

**MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
STONEGATE VILLAGE METROPOLITAN DISTRICT
HELD SEPTEMBER 23, 2020**

A regular meeting of the Board of Directors of the Stonegate Village Metropolitan District was held on Wednesday September 23, 2020 at 10326 Stonegate Parkway in Parker, Colorado at 4:00 p.m.

ATTENDANCE: Present were Directors:
Greg Sanford Channing Odell Eric Jensen
Lisa Hyvonen Lori White

Also in attendance: Tom George; Spencer Fane LLP
John Simmons; Simmons and Wheeler
Sarah Sjobakken; District Manager
Charles Wenger; Landscape Supervisor
Tim Crawford; Bishop Brogden
Chris Sanchez; Bishop Brogden
Ger Whelan; Colorado Water Systems
Rachelle Huston; Resident
Erik Johannsen; Resident

CALL TO ORDER: Director Jensen called the meeting to order at 4:02 p.m.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST: Directors Jensen, Hyvonen, White, Sanford and Odell declared that they had no conflicts of interest.

APPROVAL OF AGENDA: Director Jensen moved that the agenda be amended to include the following: *Proposed Action to Fix or Increase Fees, Rates, Tolls, Penalties or Charges for Domestic Water or Sanitary Sewer Services.* This had been properly noticed on the SVMD website and in the local newspaper. Upon motion duly made, seconded by Director White, and unanimously carried, the agenda was approved as amended.

PUBLIC COMMENT: Resident Eric Johannsen was present to address the Board regarding the District Fences. Mr. Johannsen emailed staff earlier with his questions.

1. Will everybody pay the same amount? **Yes**
2. Do all homes have commons fence on their lot, and are the lengths equal?
Not all homes have District fences. The one that do are not all equal in length. It depends on their lot size.
3. Will SVSD have a project manager with fence experience/knowledge?
Yes CF Fence and Ironworks located here in Parker. They originally installed the pool fence and have worked with the District. Their website is cffence.com. Most recently they have completed fence replacement in Piney Creek neighborhood.
4. Has a detailed scope of work been prepared? **Yes**
5. Will the contract require a bid bond and performance bond?
Staff and the Board work with our District legal to make sure all contracts contain necessary requirements for the District.

6. Will there be a homeowner comment period before a contractor/bid is approved?
The bid has already been approved.
7. Will bids and the scope of work be viewable by interested homeowners?
Yes. SVMD followed the bid process procedures and had only one company, CF Fence submit.
8. Will the “worst” existing fence be replaced first?
Staff, the Board and the fence contractor are all working together to identify what areas and in which order.
9. Is there time remaining on the original maintenance contract (50 years?) and will there be any credit due?
SVMD does not have an original maintenance contract. The fences were developer installed during Stonegate build out and then turned over to the District.
10. Will there be a maintenance contract, for how long, and do the terms and conditions provide a bid bond and performance bond? **TBD**
11. Will there be a set-aside every year for the next/future replacement fence?
Yes. That is what the Board is planning.
12. Would SVMD like any volunteers to help with this huge undertaking? **Yes!**

**FINANCIAL
ITEMS:**

Public Hearing and Possible Action on Proposed Amendment to 2019 Budget

Director Jensen opened the public hearing. There was no public comment. John Simmons addressed the Board on the necessity for additional expenditures or appropriations requiring the expenditure of funds in excess of those appropriated for the fiscal year 2019. The expenditures are a contingency which could not have been reasonably foreseen at the time of adoption of the budget. He asked that the Board amend the budget for the fiscal year 2019 as follows:

Supplemental Water Resource Fund \$1,000,000

Director Jensen closed the Public Hearing and Possible Action on Proposed Amendment to 2019 Budget. Director Jensen made a motion to approve from \$889,939 to \$1M. Upon motion duly made, seconded by Director White, and unanimously carried, the resolution was approved.

Presentation of the 2019 Audit

The audit will be presented to the Board at the regular October 2020 meeting.

Monthly Claims for Payment

The August 30, 2020 claims were presented for approval. Director Jensen moved that the Board approve the claims for payment as presented. Upon second by Director Hyvonen, a vote was taken, and motion carried unanimously.

Monthly Financials

The August 2020 financials were presented to the Board for review. Director Jensen made a motion to accept the August 2020 financials. Director Odell seconded the motion, and upon vote, they were unanimously approved.

Bill.com Discussion

John Simmons addressed the Board regarding moving our claims payments to Bill.com. The contract with bill.com will be between Simmons and Wheeler and bill.com. General discussion ensued regarding the pros and cons of utilizing this service. Director Jensen made a motion to approve Simmons and Wheeler using bill.com to facilitate SVMD claims payments. Director Hyvonen seconded the motion, and upon vote, it was unanimously approved.

