

**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
EAGLE BEND METROPOLITAN DISTRICT
HELD
NOVEMBER 19, 2020**

A special meeting of the Board of Directors of the Eagle Bend Metropolitan District was held on November 19, 2020 at 10:00 a.m. as an online meeting via Microsoft Teams. The meeting was open to the public.

Attendance

In attendance were the following Directors:

Larry Moore
George Arellano
Will Schippers
Doug Neves

Absent and excused was Director Malone.

Also in attendance were:

Denise Denslow, Margaret Henderson & Cindy Jenkins;
CliftonLarsonAllen LLP (“CLA”)
George Rowley; White Bear Ankele Tanaka & Waldron (“WBA”)
Justin Korkus; Lamp Rynearson for a portion of the meeting
Mitchell Weldon; Lamp Rynearson for a portion of the meeting

Call to Order

Director Moore called the meeting to order at 10:03 a.m. It was reported that Director Malone was unable to attend the meeting. Following discussion, upon a motion duly made by Director Arellano, seconded by Director Schippers and, upon vote, unanimously carried, the Board excused the absence of Director Malone.

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, which were provided to WBA, have been filed with the Secretary of State’s office prior to this meeting and that no additional conflicts were disclosed at the meeting.

Consent Items

- A. Agenda for November 19, 2020 Regular Board Meeting
- B. Minutes of the June 18, 2020 Special Meeting and Minutes of the October 1, 2020 Special Meeting
- C. Claims

Following review and discussion, upon a motion duly made by Director Arellano, seconded by Director Neves and, upon vote, unanimously carried, the Board approved all consent items as listed.

Financial Items

Conduct Public Hearing to Consider Adoption of 2020 Budget Amendment; Consider Approval of Resolution No. 2020-11-01 Amending 2020 Budget

Director Moore opened the public hearing at 10:06 a.m. to consider the proposed 2020 budget amendment.

It was noted that publication of Notice stating that the Board would consider amendment of the 2020 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed at 10:07 a.m.

Ms. Henderson reviewed the proposed 2020 budget amendment with the Board. She noted that the Water Enterprise Fund would need to be increased from \$1,237,000 to \$1,582,000. Following discussion, upon a motion duly made by Director Schippers, seconded by Director Arellano and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-11-01 to Amend the 2020 Budget, as presented.

Public Hearing on the Proposed 2021 Budget and adoption of Resolution No. 2020-11-03 to Adopt the 2021 Budget and Appropriate Sums of Money:

Director Moore opened the public hearing at 10:14 a.m. to consider the proposed 2021 Budget.

It was noted that Notice stating that the Board would consider adoption of the 2021 Budget and the date, time and place of the public hearing was published pursuant to statute. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed at 10:15 a.m.

Ms. Henderson reviewed the draft 2021 budget with the Board. Director Schippers presented a millage analysis to the Board and suggested decreasing the General Fund mills from 5.000 to 4.000, and to reduce the Debt Service Fund mills from 28.000 to 27.000, noting that this would still leave a comfortable ending fund balance in each.

Director Moore recommended to increase the Repairs and Maintenance-Wells line item from \$125,000 to \$200,000 to cover the north well repairs and leave an approximate amount of \$75,000 for future unforeseen repairs and maintenance.

Upon motion duly made by Director Neves, seconded by Director Schippers, and upon vote unanimously carried, the Board approved the 2021 Budget, with the changes discussed, and adopted Resolution No. 2020-11-03 Adopting the 2021 Budget, Appropriating Expenditures, and Certifying Mill Levies.

The Board requested that notification of reduction of mill levies be provided to the HOAs to notify all property owners.

Engagement Letter with Schilling & Company, Inc. for 2020 Audit Services:

Following review and discussion, upon a motion duly made by Director Schippers, seconded by Director Neves and, upon vote, unanimously carried, the Board approved the engagement of Schilling & Company, Inc. for 2020 audit services.

Unaudited Financial Statements through September 30, 2020:

Ms. Henderson reviewed the unaudited financial statements as of September 30, 2020 with the Board. Following review and discussion, upon a motion duly made by Director Schippers, seconded by Director Neves and, upon vote, unanimously carried, the Board accepted the unaudited financial statements as presented.

Water Operations

Monthly Report:

Mr. Korkus reviewed his monthly reports with the Board. He highlighted the record year for water usage through October. The raw water line took most of the year to get into place but is a great new asset for the District. Mr. Weldon noted that the high irrigation was driven by greater than normal May consumption and additional October usage. Mr. Korkus reported that he is working with the City of Aurora for better coordination with the raw water for next season. His staff will be updating the operations manual over the winter for next season.

