

**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
EAGLE BEND METROPOLITAN DISTRICT
HELD
April 16, 2020**

A special meeting of the Board of Directors of the Eagle Bend Metropolitan District was held on April 16, 2020 at 10:00 a.m. as an Online Meeting Via GoToMeeting. 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, Margret Henderson, & Jerel Sangster;
CliftonLarsonAllen LLP (“CLA”)
George Rowley; White Bear Ankele Tanaka & Waldron
 (“WBA”)
Justin Korkus; LampRyneanson
Rick Matteson; Heritage Eagle Bend Master Association
Steve Hungerford; Heritage Eagle Bend Master Association
Gene Blum; General Manager, Heritage Eagle Bend Master Association

Call to Order

Director Moore called the meeting to order at 10:02 a.m.

Declaration of
Quorum / Director
Qualifications /
Disclosures of
Conflicts

Ms. Denslow 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.

Review and Consider Approval of Resolution to Authorize Telephonic Board Meetings

Upon a motion duly made by Director Malone, seconded by Director Schippers and, upon vote, unanimously carried, the Board approved the Resolution to Authorize Telephonic Board Meetings.

Approval of Consent Items

- A. Agenda for April 16, 2020
- B. Minutes for January 16, 2020 Regular Board Meeting
- C. Approval of March 2020 Claims
- D. Review and Consider Acceptance of December 31, 2019 Unaudited Financial Statements

Upon a motion duly made by Director Schippers, seconded by Director Malone and, upon a vote, unanimously carried, the Board approved the consent items, as presented.

Water Line Project Update

- A. Update on Construction Matters

Ms. Denslow provided project updates to the Board noting that T. Lowell is completing mechanical pipework within the Gun Club Pump Station, revegetation and site restoration over pipe has begun and is expected to last up to 2 weeks. Ms. Denslow also noted that mid-July has been set as a target startup date for water line operations to begin, and stated that the remaining work to be done is related to programming, testing and punch list items.

- B. Update on Status of Additional Down Payment on Raw Water Line

Mr. Schippers provided a breakdown of project cost and funding options for the Board. The presentation that Mr. Schippers provided a variety of additional down payment options and discussed the merits of each. The following agenda item regarding the HEB water rate structure was discussed as part of the down payment as it will affect EBMD's ability to modify their annual fixed fee payment. Discussion followed regarding the potential value of delaying an additional payment, as expressed by Directors Arellano and Rumlow as potentially something to consider given current conditions with the COVID-19 pandemic.

Mr. Schippers presented figures to the Board to reflect what an additional down payment of \$1,250,000 would do to the remaining cash balance in the Water Enterprise Fund. An additional payment would leave the Water Enterprise Fund with approximately \$500,000 as cash reserve, and would allow for the annual fixed cost to HEB to drop from \$228,000 to \$155,000, as well as reduce the monthly capital payment to the City of Aurora.

After discussion and upon a motion duly made by Director Schippers, seconded by Director Malone and, upon a vote, unanimously carried, the

Board approved paying an additional \$1,250,000 down payment to the City of Aurora, with the caveat that it be applied as a reduction in principal in such a manner that the thirty-year amortization period is not reduced and the monthly Fixed Capital Charge is reduced accordingly. Mr. Matteson and Mr. Hungerford (HEB Master Association) both expressed gratitude for the partnership between EBMD and HEB.

C. Discuss Water Rate Structure

During this portion of the meeting, the Board received public comments on this agenda item. Mr. Hungerford described to the Board the anticipated budget shortfalls due to COVID-19. Mr. Matteson stated that the difference in the annual fixed fee if EBMD modifies the rate structure is significant to HEB, especially during these uncertain times. After Discussion, upon a motion duly made by Director Schippers, seconded by Director Malone and, upon a vote, unanimously carried, the Board approved implementing a pricing structure for Heritage Eagle Bend HOA with a fixed cost of \$155,000 and variable water rate at \$2.19/KGal.

Legal Items

A. 2020 Director Election Update

Ms. Denslow reported to the Board that the three candidate biographies that have been received are posted on the District's website. She noted that the ballots would be mailed no later than April 20th.

