MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE STONEGATE VILLAGE METROPOLITAN DISTRICT HELD January 18, 2016 – 5:30 PM

A regular meeting of the Board of Directors of the Stonegate Village Metropolitan District was held on Wednesday, January 18, 2016, at the Stonegate Community Center, 10252 Stonegate Parkway in Parker, Colorado at 5:30 p.m.

ATTENDANCE

Present were Directors:
Lisa Hyvonen
Greg Sanford
Roger Husbands
Steve Olson
Matt Wess

Also in attendance were:
Sean Chambers, SVMD General Manager
Sarah Sjoboken, SVMD Office & Customer Service Manager
Charlie Weger, SVMD Landscape & Facilities Manager
Steve Williams, iSpark Communications
Ron Lambert, PE – Mulhern MRE
Bill Getz, PE – TST Infrastructure
Merrill Alley
Ethan Wise
Hunter Morgan
Eric Snow
Caleb Intgerson
Cooper Sherman

CALL TO ORDER:

The meeting was called to order at 5:33 p.m. by President Sanford who also noted the vacancy on the Board and the Directors desire to fill the seat.

A point of order was raised, recommending that the Board amend the agenda to move Item 9.a to the top of the agenda for action following the approval of the Agenda.

APPROVAL OF AGENDA:

Director Olson made a motion to approve the agenda, with the amendment to move Item 9a to the top for action, with the addition of 5b(e) to consider multifunction copier Lease and Service Agreement with URS and the addition of Item 11b. to discuss the funding and formation of deferred comp retirement plans conforming to State law for local government entities: **Upon motion duly made by Director Olson,**

seconded by Director Husbands, and unanimously carried, the agenda was approved.

BOARD APPOINTMENT AND SWEARING IN OF NEW DIRECTOR:

Director Olson motioned to appoint Mr. Matt Wess, Stonegate Resident to the Vacant Board of Directors seat as Asst. Secretary. **Upon motion duly made by Director Olson, seconded by Director Hyvonen, and unanimously carried, Mr. Wess was appointed to the Board.**
Following the appointment, he was sworn-in

DISCLOSURE OF POTENTIAL CONFLICTS:

Directors Sanford, Hyvonen, Olson Husbands, and Wess declared that they have no conflicts of interest

PUBLIC COMMENT

District residents of Boy Scout troop 57 where present to participate in a public meeting and offer their assistance. They spoke regarding their mission and asked if there were any possible parks projects that could be collaborative projects between the Scouts and the District's Board President Sanford asked Mr. Weger to coordinate with Mr. Chambers and see if they could identify areas where scout help would be valuable to both groups.

NEW BUSINESS:

CONSET AGENDA:

Dir. Sanford asked if there were any comments on the minutes as drafted. Dir. Olson commented on his review of the minutes and other agreements on the consent calendar items a-e and made a motion to approve all of the consent calendar items. **Upon motion duly made by Director Olson, seconded by Director Sanford, and unanimously carried, the consent calendar items a-e were all approved.**

Mr. Chambers introduced the Other Action items individually, starting with a water law matter.

Mr. Chambers offered to conference in Mr. Matt Machado of Lyons Gaddis law firm,

ACTION ITMES:

The Board was comfortable with the stipulation as presented in the ECCV case and their counsel's recommendation to approve entry of settlement in the case 15CW3001. **Upon motion duly made by Director Olson, seconded by Director Husbands, and unanimously carried.**

Mr. Chambers introduced the County GESC permit renewal of waiver letter and requested Board action to approve its submittal to Douglas County Engineering. Upon further discussion with Mr. Chambers and Mr. Goetz about the WISE constriction project and site revegetation, Director Hyvonen made motion to approve the letter. **Upon motion duly made by Director Hyvonen, seconded by Director Husbands, and unanimously carried.**

Mr. Chambers noted that the letter subject of Item C was not yet fully ready due to ongoing review by Sterling Ranch and the WISE authority, but a letter regarding the water subscription trade in the amount of 500 AF previously made between the parties would be reviewed by legal counsel and ripe for action later in the spring.

Director Sanford tabled item 5(b)d pending the Executive Session strategy discussion.

Mr. Chambers introduced the URS lease and service agreement deal for multifunction copier/scanner machines needed in the District's business office. Mr. Chambers reported on the work that staff did to research options, see demos and get competitive quotes and noted that TST Infrastructure uses the same company and is pleased with their performance. Dir. Sanford had some questions for staff regarding the price per copy and service agreement inclusions, thereafter Director Olson motioned for approval. **Upon motion duly made by Director Olson, seconded by Director Husbands, and unanimously carried.**

ENGINEERING REPORTS:

TST Infrasturce Report – Mr. Bill Goetz, PE

Bill Goetz reported on the final work with Iron Woman Construction on the WISE interconnect pipeline to the District's Water Treatment Plan, notes from Lead and Copper Sampling Requirements that would likely increase due to the new type of disinfection and new source of water in WISE. Mr. Goetz reported on future work to revise the Master Plan and work to implement asset management tolls for Colorado Water Systems to better track maintenance, asset operational life, and document work done of facilities and equipment. Such asset management tools are an industry standard in mid to large facilities and provide savings and efficiency in long-run operations where equipment can be better cared for through maintenance and replaced less often.

