

## RECORD OF PROCEEDINGS

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### MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE STONEGATE VILLAGE METROPOLITAN DISTRICT HELD MAY 18, 2016

A regular meeting of the Board of Directors of the Stonegate Village Metropolitan District was held on Wednesday, May 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  
Mary Sanner

Absent was Director Steve Olson; whose absence was excused.

Also in attendance were:

Matthew R. Dalton, Esq.; Spencer Fane  
Bill Goetz; TST Engineering  
Shane Chisholm & Duane Baldwin; Keesen Landscape  
Ger Whelen; CWS  
Charles Wenger; Colorado Landscape Services & Facilities Manager  
Sue Blair; Community Resource Services of Colorado, LLC  
Angie Kelly; Community Resource Services of Colorado, LLC  
Steve Williams, iSpark Communications  
John Simmons; Simmons & Wheeler; P.C.  
Kristin Peterson, resident  
Nicole & John Torres, resident  
Tami Love, resident  
Pete Hanrahan, resident  
Armando Rodriguez, resident  
Ray Striekoff, resident  
Jim Sands, resident  
Sara Maus, resident  
Mark James, resident  
Mike Rothe, resident  
Patrick Smith, resident  
Valerie Smith, resident  
Lawrence Kim, resident  
Sarah Pydahl-Kim, resident  
Mari Lynot, resident

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Mark Dzonjeleush, resident  
Tami Rasmussen, resident  
Kristyn Ulrich, resident  
David Marshall, resident  
Bruce Phipps, resident  
Bruce Nichols, resident  
Sarah Schmidt, resident  
Carla Smith, resident  
Stan Smith, resident  
Kevin Reilly, resident  
Jani Reilly, resident  
Cliff Love, resident  
Justin Cartock, resident  
Eva Voss, resident  
Eileen Tobin, resident  
Peggy Reinertson, resident  
Paul Reinertson, resident  
Brian Well, resident  
Scot Huber, resident  
Julie Huber, resident  
Natalie Mino, resident  
Sheri Pennington, resident  
Deb Blackburn, resident  
David Lucero, resident  
Trevor Harper, resident  
Smith Young, resident  
Tara Smith, resident  
Danielle Konrad, resident  
Jennifer McGrew, resident  
Deborah Hiserote, resident  
Christine Spencer, resident  
Debbie Tidler, resident  
Darcy Leverton, resident  
Michael Cliggett, resident  
Holly Kamm, resident  
Jason Bourne, resident  
Tom McHenry, resident  
Fred & Paula Silici, resident  
Laura Lawerston, resident  
Valerie Smith, resident  
Kyra Stonger, resident  
Rhonda Myschen, resident  
Nate Jensen, resident  
Susan Baber, resident

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Stacie Mesec, resident  
Rob Mesec, resident  
Lori White, resident

### **CALL TO ORDER:**

The meeting was called to order at 5:32 p.m. by Director Hyvonen.

### **DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST:**

Directors Sanford, Sanner, Husbands, and Hyvonen declared that they have no conflicts of interest and District General Counsel stated that the required disclosure statements have been filed.

### **APPROVAL OF AGENDA:**

Director Olson moved that the agenda be approved with the modification to move the public comment from #10 to #4 on the agenda. Upon motion duly made, seconded by Director Sanford, and unanimously carried, the agenda was approved as amended.

### **PUBLIC COMMENT:**

Prior to public comment Director Hyvonen addressed the homeowners with the following statement:

As a board, we are managing a complex business organization...as the district's utility provider. We constantly look out for the greater good of the District priorities, resources, and projects. Throughout our term we have followed the appropriate steps and due processes in our planning and executing of the district's business. However, we did not anticipate some the resident's reaction over the use of the activity center. Please note...we did consider several options, and found the current use was the most cost effective and efficient course of action.

As we move forward, the Board understands the importance to further involve the community in this matter. The Board will make a motion this evening to establish and start the process for an independent planning committee made up of district residents...to further explore potential construction options and alternatives for an onsite activities center.

The Board will not tolerate name calling and yelling. The Board deserves respect as they will be respectful of all of you. If anyone acts in this way, the meeting will be adjourned.

Following a reminder of the 3-minute speaking timeline and a welcome message from Mr. Williams, the following comments were heard from the public:

Jeni Reilly addressed the Board and noted she was on the LPMD Board. She read from the following letter that was sent to SVMD by LPMD: "On behalf of its residents, the Lincoln Park Metropolitan District Board of Directors (LPMD) would like

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to express its concern and disagreement with the SVMD Board's decision to repurpose the SVMD Activity Center. As you are aware the Activity Center is heavily used by both LPMD and SVMD residents for various activities, and it has been a staple of the Stonegate Community (Community) for many years. Taking this away is not simply a repurposing of a facility, it's taking a highly used amenity away from the Community.

Over the past month the LPMD Board has heard from LPMD and SVMD residents, all of whom state that SVMD's decision to repurpose the Activity Center is not in the best interest of the Community. They do not feel that SVMD consulted with the Community or engaged in meaningful public outreach. While we understand that the Board has public Board meetings, a decision to eliminate a much-used public facility funded by taxes and fees should have been made only after considerable public input.

