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## RECORD OF PROCEEDINGS

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**Minutes of the Regular Meeting  
of the Board of Directors  
Ruedi Shores Metropolitan District  
November 10, 2009**

A Regular Meeting of the Board of Directors of the Ruedi Shores Metropolitan District, Eagle County, Colorado, was held November 10, 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
- Brad Lundgren
- John Rowley
- Rocky Huber
- Nina Dunn

Also in attendance were:

- Eric Weaver, Robertson and Marchetti, P.C.
- Lynette Sander, Robertson & Marchetti, P.C. (via phone)
- Doug McMillin, Owner's Representative
- Lynn Colhoun, Property Owner
- Ann Morris, Property Owner
- Jerry Peters, Water Manager
- Tom Shea, 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**

Ms. Ann Morris asked that the District have someone investigate a thumping noise that she has been hearing since the new system went online. Mr. Peters will look into the matter and inform Mr. McMillan of his findings.

**AGENDA**

No changes were made to the agenda.

**MINUTES**

The Board reviewed the regular meeting minutes from October 13, 2009. Upon review and by motion duly made and seconded it was unanimously

**RESOLVED** to approve the October 13, 2009 meeting minutes with revisions to Mr. Peters' title and to note

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the budget hearing was continued to the November 10 meeting.

#### MEETING CALENDAR

The Board reviewed the proposed meeting dates for 2010. Mr. Weaver recommended the Board consider reducing the frequency of regular meetings now that the construction project is wrapping up. The next regular meeting is scheduled for December 8, 2009, however, Mr. Weaver recommended they hold a brief meeting on December 14, 2009 in lieu of the meeting on the 8<sup>th</sup> so that the bond amendment documents can be approved.

#### CONSTRUCTION UPDATES

Mr. McMillan reported that the new water system is online. The Fire Marshall has been performing flow tests and is ready to endorse the District. Main hydrants are still being pressure tested and fine tuned. Zancanella is making adjustments as needed to the PRVs. The Shea and Slaver properties located at the bottom of McLaughlin are experiencing low pressure and adjustments are being made to improve that.

There is still mechanical and electrical work left to be completed and the decision as to which option to install for pump house controls needs to be made. The Board determined that although manual operation of the pumps is initially less expensive, automated control is far more cost effective in the long run considering the distance to the site from Zancanella's office.

Seeding has been completed around the water tank. Flow tests have been conducted by running water down the culverts. Most worked well, however, there are some minor repairs that can be made to obtain more optimal results. Mr. McMillan is obtaining quotes for fire hose and diffusers to use in annual maintenance flushing.

GJ Pipe has not given a response regarding the amounts charged back for additional costs incurred to repair the PRVs. Hudick Excavating has sent a memo to contest being charged for the costs to repair to John Rowley's home when an underground power line was cut. Mr. McMillan is discussing the situation but everyone agreed that it is ultimately Huddick's

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responsibility as the contract to cover the costs and they can file and insurance claim or seek reimbursement from the utility locate company. Mr. Weaver had spoken with the District's insurance agent and he responded that the District's insurance company can assist the District if needed.

The wiring for the system required the trenching a new line because the wire could not be pulled through the conduit as planned. The cause of the problem is unknown and Mr. McMillin recommended that the costs be split evenly between the District, Zancanella as the designer, Hudick as the conduit installer, and JC Electric as the wire puller. The cost to each part will be approximately \$2,500. On motion duly made and seconded it was unanimously

**RESOLVED** to authorize Mr. McMillan to propose the District will cover \$2,500 of the costs, with the remainder to be split amongst Zancanella, JC Electric, and Hudick.

**MILLER/  
MULCAHEY**

Mr. Mulcahy is still not in compliance because a lift station exists before the meter. Requirements are that there must be a clean line from the curb stop to the house. On motion duly made and seconded it was unanimously

**RESOLVED** to authorize Mr. McMillan to send Mr. Mulcahy a letter which will include an inspection date to determine if his line is in compliance. If the line does not comply the District will take the necessary steps to bring it in to compliance and the expenses will be billed to Mr. Mulcahy.

Home Owner Services is addressing the non-compliance issue that exists on the Miller property.

**FINANCIAL  
STATEMENTS**

Mr. Weaver presented the October 31, 2009 financial statements and noted that the finances are on track with only a few cost overruns in some areas of the capital projects budget. On motion duly made and seconded it was unanimously

**RESOLVED** to approve the October 31, 2009 financial statement.

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#### **BUDGET HEARING**

On motion duly made and seconded it was unanimously

**RESOLVED** to re-open the continued public hearing from the October 13, 2009 meeting concerning the 2010 budget. No public comment was provided and the public hearing was closed.

Mr. Weaver revised the budget noting that based on current estimates to complete the project and the pay down the bonds the net mill levy for 2010 would be 67 mills. After reviewing the details of the budget and levels of fund balance with the Board, on motion duly made and seconded it was unanimously

**RESOLVED** to approve the 2010 budget and appropriate the sums of money for Ruedi Shores Metropolitan District subject to receipt of final assessed valuation and final costs of the project and related bond pay down, and

**FURTHER RESOLVED** to certify the mill levy at 29.000 mills for operations with a 5.00 mill levy credit and 43.000 mills for debt service for the Ruedi Shores Metropolitan District.

Copies of formal resolutions adopting the budget, certifying the mill levy, appropriating funds and establishing the manner of calculating the fees are attached hereto.

#### **ACCOUNTS PAYABLE**

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

**RESOLVED** to ratify Huddick Change Orders #7 totaling \$7,500.00 and as resolved earlier to delay approval of change order #8 for \$4,416.65 for costs of the conduit trenching until Mr. McMillan has made the District's proposal to share the costs.

**FURTHER RESOLVED** to release retainage to Hudick Excavating in excess of the 50% stated in the contract, and

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**FURTHER RESOLVED** to approve the payables listing as presented.

**ACCOUNTS  
RECEIVABLE**

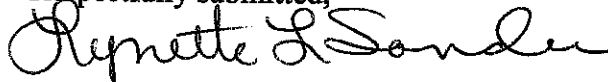
The Board reviewed the accounts receivable aging report. Most accounts that were significantly past due have been brought current.

**ADJOURNMENT**

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

**RESOLVED** to adjourn the Regular Meeting of the Ruedi Shores Metropolitan District Board of Directors held on November 10, 2009.

Respectfully submitted,



Lynette L. Sander  
Recording Secretary for the Meeting