
RECORD OF PROCEEDINGS

**Minutes of the Regular Meeting
of the Board of Directors
Ruedi Shores Metropolitan District
May 12, 2009**

A Regular Meeting of the Board of Directors of the Ruedi Shores Metropolitan District, Eagle County, Colorado, was held May 12, 2009, at 6:00 p.m., at 093 Silver Spruce Lane, Basalt, Colorado, in accordance with the applicable statutes of the State of Colorado.

ATTENDANCE **The following Directors were present and acting:**

- Susan Atchison
- Nina Dunn
- Brad Lundgren
- John Rowley
- Rocky Huber

Also in attendance were:

- Eric Weaver, Robertson and Marchetti, P.C. (by phone)
- Brienne Olsen, Robertson & Marchetti, P.C. (by phone)
- Doug McMillin, Owner's Representative
- Jerry Peters, Water Meter Reader
- Stan Karr, Property Owner

CALL TO ORDER

The Regular Meeting of the Board of Directors of Ruedi Shores Metropolitan District was called to order by Director Atchison, at 6:00 p.m., noting that a quorum was present.

**PUBLIC INPUT OF ITEMS NOT
ON AGENDA**

Meter Readings

Jerry Peters reported on the water meter reading and that many homeowners are way under the usage and only a handful are over. It was reported that each homeowner is allotted 4,000 gallons a month for a total of 12,000 gallons per quarter. The Board discussed the HOA's prior policy of billing additional fees for water consumption in excess of 12,000 gallons per quarter and for broken meter surcharges. In an effort to continue promoting water conservation while the tank and lines are being constructed the Board agreed that the charges continue at the same rate as the HOA had previously charged. Mr. Weaver stated that he would research the rates previously charged by the HOA.

RECORD OF PROCEEDINGS

Ruedi Shores Metropolitan District May 12, 2009 Meeting Minutes

Property Valuations Director Dunn asked about the ability of the District to lower the mill levy since the majority of the properties within the District have seen a significant increase in valuation. Mr. Weaver stated that in general the District has relatively fixed costs for operations and debt service so it is likely that the District will be able to lower the mill levy for the 2010 budget. Further analysis will be prepared in late summer after we have a better handle on the status and cost of the project.

AGENDA No additional changes were made to the agenda.

MINUTES The Board reviewed the regular meeting minutes from April 2, 2009 and the continuation minutes from April 8, 2009. Mr. McMillin stated that he would like a 15% contingency line item added to the cost of the project in the April 8, 2009 minutes. Upon review and by motion duly made and seconded it was unanimously

RESOLVED to approve the April 2, 2009 meeting minutes as presented and the April 8, 2009 meeting minutes with the changes discussed.

LOOP WATER SYSTEM

Mr. McMillin explained to the Board the there is the potential to remove part of the system to both save costs and significantly reduce the disturbance to properties in easement. The Board reviewed a handout prepared by Zancanella, the engineer for the project, on the loop water system with green representing alternate paths and red representing the current paths. He explained that Zancanella wrote a letter explaining the benefits of looping the system, the most important of which is the higher flow rates in the event of major demand such as a fire. He explained the alternate routes for the looping system and reported that revegetation doesn't work on those routes and the alternate routes are longer and steeper with a lot of trees. After discussion by the Board it was agreed that the loss in pressure in the event of a fire is not enough to justify the additional cost of the loop and the disturbance of easements. Upon motion duly made and seconded, it was unanimously

RESOLVED to abandon the loop system, subject to discussions with Eagle County and the Fire District.

RECORD OF PROCEEDINGS

Ruedi Shores Metropolitan District May 12, 2009 Meeting Minutes

CONSTRUCTION SCHEDULE

Mr. McMillin reported on the sequence of the schedule and stated that they would start work at the end of system and work back towards the tank, starting McLaughlin to Wapiti and then they would then do a connection from Wapiti to Hawk. He explained that the construction would be taking water out of the Simpson's between Ruedi Creek and McLaughlin and he thinks the subdivision traffic will be a problem at times when the road is dug up so once again is asking for everyone's patience and understanding.

POSTING OF CONSTRUCTION SCHEDULE

Mr. McMillin reported that he has posted the construction schedule at the mailboxes and will also post a map with it. He pointed out that they would need to flag any issues such as line breaks so homeowners would be aware of the issues.

Mr. McMillin reported that the District will initiate purchase of all the new meters. He stated that the homeowner would be responsible for the installation of their meter. Mr. Weaver suggested that the District coordinate the purchasing and installation of the meters to obtain economies of scale and a consistent finished product.

Mr. McMillin reported that Hudick had concern over two clauses in their contract involving unexpected site conditions. He reported that he forwarded their concerns to Collins, Cockrel and Cole, who came back with better language to replace the language currently in the contract. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the Hudick contract with the changes from Collins, Cockrel & Cole.

Mr. McMillin also reported that Hi-Con and Savage Excavation were getting hit hard with high bonding fees. He explained that Hudick would bond completely but he would like to substitute the bond requirements for the other two by allowing them to instead provide letters of credit. He reported that he discussed this with the attorneys and that they are comfortable with the substitution subject to approval by the Board. Upon motion duly made and seconded, it was unanimously

RECORD OF PROCEEDINGS

Ruedi Shores Metropolitan District May 12, 2009 Meeting Minutes

RESOLVED to accept the letters of credit as substitution for performance and warranty bonds.

Mr. McMillin reported that the soils that are being excavated from the tank site is not high enough quality to be used for road work as originally planned and material will need to be purchased and trucked to the site instead. Since providing this material was part of the contract with Ray Simpson some negotiations will be required. He stated that he is currently pricing out what it would cost to purchase and truck in the material. He also stated that the District should get a discount from Ray Simpson since he is not providing the material as previously thought. He believes that it will be \$20k to \$30k to truck the materials in.

Mr. McMillin reported that Stan Karr has been helping him out with curb stops and other items. He suggested formally hiring Mr. Karr as an additional capital improvements assistant. Upon motion duly made and seconded, it was unanimously

RESOLVED to hire Stan Karr as the additional capital improvements assistant part time as needed at a rate of \$25 per hour to be paid as contract labor.

Mr. McMillin also reported that it really makes sense to make needed improvements to the roads and drainage while the areas are already disturbed. He stated that he proposes putting in new culverts where needed and that culverts needing replaced under homeowners driveways be billed back to them. Mr. McMillin stated that he would further research the additional costs of replacing and installing additional culverts.

ACCOUNTS PAYABLE

The board reviewed the accounts payable list. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the accounts payable as presented.

ADJOURNMENT

There being no further business to come before the Board, by motion duly made and seconded, it was unanimously

RECORD OF PROCEEDINGS

Ruedi Shores Metropolitan District May 12, 2009 Meeting Minutes

RESOLVED to adjourn the Regular Meeting of the Ruedi Shores Metropolitan District Board of Directors held on May 12, 2009.

Respectfully submitted,



Brienne Olsen

Recording Secretary for the Meeting