LPMD understands the Activity Center will now be used to house SVMD's new full-time staff. Was there any analysis performed prior to the decision being made? LPMD would like to inquire if there was any consideration of alternatives to repurposing the Activity Center. Specifically, did SVMD discuss an expansion of the Activity Center (such as an addition to the facility), an addition onto the recreation center, a stand-alone facility, or creating additional office space at the wastewater treatment plant? A review of the SVMD minutes does not indicate that anything other than a decision to move forward with the repurposing took place. If these discussions took place then please send us copies of the minutes. We are just trying to understand all of the discussions and decisions that lead to this particular decision.

**In the Second Amended and Restated Regional Facilities Construction Agreement (IGA)**, there are references to the "Facilities," which include the park and recreation improvements, facilities and services. In Section 9.7 of the IGA it states: "It is the express understanding of the Districts that access to the *Facilities* for the purpose of serving the area within Lincoln Park is hereby anticipated, assured and guaranteed..."

Tammy Love stated that she was concerned about two items. The first is regarding the toxins used to control the weeds and would like a different solution. The other item is the Activity Center and she felt it was important to speak with residents before a final decision is made.

Ray Striekoff noted he was against the change of the Activity Center and he will rally the neighborhood to recall the Board if necessary; to undo what has been done.

Sarah Pydahl inquired about the legality of the Activity Center change. She stated that in her reading she did not feel it was clear if the change was legally allowed?

Mr. Dalton noted that it was legal.

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Tami Rasmussen stated that she purchased a house in 2011 and used the Activity Center every week for music class for kids. She would not have been able to afford another option and appreciated the use of the Activity Center. She also home schools her children and uses the Activity Center for events with them. They cannot use the library because they often have food. The Activity Center is a wonderful option for her to have and would like Stonegate to consider other options for the office.

Kristyn Ulrich said she has been a resident for 15 years and is concerned about the traffic and noise this will create for the community. She would like more information on the impact of these issues. She also would like to see the financial plan regarding this change. She noted that the argument used, saying the building was formerly District Offices is not valid since it was the sales office previously. She would like the Board to release more information for the community.

Bruce Phipps thanked the Board for the service they provide and for moving public comment to first on the agenda. He stated he has been a passive observer of the HOA and SVMD but was becoming more educated due to this proposed change. He would encourage the Board to have more community outreach in such a big decision and feels the Board is putting the new hires in a bad position.

Carla Smith asked why the decision was being made and what brought about the decision? She does understand the move to an onsite manager but would have liked community involvement in the decision for a better plan of action.

Kevin Reilly stated that he heard comments stating the objections were only from a handful of residents. However, he noted that the turnout and the people involved are more than a handful of residents. His opinion is that what is happening is not the wishes of the majority of the residents. He would like more transparency and dialogue with residents. Mr. Reilly noted the 150 comments posted outside and asked that the Board take the time to read them. He also addressed the letter mailed to residents from the Board and said it felt like retaliation.

Cliff Love stated that at the last meeting he heard a Board member say that is 3500 people had come out, they might reconsider. He noted that he has rallied the troops to show the Board the residents are upset. He feels he has received no

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answers back from any of his questions to the Board. He is working to educate people and himself to take further action. He understands he only needs 300 signatures on a recall petition and would like the Board to reconsider. He also said that he felt it was insulting the Board was hiding behind the attorney and a police officer and that he is asking the Board for information to understand the decision and to reconsider.

Justin Carter addressed the Board to say that he commends the landscaping change and he feels the property looks much better. He then noted that there are a lot of smart business people in the community and the Board should have used the residents for a decision such as this. Perhaps the Board could consider renting space; that could be cheaper than the current plan. He would like to know if an analysis will be shown to the residents so they can understand.

Scot Huber noted he wanted to echo the sentiments that have already been said. He thanked the Board for the time they put in to serve but the tone of the letter mailed to residents was inappropriate. He noted that the committee to evaluate should have been done months ago. He said he was told by a Board member that they could not share information on the change.

A resident is concerned about the landscaping and the chemicals used to spray weeds. She is concerned about her kids' safety and the well-being of pets if they have contact with the chemicals. She is asking for a better solution and using less chemicals to treat weeds. She noted that she would pay more money to the association to use less harmful chemicals.

David Lucero thanked the Board for work they have done. He made the point that the area has the highest education level per household in the Board should have used that resource to make a decision. He presented the solution to work from home and keep the Activity Center. He presented a copy of a plan to each Board member. He is concerned that the Board made such a big decision without the input of the residents or any transparency. He asked the Board about their process to hire staff; if background checks were done, if financial background information was researched, etc.

Smith Young pointed out the irony of a discussion about a community center and the community not feeling as though they were involved. He is concerned about the Board isolating themselves in this decision and not discussing with the

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residents.

Jennifer McGrew addressed the Board about the area behind her home. She would like to know the plan to block out the sound from the generator and the terrible view of the weather station. She was promised previously this would be solved and she has seen no action.