Directors Odell and the White will be primary signatories and Directors Hyvonen, Jensen and Sanford will have viewing privileges and the ability to become signatories when needed.

Proposed Action to Fix or Increase Fees, Rates, Tolls, Penalties or Charges for Domestic Water or Sanitary Sewer Services

John Simmons addressed the Board and regarding the need for an 8% increase on water services. As reflected in previous minutes, Mr. Simmons recommended that the Board take action on this increase to take effect October 1, 2020.

Director Jensen made a motion to approve an 8% increase on water services effective October 1, 2020. Director Hyvonen seconded the motion, and upon vote, it was unanimously approved.

**DISTRICT
UPDATES:**

Water Level Trends Resulting from WISE Water Availability – Bishop Brogden

Tim Crawford and Chris Sanchez addressed the Board. A handout was included in the Board packet. The memorandum summarized recent water level trends in SVMD Denver Basin aquifer wells and investigated potential changes in trends associated with the availability of WISE water supplies. The data is based on well usage since January 2018. The conclusions indicate a relaxation of Stonegate's Denver Basin aquifer well pumping since the delivery and use of WISE water supplies.

- Stonegate should continue to utilize its investment in the WISE water supplies in combination with its Denver Basin water supplies.
- Additional system upgrades including ASR and system interconnects with neighboring water users and water rights actions to claim Stonegate's return flows and effluent will help to maximize Stonegate's use and benefit of its Denver Basin and WISE water supplies.

Regarding the current Parker Water Court Case, Bishop Brogden provided their comments and asked for a level of well protection/buffer areas. Within the Denver Basin, our ability to oppose is limited. Parker Water and Sanitation has a lot of flexibility with their pumping options. Stonegate is most concerned about well interference. If this were to happen, SVMD has a healthy system and alternative water through ASR, WISE, LIRF's and Re-Use. SVMD continues to proactively take steps to reduce the dependency on non-renewable ground-water supplies.\

The Board thanked Tim and Chris for their presentation.

ASR Update

- The SVMD letter has been submitted to the EPA.
- Baski valves have been ordered.
- Staff and contractors continue to meet monthly.
- This fall, the piping from the WISE pipeline to the pump house will be completed and the Baski valves installed. After ASR is complete in KA19 and LFH3, staff will identify a third well for ASR.

Operations Report

Ger Whelan addressed the Board. The WWTP upgrades are now 5 years old. It is time for maintenance. CWS has been proactive in completing the Majority of maintenance in-house instead of outsourcing. As good as the WWTP is, operations would like to see the same for the WTP. After reviewing 3 outside evaluations for the WTP, CWS and staff are working directly with Molz. There have been several on-site visits and we awaiting a written proposal with a few alternatives.

District Engineering Report – Mulhern

Scott Barnett from Mulhern Engineering addressed the Board regarding Development in the District.

- Lokal Development in LPMD. Nothing new to report. SVMD legal has reached out to their legal regarding SVMD requirement of a pool amenity.
- A Kenworth Sales Center is being proposed near AFW in Compark.
- A pre-school is being proposed in Compark Filing 5
- The Edge development continues
- The water bore under E470 for Compark South begins next week.
- A Quick Trip in LPMD is being proposed off of Jordan and Aventerra.

APPROVAL OF PAST MEETING MINUTES:

Director Jensen made a motion to approve the XXXXXX mintues, pending a final review by Director Odell. Director Sanford seconded the motion, and upon vote, it was unanimously approved.

ATTORNEY'S ITEMS:

Tom George addressed the Board.

- There is a new easement agreement with M-H Real Estate LLC. It is for the Kenworth Truck proposed development. Legal will send to staff for signature by Director Jensen.
- The Board asked about the commercial customer with a new meter installed. We have data on the usage and they would like a letter sent to the owner.

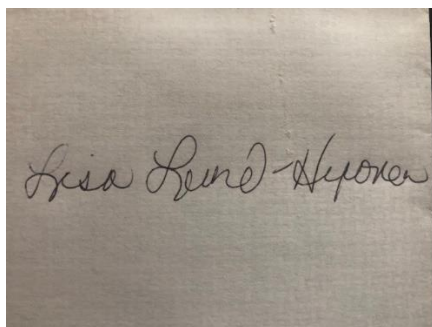
EXECUTIVE SESSION:

None

ADJOURNMENT:

There being no further business for the Board's consideration, Director Jensen moved that the Board adjourn the meeting at 6:45 p.m. Upon second by Director White, a vote was taken, and motion carried unanimously.

Respectfully submitted,

A photograph of a handwritten signature in cursive script on a piece of light-colored paper. The signature reads "Lisa Rene Hyon".

Secretary for the Meeting