorado Water Well
Jim Kriss; Carollo Engineers

John McCracken; Resident
Rick Matteson, Heritage Eagle Bend Master Association

Call to Order

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

Declaration of
Quorum / Director
Qualifications /
Disclosures of
Conflicts

Ms. Bear 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 June 20, 2019 Regular Board Meeting
- B. Minutes for May 14, 2019 Special Board Meeting
- C. Approval of May 2019 Claims

Upon a motion duly made by Director Malone, seconded by Director Schippers and, upon vote, unanimously carried, the Board approved the Consent Agenda, subject to moving the discussion regarding the Xcel transmission line to be addressed prior to financial items.

Xcel Discussion

Ms. Bear informed the Board that Xcel has been working with the City of Aurora to create a structure to compensate homeowners that are impacted by the construction of a new transmission line. The implementation of this project will cause potential impacts to the property of homeowners in various communities throughout the City. The City has requested that EBMD participate in this process by acting as the distribution agent of the funds that Xcel is providing to mitigate damage. The area primarily affected around Eagle Bend is in the Creekside area. The Board discussed but did not take action; this item is on the City Council study session agenda for August 19th. The Board requested that this item be on the next meeting agenda for follow up.

Financial Items

- A. Review and Consider Approval of Unaudited Financial Statements Through May 31, 2019

Mr. Simmons reviewed the unaudited financial statements through May 31, reporting a balance of \$37,000 in the checking account with Bank of the West and \$1.4 million in certificates of deposit. There is \$3 million in the Colotrust account. Mr. Simmons reported that through May, approximately 67% of the property tax payments have been received and that \$85,000 has been collected in the water fund.

Upon a motion duly made by Director Schippers, seconded by Director Malone and, upon vote, unanimously carried, the Board approved the Unaudited Financial Statements through May 31, 2019.

- B. 2018 Audit

Mr. Simmons presented the draft 2018 Audit to the Board. He noted that the District will be receiving a clean and unqualified opinion from the auditor, Crady, Puca & Associates. The auditor, Laura Puca, has completed field work.

Following review, upon a motion duly made by Director Schippers, seconded by Director Arellano and, upon vote, unanimously carried, the Board approved the 2018 Audit, subject to final review and revisions by Simmons & Wheeler and WBA. The Board authorized Mr. Simmons to file the 2018 Audit by the July 31st deadline.

Water Operations

A. Monthly Reports

Mr. Dea gave report on water operations, noting that the recent rainfall has resulted in minimal well use. Mr. Dea also informed the Board of water pooling on the Resolute Investments storage unit property. Mr. Dea does not believe that the water is related to EBMD, but rather is likely a KB Homes damaged irrigation line. Mr. Dea will follow up with Resolute Investments to ensure that the issue is closed out from EBMD's perspective as it was initiated by a call to CLA. Finally, Mr. Dea reported on the ECCV butterfly valve replacement, which is to be completed next week.

B. Other None.

Landscaping

A. Monthly Report

Director Arellano provided a landscaping update, noting that the Creekside project is complete and will be walked for punch list items in short order. At the time the punch list items are complete, Creekside will present the District with a letter noting their acceptance of the project. EBMD will then invoice Creekside for 50% of the project cost, as approved by the Board.

Director Arellano also reported an accident occurred on Gartrell & Aurora Pkwy.

Business
Development

A. Other

Director Malone did not have any updates for the Board.

Managers Items

A. Discussion Regarding Reserve Study

B. Mr. Dea reported that the Reserve Study is not complete. The draft that was remitted to the District needed significant revisions; he reported that it will be ready by the next Board meeting

C. Other

None.

Carollo Design
Update

Mr. Kriss informed the Board the City of Aurora anticipates issuing bid documents for the raw water line the 3rd week in July.

Legal Items

- A. Executive Session to Receive Attorney Advise and Discuss Contract Negotiations with the City of Aurora Concerning Water Issues Pursuant to C.R.S. Sections 24-6-402(4)(b) € and/or (f), if needed.

Upon a motion duly made by Director Arellano, seconded by Director Schippers and, upon vote, unanimously carried, the Board entered into Executive Session at 11:22 a.m.

Upon a motion duly made by Director Arellano, seconded by Director Schippers and, upon vote, unanimously carried, the Board ended the Executive Session at 11:54 a.m.

No action was taken.

- B. Update on Amendment to Intergovernmental Agreement between the City of Aurora and Eagle Bend Metropolitan District.

Ms. Bear has been in conversations with the City of Aurora regarding a potential amendment; the City has indicated its desire to pursue any clarifications to the Agreement via a letter of a clarification as opposed to an amendment of the Agreement. Ms. Bear will pursue the same with the City.

Public Comment

None

Next Regular Meeting

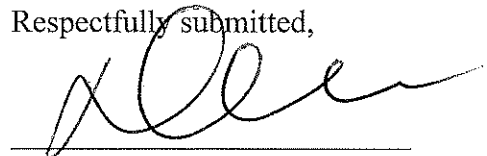
Confirm Quorum for the Next Regular Board Meeting to be held Thursday, July 18th, 2019 at 10:00 a.m. at Heritage Eagle Bend Country Club, 23155 E. Heritage Pkwy, Aurora, CO 80016

The Board cancelled the July 18th Meeting. A special meeting will be held August 1st at 3:00 p.m. for which a calendar invite will be sent.

Adjournment

Being no further business, upon a motion duly made by Director Schippers, seconded by Director Moore, the Board adjourned the meeting at 11:55 a.m.

Respectfully submitted,



Secretary for the Meeting