District Engineer's Report – Ron Lamber, PE Mulhern MRE

Mr. Lambert of Mulhern MRE presented his report on District Engineering Activities, noting the large amount of development activity within Lincoln Park and Compark/Compark south which was driving a lot of plan review work and preventing his focus on updates the rules and regulations. Mr. Lambert asked if there were questions on his repot.

STAFF REPORTS:

Manager's Report:

District General Manager, Mr. Chambers provided the Board with a written report detailing a variety of District business subject and operational initiatives. Mr. Chambers noted the need to close out the construction contracts for completed capital projects at the Water Treatment plant where Chloramines treatment technologies and telemetry controls were added and at the WWTP where significant treatment technology was upgraded to meet tight nutrient discharge standards required by State of Colorado and EPA for Cherry Creek. Moltz request for final completion on both projects and project closeout was discussed, along with the warranty period for equipment. Mr. Chamber noted GIS mapping work that was needed to get the system maps into better shape for operations, and the need to update the rules and regulation to require new subdivision projects within the water service area to provide as builts before tap fees commence.

Mr. Chambers noted that ongoing conversations with Town of Parker on GIS layers, Jordan Rd. overpass of Newlin Gulch Trail, Re-use project easements and stoermwater, and noticed the Board that there would be a request to share GIS data to the benefit of both governments. Mr Chambers has a February meeting planned with Parker's public works manager and staff to discuss the above issues.

Mr. Chambers noted the Raftelis Financial Cost of Service Rate Study that is still pending further financial model analysis and revisions, The District's complex intergovernmental agreements and regional service area have made the study a bit more complex than a general study, but the Board should have a good final draft to review in early February. WISE renewable water expenses, and infrastructure expenses associated with WISE storage, connections and treatment are driving annual water fund expenses much higher and there will have to be periodic rate adjustments starting this year to meet the revenue requirements and Water Bond revenue covenants.

Mr. Chambers noted the importance of the Executive Session on amended inclusion agreement terms for Newlin Crossing that would facilitate the WWTP capacity needed to fully serve their expanded demand.

Mr. Chambers wrapped up the verbal report noting that other staff managers had details on their specific areas of District business.

Landscape Operations:
Mr. Wenger updated the Board on the winter facilities and landscape maintenance And snow removal work; noting how we can better coordinate snow removal on Weekends and holidays to limit expenses to the District, and noted he would be working to set up winter tree pruning.

Office Operations and Customer Service:
Ms. Sjobakken noted the ongoing gains in efficiency in process, the work to identify and correct zero consumption meters, some policies that need revision in the rules and regulations, and appreciation for the Board in standing behind their efforts to collect on delinquent accounts. She also noted the wrecked monument, new monument at CVS and the design specs and colors that the District should require.

Colorado Water Systems:
Mr. Ger Whelen, ORC at the District's Water & WWTP opertations Supplemented his written report and graphs with discussion of the online Net DMR reporting requirements, increase accountability with backflow and Cross Connection Control Program regulations. He noted LFH-3 well rehab Costs and the savings over well rehab estimates and future sample requirements WISE water will trigger. CWS graphs and Report are on file.

ISpark Communication Report and Update:
Mr. Williams presented his report, noting some disagreement in the billing and Scope of work approved. Mr. Williams walked the board through services Provided under the contract and email management services not in the two Flat fee service scopes. Discussion ensued about email server and service options.

FINANCIAL ITEMS:

Claims for Payment:
Mr. Simmons presented the payable claims to the Directors.
Director Sanford moved that the Board approve the claims for December 2016 Payments as presented. Upon second by Director Olson, vote was taken and motion carried unanimously.

Financial Statements:

Mr. Simmons presented the Board with month end financial statements and discussed the summary. **Director Olson made a motion to approve the December 31, 2016 Financial Statements as Presented by Mr. Simmons. Upon Second by Director Husbands, a vote was taken and motion carried unanimously**.

GENERAL COUUNSEL LEGAL REPORT

Attorney Report:

The brief report on General Counsel's legal items was presented by Mr. Dalton, noting that the majority of his discussion was for executive session topics.

EXECUTIVE SESSIONS:

Director Hyvonen made a motion to go into executive session for the topics 11(a) and 11(b) for the purposes of receiving legal advice, developing negotiating positions and to instruct regarding Segelke Development Draft Amended Annexation terms and the District deferred compensation retirement plan investment plan(s). **Upon motion by Director Hyvonen and second by Director Olson, a vote was taken and motion carried unanimously**.

Mr. Chambers left the meeting following item 11(a) piror to 11(b) at the request of the Board.

A motion was made by Director Hyvonen to exit executive session, and second by Director Sanford, a vote was taken and motion carried unanimously.

A motion was made by Director Olson to direct legal counsel to take the necessary steps and work with the General Manager and Board president to set up the necessary 401(a) and 457(b) deferred comp plans with Bukaty and related entities, and upon second by Director Sanford, a vote was taken and motion carried unanimously.

Director Sanford asked if there was any other business before the Board, and upon hearing none offered to entertain a motion for adjournment.

ADJOURN-MENT:

There being no further business for the Board's consideration, **Director Olson moved that the Board adjourn the meeting at 9:43 PM. Upon second by Director Husbands, a vote was taken and motion carried unanimously.**

Respectfully submitted,

2/15/17

Sean Chambers, Secretary to the Board

Board Approval Action of the Board

By: Director Greg Sanford