B. Ratify Approval of Engagement Letter for 2020 Election Services with CRS

Upon a motion duly made by Director Malone, seconded by Director Arellano and, upon a vote, unanimously carried, the Board ratified approval of the Engagement Letter for 2020 Election Services with CRS.

C. Review and Consider Approval of Amended and restated Resolution of Board of Directors Calling Election

Mr. Rowley informed the Board that the purpose of this resolution is to authorize CRS to be the Designated Election Official, whereas it had previously been WBA. Upon a motion duly made by Director Malone, seconded by Director Arellano and, upon a vote, unanimously carried, the Board approved the Amended and Restated Resolution of Board of Directors Calling Election.

D. Review and Consider Approval of resolution Authorizing Electronic Signatures

Mr. Rowley stated that this resolution was drafted to address the potential challenges in obtaining signatures during this time of COVID-19 by permitting the District to utilize signatures in electronic format. Upon a motion duly made by Director Malone, seconded by Director Schippers and, upon a vote, unanimously carried, the Board approved the Resolution Authorizing Electronic Signatures.

E. Consider Approval of Independent Contractor Agreement with Diversified Underground for Utility Locates

Upon a motion duly made by Director Malone, seconded by Director Arellano and, upon a vote, unanimously carried, the Board approved the Independent Contractor Agreement with Diversified Underground for Utility Locates.

F. Other

Director Schippers informed the Board that he had inquired with Mr. Rowley about the status of the Easement approved at the last meeting to address the ability of the District to provide cost-sharing reimbursements to the HOAs. He noted that Mr. Rowley confirmed the recordation of the easement.

Upon a motion duly made by Director Schippers, seconded by Director Malone and, upon vote, unanimously carried, the Board ratified approval of the finalized language included within the updated easement.

Director Arellano noted for the Board that he was able to confirm with Keesen that the landscape maintenance crews will be utilizing masks during the COVID-19 essential services order.

Public Comment

None.

Next Meeting

Confirm Quorum for the Next Regular Board Meeting to be Held Thursday, May 21st, 2020 at 10:00 a.m. at the Heritage Eagle Bend Clubhouse.

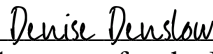
Director Moore stated that it is not yet known if this meeting will be necessary, but that it should remain calendared for the time being. He further stated that the location is dependent on the state of the Stay-at-Home order and that this meeting could possibly be held via GoToMeeting.

Adjournment

Upon a motion duly made by Director Malone, seconded by Director Rumlow, the Board adjourned the meeting at 11:47 a.m.

Respectfully submitted,

DocuSigned by:


Secretary for the Meeting

Certificate Of Completion

Envelope Id: 158D09A1E13748FC9762578F9D874D2A	Status: Completed
Subject: Please DocuSign: 04-16-20 DRAFT MINUTES_2020.docx	
Client Name: Eagle Bend Metropolitan District	
Client Number: 011-044640	
Source Envelope:	
Document Pages: 5	Signatures: 1
Certificate Pages: 4	Initials: 0
AutoNav: Enabled	Envelope Originator:
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Time Zone: (UTC-06:00) Central Time (US & Canada)	220 South 6th Street
	Suite 300
	Minneapolis, MN 55402
	Megan.Liesmaki@claconnect.com
	IP Address: 71.205.25.179

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Status: Original 7/21/2020 8:29:40 AM	Holder: Megan Liesmaki Megan.Liesmaki@claconnect.com	Location: DocuSign
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Signer Events

Denise Denslow
denise.denslow@claconnect.com
Security Level: Email, Account Authentication (None)

Signature

DocuSigned by:

77517AF6E925439...
Signature Adoption: Pre-selected Style
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Sent: 7/21/2020 8:30:28 AM
Viewed: 7/24/2020 12:35:38 PM
Signed: 7/24/2020 12:35:47 PM

Electronic Record and Signature Disclosure:
Accepted: 7/24/2020 12:35:38 PM
ID: 6ec3b995-a93d-467a-aa09-4be5241a58f2

In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	7/21/2020 8:30:28 AM
Certified Delivered	Security Checked	7/24/2020 12:35:38 PM
Signing Complete	Security Checked	7/24/2020 12:35:47 PM
Completed	Security Checked	7/24/2020 12:35:47 PM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		

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