

## RECORD OF PROCEEDINGS

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### MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE STONEGATE VILLAGE METROPOLITAN DISTRICT HELD APRIL 20, 2016

A regular meeting of the Board of Directors of the Stonegate Village Metropolitan District was held on Wednesday, April 20, 2016, at the Stonegate Community Center, 10326 Stonegate Parkway in Parker, Colorado at 5:30 p.m.

**ATTENDANCE:**      Present were Directors:

Greg Sanford  
Roger Husbands  
Steve Olson  
Mary Sanner

Absent was Director Lisa Hyvonen; whose absence was excused.

Also in attendance were:

Matthew R. Dalton, Esq.; Spencer Fane  
Adam Monchak; TST Engineering  
Scott Barnett; Mulhern MRE, Inc  
Charles Wenger; Colorado Landscape Services & Facilities Manager  
Dan Kugler; Black & Veatch  
Tim Engemoen; Black & Veatch  
Dr. Chris Tadanier; Black & Veatch  
Sue Blair; Community Resource Services of Colorado, LLC  
Angie Kelly; Community Resource Services of Colorado, LLC  
Marcie Bader; resident  
Jim Peterson; resident  
SP Geraths; resident  
Debbie Tidler; resident  
Scot Huber; resident  
Cliff Love; resident  
Marlin Slatham; resident  
Michelle Carr; resident  
Joni Reilly; resident  
Kevin Reilly; resident  
Gwen & Tony Chirstinsen; resident  
Wendy Sanders; resident  
Carla Smith; resident  
Frank & Paula Silici; resident  
Ken Hruska; resident

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Mason Mestouf; resident  
Jeanne & Bruce Nichols; resident  
Darcy Leaverton; resident  
Ray Strickoff; resident  
John Dunaway; resident  
Kevin Pankin; resident  
Jan Sederlund; resident

### **CALL TO ORDER:**

The meeting was called to order at 5:30 p.m. by Director Sanford.

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

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

Director Olson moved that the agenda be approved with the modification to move the Chloramine conversion discussion before the public comment and to remove the public comment from the end of the agenda. Upon motion duly made, seconded by Director Husbands, and unanimously carried, the agenda was approved as amended.

### **CHLORAMINE CONVERSION:**

Black & Veatch attended the meeting to address Chloramine conversion questions. Dr. Chris Tadanier presented information before questions began. He discussed the changes that will occur with the conversion, why the changes are occurring and what these changes mean to Stonegate residents. Dr. Tadanier outlined that ground water has been the source of water for SVMMD thus far. Given the fact that this ground water will not last forever, a solution had to be developed for alternate sources of water. WISE will provide an option for surface water to be captured and treated for distribution. Dr. Tadanier also pointed out that the City of Denver has been using this treatment method for 100 years and explained that there are no harmful health effects of this treatment change.

Questions from the residents were as follows, with answers:

-Q: Studies haven't tracked the effects of Chloramines for a long time: how do we know they are safe. A: Dr. Tadanier reminded residents that Denver has been treating water with Chloramines for 100 years. He also pointed out that there are numerous studies on the issue to review.

-Q: Is it ok to water my vegetables with this water? A: yes.

-Q: Will it change the PH of our water? A: No. The same water quality requirements are in place; it does not matter how the water is treated. The same measurements apply.

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-Q: Is the reason for the change optimization? To combine with Aurora Water?  
A: No, the reason is about compatibility. SVMMD must treat water with the same method as other WISE participants.

-Q: What is the process on how we get the water? A: Water from the North Platte River is sent to Aurora. From there, water will enter the pipeline and be sent to all WISE participants. SVMMD will receive their allotted amount from that pipeline to the storage tank onsite. The Water Treatment Plant will draw from the storage tank and process that water through the Water Treatment Plant. Once treated, homeowners will be delivered water.

-Q: Is the WISE water the first choice of water to be distributed? A: No, the water from the 13 wells onsite would still be the first choice.

-Q: Will this change the process of the Waste Water Treatment Plant? A: No.

-Q: How are we sure about the safety of this new chemical? A: Many studies have been completed and can be reviewed online. Places to find the information are – San Francisco Public Utilities Commission, American Water Works Association, Natural Institutes of Health, University of Massachusetts, United State Environmental Protection Agency, and further options if you search.

-Q: Is there a cost difference for this type of treatment? A: Not a significant one. Chlorine is still being used so that cost will remain, it will just be less. The cost of ammonia will be added but will not significantly change the final cost from the previous method.

-Q: what is the efficacy for removing viruses? A: This is the same as any other treatment option: the viruses are removed at the Water Treatment Plant. After the water is disinfected, Chloramines are added.

### **PUBLIC COMMENT:**

Prior to public comment: legal counsel, Matt Dalton, addressed the homeowners. Mr. Dalton reminded homeowners that Board members are volunteers and members of the community: they are impacted by decisions just the same as the residents in attendance of the meeting. It was also noted that the Board are elected officials and are acting in the best interest of the entire community.

The Board addressed the residents in saying that all questions will be answered if residents wanted to stay after the meeting and discuss with the Board. However, the questions would not be directly answered after each resident spoke during public comment. The Board listened to all comments and advised the residents that they will take all comments under advisement and consider each carefully.

The following questions and comments were presented by the residents:

-Residents whom addressed the Board: Cliff Love, Scot Huber, Marlin Slatham,

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Marcie Bader, Jim Peterson, John Dunaway, Carla Smith, Darcy Leaverton, and Ray Strickoff.

