
RECORD OF PROCEEDINGS

**Minutes of the Regular Meeting
of the Board of Directors
Ruedi Shores Metropolitan District
September 9, 2008**

A Regular Meeting of the Board of Directors of the Ruedi Shores Metropolitan District, Eagle County, Colorado, was held September 9, 2008, 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:

- Jim Geib
- Susan Atchison
- John Rowley
- Brad Lundgren
- Nina Dunn

Also in attendance were:

- Kenneth Marchetti, Robertson and Marchetti, P.C.
- Eric Weaver, Robertson and Marchetti, P.C.
- Lisa Hosey, Robertson & Marchetti, PC
- Tom Zancanella, Zancanella & Associates, Inc.
- Doug McMillan, Owner's Representative
- Lynn Colhoan, property owner
- Kai Peterson, property owner
- Ann Morris, 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.

**DISCLOSURE OF POTENTIAL
CONFLICTS OF INTEREST**

The Board noted that they have received written disclosures of potential conflict of interest statements from certain Directors more than seventy-two hours prior to the meeting, indicating the following conflicts: James R. Geib disclosed he is an officer and owner of Geib & Fox, Certified Public Accountants, P.C. and that he is the former president of the Ruedi Shores Homeowners' Association (HOA). Geib & Fox is providing certain accounting services to the District and the District has

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certain dealings with the HOA, both of which could constitute a potential conflict of interest. The Board noted, for the record, that this disclosure is restated at this time with the intent of fully complying with laws pertaining to potential conflicts.

MINUTES

The Board tabled review of the minutes from the August 12, 2008 Regular meeting.

ZANCANELLA CONTRACT

The Board reviewed Mr. Zancanella's proposed contract for services to be provided to the District. Mr. McMillan requested drawings for the project be provided in Autocad DWG format instead of PDF. Discussion concerning increasing the limitation of liability from \$50,000 to \$200,000 followed. The Board offered to split the cost of insuring this risk if Mr. Zancanella would like to obtain insurance for the increased liability. The Board also noted that Mr. Zancanella had stopped performing services on the 1041 permit application with Eagle County but Mr. Zancanella reported that the work was stopped because they had not been paid by Ruedi Shores for many months. Certain Board members indicated they were not aware that work would be stopped and expressed concern that the delay with the 1041 permit application could delay the entire construction project. The Board advised Mr. Zancanella that they have now received the bond funds and that payment would be made promptly to Mr. Zancanella. [Subsequent to the meeting Mr. Zancanella reported that they have received payment and that the 1041 permit application has been submitted].

By motion duly made and seconded, it was unanimously

RESOLVED to approve Zancanella's contract with the understanding that drawings would be provided in Autocad DWG format (and not in PDF format) and that the limitation of liability will be increased from \$50,000 to \$200,000.

The Board asked for an update regarding the status of the 1041 permit. Mr. Zancanella responded that the permit has not yet been received due to some minor clarification points that he still needs to address. The Board requested Mr. Zancanella proceed with the 1041 permit on an expedited basis. He agreed.

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The Board directed Mr. McMillan to work with Mr. Zancanella to develop the construction schedule for the installation of the tank and associated water service lines. Mr. Zancanella has committed to make construction plans available by the end of February which will allow for a spring construction start. The Board requested that Mr. Zancanella complete the construction plans sooner, if possible. Mr. McMillan reported he is planning a pre-construction meeting this fall for potential bidders to walk the site and review the existing system. Mr. Zancanella stated there is limited information available regarding the existing system and will share what he has, but noted he is not aware of any formal "as built drawings" for the existing system.

MCMILLAN CONTRACT

The Board reviewed the proposed Owner's Representative Consulting Services contract from Woody Creek Builders, Inc. and Mr. McMillan to provide owners representative services related to construction of the District's new water tank and water distribution system. By motion duly made and seconded, it was unanimously

RESOLVED to approve the contract with Woody Creek Builders, Inc. and Mr. McMillan for owner's representative services, retroactive to May 1, 2008.

WATER MATTERS

The Board discussed the improvements planned to be made to the water system which include radio control upgrades, the construction of a concrete water tank, and new water main lines which will then connect to individual homes.

Mr. McMillan explained that several items need to be completed this fall in order for a timely start in the spring including obtaining bids for the grubbing and clearing of the tank site and the installation of a road and underground utilities to the tank site. Water and soils testing will need to be done in order to complete tank design documents to allow time for obtaining bids for spring construction. The Health Department also needs to sign-off on the project prior to final plans being completed.

DISTRICT ACCOUNTANT AND

ADMINISTRATOR Lisa Hosey, Eric Weaver and Ken Marchetti from Robertson & Marchetti, P.C. attended the meeting to meet the Board and

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property owners in the District. Director Geib informed the Board that he will be submitting an invoice, at a discounted rate, for his time and fees for accounting services provided up to this time. The Board indicated it would consider Mr. Geib's invoices upon receipt.

DIRECTOR RESIGNATION

Director Geib reported that he will be unable to continue to serve on the Board due to other commitments. He congratulated the Board for all that has been accomplished in forming the District and issuing the bonds and wished the Board well with the construction of the new water tank and distribution system. The Board acknowledged Mr. Geib's resignation and thanked him for all his efforts.

ACCOUNTS PAYABLE

The Board reviewed the accounts payable list. The District will use funds from the net bond proceeds to fund the majority of the invoices since they are related to planning for the project. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the accounts payable list, a copy of which is incorporated herein by this reference.

CONTINUATION

The Board determined it would be best to continue the meeting in order to obtain bids for the tank site grubbing and related road and utility installation. Upon motion duly made and seconded, it was unanimously

RESOLVED to continue the Regular Meeting to the 17th day of September 2008 at 9:00 a.m. at 093 Silver Spruce Lane, Basalt, Colorado.

Respectfully submitted,



Eric Weaver
Recording Secretary for the Meeting