Darcy Leverton thanked the Board for the inspiration to get involved. She noted that she has been researching the guidelines for Board behavior and speaking with the community. She is upset that the Board is fighting a petition for open communication and feels as though the Board is pushing back instead of listening.

Kyra Stonger said she has been a resident for 2 years and that she has used both the Activity Center and the Community Center. She noted that the Community Center is hard to book as it is typically busy. She also noted that she was shocked to read the comment in the letter from the Board about one vocal person since there is a petition with 550 signatures on it. She would like a solution that is within the budget and makes everyone happy.

Nate Jensen was at the meeting due to the letter received in the mail from the Board. He noted the tone of the letter was bad and showed an absence of respect for the residents. He was upset that the letter attacked one person and was creating a lack of trust with the Board.

Lori White thanked the Board for their work and noted that they live in a beautiful neighborhood. She wanted to propose a solution instead of just complain about it. She took the time to call an office space for rent and noted to the Board that one is available for \$587 per month. She is concerned about the speed at which this is moving forward given the residents objections and asked the Board to reconsider the plan.

Mike Rooney spoke to support the residents who were speaking. He asked the Board if the decision was being delayed to accommodate the proposed committee? Or was the July 1 date still the same?

Mari Lynot addressed the Board and noted she has lived here for 15 years and uses the Activity Center all the time for kids' activities. She also noted the

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Community Center is often booked and hard to reserve. She feels the letter mailed to homeowners is an embarrassment to Stonegate and is upset that an amenity loved by the community is being taken away. She noted that people move to Stonegate for amenities like the Activity Center and the Board should not take it away.

**NEW BUSINESS:** Minutes: Approval of the April 20, 2016 minutes. A motion was made by Director Hyvonen to approve the minutes as submitted. Upon a second by Director Husbands, a vote was taken and the motion carried unanimously.

Facility Rental Application: the Board will review the documents and suggest any changes such as the change of address on the form.

**STAFF  
REPORTS:**

Manager's Report: Ms. Kelly presented the manager's report. The Qwest contract was tabled for a month as coordination of any contract will happen with changes associated to the District Office work.

MPM Pool: The report was included in the packet. No questions were presented. A motion was made by Director Hyvonen to approve the 2016 Snack Shack agreement. Upon a second by Director Sanford, a vote was taken and the motion carried unanimously.

Engineering Report: The report was read aloud and is attached to the end of these minutes.

Utility Operations: Ger Whelen addressed his monthly report with the Board. Mr. Whelen added information on the 2 line breaks that happened. The first was at King Soopers and was a line inside their building. The other was at Kindemere Brooke. This line is addressed in the Master Plan and should be replaced. Mr. Whelen noted the well production was down due the rainfall the area experienced.

The toxicity identification bid was addressed. This is a last resort but approval is requested so Mr. Whelen can take action quickly, if needed. A motion was made by Director Hyvonen to approve the Toxicity Identification Bid. Upon a second by Director Sanford, a vote was taken and the motion carried unanimously.

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Landscape Operations: Mr. Wenger addressed the Board with his monthly report. Mr. Wenger requested approval for tree treatments and weed spraying. The companies he presented and pricing were: Rocky Mountain Tree for \$31,245 and Weed Wranglers for \$11,610. A motion was made by Director Hyvonen to accept the pricing and companies as presented by Mr. Wenger. Upon a second by Director Husbands, a vote was taken and the motion carried unanimously.

Keesen was also present to discuss the concern regarding the chemicals being used to treat weeds. Mr. Baldwin outlined that types of chemicals used and the EPA studies related to these chemicals. Other options for weed spray were discussed: namely, organic treatments. The cost increase would be about 30%. This will be taken under consideration by the Board.

District Communications: Mr. Williams addressed the Board with his monthly report.

Wastewater Treatment Plant: no updates.

WISE Pipeline: Mr. Goetz was present to update the Board on the WISE Pipeline project as the work is starting.

### **FINANCIAL ITEMS:**

Claims for Payment: Mr. Simmons reviewed the claims presented for payment represented by checks #15607-#15686 totaling \$962,496.81. Director Sanford moved that the Board approve the claims for payment as presented. Upon second by Director Hyvonen, vote was taken and motion carried unanimously.

Financial Statements: The financial and cash position statements for the period ending April 30, 2016 were presented by Mr. Simmons. Director Sanford moved that the financial statements be approved as presented. Upon second by Director Hyvonen, a vote was taken and the motion carried unanimously.

**OLD BUSINESS:** None presented.

**EXECUTIVE  
SESSION:** Not needed.

**ATTORNEY'S  
ITEMS:** None presented.

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**BOARD  
UPDATES AND  
DISCUSSION:**

None presented.

**ADJOURNMENT:**

There being no further business for the Board's consideration, Director Hyvonen moved that the Board adjourn the meeting at 8:45 p.m. Upon second by Director Husbands, a vote was taken and motion carried unanimously.

Respectfully submitted,

**DRAFT**

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Secretary for the Meeting