- Why were residents not notified or included in the decision?
- Since the fees paid by residents pay for both facilities, why were the residents not included in the decision?
- What impact will this have on traffic?
- How will our questions get answered if the Board will not address them in front of everyone?
- Why did the previous management company get fired?
- What did SVMMD pay the previous management company per year?
- How many employees will be hired?
- Why did the Activity Center need to be used?
- What are the job duties for the people being hired?
- Are you hiring a meter reading company?
- Who is going to do the billing for water?
- How can you justify taking away the Activity Center from Brownies groups each month when the new employees can be working from home?
- Resident stated that the Board has no idea how to treat customers and run a business.
- Resident stated that the Board has no right to take away the Activity Center according to the Service Plan. The resident wanted to voice their opposition to the Activity Center change.
- A resident who uses the Activity Center 20 times a year stated that many groups use the Activity Center (boy scouts, cub scouts, fundraisers, etc.). The concern regarding the Community Center being 3x as much to rent was expressed.
- Why is this decision being made?
- How much money is the District saving?
- The resident stated they wish this situation would have been handled differently.
- What happens to the next amenity the Board would like to take away?
- The resident asked the Board to reconsider given how valuable the Activity Center is to the community.
- What is the next step in resolving the issue since the elections were cancelled?
- How much money is being spent to refurbish the Activity Center and what compensation will be given to the residents for the cost to refurbish?
- How is this being funded and how much is this costing?
- The resident stated that these buildings are for the community and it was wrong

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to take away the Activity Center without consent. This creates ill-will toward the Board.

-The resident stated there are better ways to go about a change of this nature besides being secretive.

-Where will the activities go that use the Activity Center?

-A resident stated that they believe the Board does not have the right to make this change without 75% approval from residents: according to the community Declarations.

-A resident stated that they admired the Board for taking the comments and offered that the most important thing now is resolution. The resident offered that educating the residents on why the decision was made would help.

-The resident offered that more interface with residents about these types of decisions would be appreciated by the community. It was noted that secrecy is not good for the association.

-The resident noted that they appreciate what the Board does but this decision does not make sense. They do not understand how this is cheaper than an outside management company when there are so many management companies to pick from?

-The resident stated they would like to see a working sheet on the financial impact of this decision and how it will save them money.

The Board ended the Activity Center public comment portion of the meeting by saying they are not going to make blanket statements but will talk one-on-one with residents if they stay after the meeting. The Board stated that they do have answers to all the questions and that people might not like the answers but that answers do exist. If people will remain after the meeting, the Board will provide those answers.

Public comment regarding the landscaping: Ken Hruksa noted that he appreciated the decision by the Board to hire Keesen. He wanted to express his compliments as the property is looking substantially better this year and the plowing was noticeably better with Keesen. The Board thanked him for the appreciation.

All staff reports were reviewed. No further comments were made.

### **STAFF REPORTS:**

Mr. Monchak discussed the proposed agreements for the WISE project: Kumar Associates, Brierly Associates and AmWest. A motion was made by Director Sanford to approve the Kumar, Brierly and AmWest bids for WISE work. Upon a second by Director Olson, a vote was taken and the motion carried

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unanimously.

Mulhern submitted a bid for C&L to install a 2" Blowoff assembly near Dove Ridge. A motion was made by Director Sanford to approve the C&L bid. Upon a second by Director Olson, a vote was taken and the motion carried unanimously.

### **CONSENT AGENDA:**

All matters listed on the Consent Agenda are considered routine by the Board and will be enacted with one (1) motion. Director Olson moved to approve the Consent Agenda as presented. Upon a second by Director Sanford, a vote was taken and the motion carried unanimously.

### **FINANCIAL ITEMS:**

Claims for Payment: Ms. Blair reviewed the claims presented for payment represented by checks #15531 - #15604 totaling \$742,302.78. Director Husbands asked that payments to Keesen be reviewed to ensure SVMD is not paying in advance for services. Ms. Blair will review these payments. Director Husbands moved that the Board approve the claims for payment as presented. Upon second by Director Sanner, vote was taken and motion carried unanimously.

Financial Statements: The financial and cash position statements for the period ending March 31, 2016 were presented in the packet. The Board indicated they would like to wait for Mr. Simmons to return to discuss any questions. Director Sanford moved that the financial statements be approved as presented. Upon second by Director Olson, a vote was taken and the motion carried unanimously.

### **OLD BUSINESS:**

None presented.

### **EXECUTIVE SESSION:**

Not needed.

### **ATTORNEY'S ITEMS:**

Mr. Dalton reported that they are progressing on negotiation the required easements for the pipeline.

### **BOARD UPDATES AND DISCUSSION:**

A request was made by Director Olson to be updated on the Newlin Gulch work that had just taken place. Ms. Kelly explained that work was completed and the gulch will now be monitored through the summer by Douglas County. A completion meeting was held, attended by Ms. Kelly and Director Hyvonen. It was explained at the meeting that no further action will be taken until evaluation is complete on the success of the drainage improvement efforts. Plantings will also be evaluated after spring to determine if further plantings

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need to be added.

### ADJOURNMENT

There being no further business for the Board's consideration, Director Olson moved that the Board adjourn the meeting at 6:55 p.m. Upon second by Director Husbands, a vote was taken and motion carried unanimously.

Respectfully submitted,



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Secretary for the Meeting