

## RECORD OF PROCEEDINGS

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### MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE STONEGATE VILLAGE METROPOLITAN DISTRICT HELD JANUARY 16<sup>th</sup>, 2019

A special meeting of the Board of Directors of the Stonegate Village Metropolitan District was held on Wednesday January 16<sup>th</sup>, 2019 at 10326 Stonegate Parkway in Parker, Colorado at 5:30 p.m.

**ATTENDANCE:**      Present were Directors:  
Greg Sanford                      Eric Jensen                      Lori White – excused absence  
Lisa Hyvonen                      Channing Odell

Also in attendance: Matt Dalton, Spencer, Fane LLP.  
Sarah Sjobakken; District Manager  
Ger Whelan; Colorado Water Systems  
Charles Wenger; Landscape Operations

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

**APPROVAL  
OF AGENDA:**      Director Hyvonen moved that the agenda be approved as presented. Upon motion duly made, seconded by Director Jensen, and unanimously carried, the agenda was approved.

**PUBLIC  
COMMENT:**      Ryan Freeman, USPTA Certified Elite Tennis Professional was present to address the Board regarding a 2019 tennis program for Stonegate. He is an independent contractor and would like to offer tennis instruction for all ages and groups. The Board thanked him for coming and let him know they would discuss it and get back to him at the next meeting. The Board asked Manager Sjobakken to reach out to Ryan Weaver, who had proposed a program in the past, to see if he has any interest as well.

**DISTRICT  
REPORTS:**      Manager Sjobakken reviewed the management report that was included in the board packet. Operations: The KA-18 well will be reinstalled this month. The pump failure after the recent maintenance was determined to be a warranty issue. KA-20 and TDW-5 will be rehabbed in January/February, as weather permits. WISE water is currently off. The flow at the WWTP is normal at approx.650kgal/day. A new effluent pump was installed. We had our CDPHE inspection at the WWTP and are awaiting the final letter from CDPHE. Browns

## RECORD OF PROCEEDINGS

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Hill will be out to check all alarms at the plant. We had a power outage and a failed alarm at the membrane building. Lead and Copper sampling continues.

Parks/Rec and Landscape: There were 2 snow events in the past month for Keesen to mobilize for removal. The neighborhood signs are getting revitalized throughout the spring/summer. We have purchased the trailer for the Ranger/ATV.

Management: Our yearly boundary map and transparency notice were submitted to DOLA as required. The employee CEBT insurance renewal increased 7%-10% depending on which plan was chosen. Discussion ensued regarding this increase. Director Sanford made a motion that the Board approve a 5% contribution increase by the District. Upon motion duly made, seconded by Director Jensen, and unanimously carried, the motion was approved. Contracts for Colorado Water Systems, Mulhern Engineering and TST Infrastructure were presented to the Board for approval. Discussion ensued regarding the contracts. Director Hyvonen made a motion to approve the Colorado Water Systems and Mulhern contracts. Upon motion duly made, seconded by Director Odell, and unanimously carried, the contracts were approved. The Board asked that the TST contract be restructured to be more compatible with our type of projects/operations.

Ger Whelan was present to address the Board regarding CWS operations. He updated the Board on the original contact chamber at the WWTP. It holds 70kg of water and is located under the admin. building. There is a weak spot at about 11 feet where water begins to seep through the wall. This will need to be evaluated by a structural engineer. In addition, the manganese levels in the final effluent was above the discharge permit for the month of December. This is thought to be a result of the discharges from cleaning the reclaim tank at the WTP manually. This is a laborious hand process and we need to research a solids removal system.

Water Resource Planning: A letter from Douglas County was included in the Board Packet that addressed the WISE reservation between Sterling Ranch and Stonegate. Attorney Matt Dalton updated the Board that this finalizes Stonegate's 500-acre feet allocation from Sterling Ranch through the Douglas County Reservation water. The \$87,000 payment due to the WISE authority will be finalized through the agreement. The Board asked Manager Sjobakken to work with John Simmons on a Bond Issue Reconciliation. Capital Projects: The pre-construction meetings for the Challenger Lift Station project have begun. The Headworks re-design is in process by TST Infrastructure.

### APPROVAL OF PAST MEETING MINUTES:

Director Hyvonen moved that the meeting minutes from the regular meeting held November 14, 2018 be approved pending a correction in the meeting commencement. Upon motion duly made, seconded by Director Odell, and unanimously carried, the minutes were approved.

## RECORD OF PROCEEDINGS

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**NEW BUSINESS:** 2019 Tap Fee Increase: The Board directed Manager Sjobakken to prepare a tap fee spreadsheet of SVMMD, Highlands Ranch, Parker and Cottonwood and present to the Board.

**OLD BUSINESS:** Wise Water Agreements: A letter from Douglas County was included in the Board Packet that addressed the WISE reservation between Sterling Ranch and Stonegate. Attorney Matt Dalton updated the Board that this finalizes Stonegate's 500 acre/feet allocation from Sterling Ranch through the Douglas County Reservation water. The \$87,000 payment due to the WISE authority will be finalized through the agreement. The Board asked Manager Sjobakken to work with John Simmons on a Bond Issue Reconciliation and to continue to explore the leasing of a portion of our WISE water.  
Rate Increase: Director Sanford moved that discussion be put on the February 20<sup>th</sup>, 2019 meeting agenda. Upon second by Director Hyvonen, a vote was taken, and the motion carried unanimously.

**FINANCIAL ITEMS:** Discussion of Claims for Payment: The claims presented for payment dated December 30, 2018. Director Sanford moved that the Board approve the claims for payment as presented. Upon second by Director Hyvonen, a vote was taken, and motion carried unanimously.

Financial Statements: The December 2018 Financials were presented to the Board for review via the Board Packet. Director Sanford made a motion to accept the December 2018 Financials. Director Hyvonen seconded the motion and, upon vote, they were unanimously approved.

**ATTORNEY'S ITEMS:** None.

**EXECUTIVE SESSION:** None.

**ADJOURNMENT:** There being no further business for the Board's consideration, Director Sanford moved that the Board adjourn the meeting at 8:44 p.m. Upon second by Director Hyvonen, a vote was taken, and motion carried unanimously.

Respectfully submitted,

  
Secretary for the Meeting