Proposals to Repair North Well Pump:

Mr. Korkus reviewed his tabulation comparison of the three proposals received. The following bids were considered:

- Layne Christensen - \$113,767.50
- Colorado Pump and Service Supply - \$95,558.00
- Hydro Resources - \$96,557.00

Following review and extensive discussion, upon a motion duly made by Director Schippers, seconded by Director Arellano and, upon vote, unanimously carried, the Board approved the contract for the North Well pump repair to be awarded to Hydro Resources, due to their prior experience working with the District's north well, which has difficult site conditions.

Landscape
Maintenance

Monthly Report:

Director Arellano provided a report to the Board noting that the overall landscaping is looking well, the benches in the garden were stained again, and that tree replacement will take place in the spring. It was confirmed that tree replacement has been incorporated into the District's 2021 Budget. He also reported that a water line break occurred on Aurora Parkway at the turnoff into the apartments. Crews that repaired it did not use materials that meet District specifications. Director Arellano directed Keesen Landscape to modify the repair work to meet specifications. The bill came in a little over \$1,000. Discussion ensued regarding reimbursement of the bill by the contractor and it was decided not to pursue due to the cost and the low probability of the contractor paying. When future repairs are needed, the Board noted that the repairs need to be discussed with the City and the District landscaper to make sure it's done correctly.

Business
Development

Director Arellano inquired how BBV Compass' acquisition by PNC would affect the District's loan and if the current representative would remain. Ms. Denslow responded that it is her believe that Mr. Chorske will continue to work with the District.

Manager's Items

Raw Water Line Project Completion:

Ms. Denslow reported that the raw water line was completed in September with water delivery taking place on September 18th. Considerable discussions have taken place between the City of Aurora and the contractor, T Lowell, regarding the delay in the contract completion date. As a result of the delay, the City credited the most recent District water consumption

invoice for \$32,000 for water used from the Buchanan Tap during the project delay.

Additional discussions between the City and the contractor are still underway and it has not yet been determined if this will result in any additional changes to the final project cost for the District. The raw water line is now the primary source of water delivered by the District to Heritage Eagle Bend, which allows for the wells and the Buchanan Tap to be used solely as back up.

Legal Items

2021 Annual Administrative Matters Resolution:

The Board discussed the 2021 meeting schedule and the possibility of setting quarterly meeting dates. Director Arellano also noted that his title in the document was incorrect.

Following review and discussion, upon a motion duly made by Director Arellano, seconded by Director Neves and, upon vote, unanimously carried, the Board adopted the 2021 Annual Administrative Matters Resolution with changes as discussed, and set regular meetings for the months of March, June, August and November.

As a response to meetings changing to quarterly, Director Arellano requested that the HOAs receive communication regarding their requests for District cost sharing assistance and asked legal counsel to create a formal process with guidelines.

Agreement with Keesen Landscape Management, Inc., for 2021 Landscape Maintenance Services:

Director Arellano reported that the rates in the Agreement were reasonable, but he did request one change. He would like to see the Project Manager with Keesen Landscape Management, Inc. to have monthly meetings with him. The Board commended Director Arellano for the great job he is doing with the landscaping. Following review and discussion, upon a motion duly made by Director Schippers, seconded by Director Arellano and, upon vote, unanimously carried, the Board approved the Agreement with Keesen Landscape Management, Inc. for the 2021 landscape maintenance services.

2021 Water Rates; Adoption of Resolution No. 2020-11-04 Setting 2021 Water Rates:

Following discussion, upon a motion duly made by Director Schippers, seconded by Director Neves and, upon vote, unanimously carried, the Board

adopted Resolution No. 2020-11-04 Setting 2021 Water Rates, subject to completion of resolution number and exhibit attached.

Public Comment None.

Next Meeting Confirm Quorum for the Next Regular Board Meeting to be held Thursday, March 18, 2021 at 10:00 a.m. at the Heritage Eagle Bend Clubhouse.

Following discussion, the Board confirmed quorum for the March 18, 2021 regular Board meeting.

Adjournment Upon a motion duly made by Director Arellano, seconded by Director Neves, the Board adjourned the meeting at 12:03 p.m.

Respectfully submitted,

DocuSigned by:

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Secretary for the Meeting

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Client Number: 011-044640	
Source Envelope:	
Document Pages: 6	Signatures: 1
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