
RECORD OF PROCEEDINGS

**Minutes of the Regular Meeting
of the Board of Directors
Ruedi Shores Metropolitan District
June 9, 2009**

A Regular Meeting of the Board of Directors of the Ruedi Shores Metropolitan District, Eagle County, Colorado, was held June 9, 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.
- Brienne Olsen, Robertson & Marchetti, P.C. (by phone)
- Doug McMillin, Owner's Representative
- John Whiting, Property Owner
- Ann Morris, Property Owner
- Stan Karr, Property Owner
- Chad Weltzin, 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**

No public input was received.

AGENDA

Mr. McMillin stated that he had supplemental items to discuss under the construction status portion of the agenda.

MINUTES

The Board reviewed the special meeting minutes from May 28, 2009. Director Rowley reported that the expenses for his house would likely be another \$2,000 and not \$1,000 as reported in the minutes. Director Atchison also stated that the cost of the surge

RECORD OF PROCEEDINGS

Ruedi Shores Metropolitan District June 9, 2009 Meeting Minutes

protectors were likely to be higher than what was reported. Upon review and by motion duly made and seconded it was unanimously

RESOLVED to approve the May 28, 2009 meeting minutes with the changes discussed.

CONSTRUCTION UPDATES

Mr. McMillin reported that the progress has been slow with the rain and that they have been trucking up gravel to put down on the road to try and cut down on the mud. He explained that Hudick has done well dealing with the weather and trying to minimize the impact to the homeowners.

WATER METERS

Mr. McMillin reported that it is the District's responsibility to place and wire the meters. He explained that they will need to purchase meters and can either get radio reads (electronic) or a clock read-out (manual). The electronic meters are more expensive but will save money on labor in the future. He stated that they will need to hire a plumber either on an hourly rate or fixed fee basis to install all of the meters. It was decided that this decision does not need to be made at this time and Mr. McMillin will do some further research into it.

BUDGET AND JOB COSTS

Mr. McMillin reported that he refined the project budget to \$1,967,852 and went through the working budget in detail. He explained that many of the General Conditions items have already been completed in 2008 and early 2009. He reported that he has been very conservative on the numbers, which include \$101,436 for road work contingency and \$243,446 for general contingency.. He explained the cost of the culverts and the Board discussed who would pay. Mr. McMillin stated that he felt that the owner would pay for the material and that Hudick would install it as part of their contract. Mr. Weaver reported that they have received a lot of complaints on bills already and maybe the District should go ahead and pay for some of these items. A discussion followed on who should pay for what items and Mr. McMillin reported that he will keep track of the culverts that are replaced and they can decide later who will cover the cost. Mr. Weaver suggested that the budget be increased by \$135,000 to account for \$89,539 of costs

RECORD OF PROCEEDINGS

Ruedi Shores Metropolitan District June 9, 2009 Meeting Minutes

already spent in 2008 to issue the bonds and to provide additional funds to negotiate a paydown of the bonds with leftover construction funds. With this addition, the total budget of the project is \$2,082,852, \$160,935 of which was spent in 2008, leaving a remaining budget of 1,921,917 for 2009.

Mr. McMillin stated that he will approve all invoices, code them and then forward them to Robertson & Marchetti for entering. He reported that we are holding 10% retainage on the first 50% of the contracts. Mr. Weaver explained that as a governmental entity, we are required to withhold retainage. The Board discussed hiring a plumber and electrician and upon motion duly made and seconded, it was unanimously

RESOLVED to hire JC Electric as the electrician and John O'Connelly as the plumber.

UPPER EAGLE RIVER STANDARDS

Mr. McMillin reported that the District's service goes up to curb stops and it is the homeowner's responsibility to go from the curb stop to the home. He also reported that one homeowner, Mr. Mulcahy, has two diversions before the meter and is stealing water for irrigation. Mr. McMillin stated that a letter needs to be sent to him to shut this down and we can shut his water off if he is not in compliance. He also stated that the new meters are tamper proof. Upon motion duly made and seconded, it was unanimously

RESOLVED to authorize Mr. McMillin to write a letter to Mr. Mulcahy and if the problem is not timely corrected, to turn his water off.

ACCESS ROAD

Mr. McMillin reported that Savage Excavation had planned to used materials from the excavation of the tank site for tank access road but the material removed ended up not being suitable. Therefore, a change order is needed to bring up 250 yards of jaw run. Mr. McMillin got a quote on this from Matheney for \$6,545, which would be taken out of the contingency fund. He reported that Hudick would truck the materials and Matheney would produce it. Upon motion duly made and seconded, it was unanimously

RECORD OF PROCEEDINGS

Ruedi Shores Metropolitan District June 9, 2009 Meeting Minutes

RESOLVED to approve a change order to the Savage contract in the amount of \$6,545 to get the materials from Matheny needed for the road.

SAVAGE BONDING

Mr. McMillin reported that Savage is having a tough time with the bonding. He stated that we have a commitment from his insurance that he is bondable for two years but he is requesting only one year. Upon motion duly made and seconded, it was unanimously

RESOLVED to allow Savage Excavation a one year bond on his work subject to approval of attorneys.

PRV VAULTS

Mr. McMillin reported that since they are not doing the loop water system they will need a larger vault. He explained that they saved money by not doing the loop system but will need about \$20,000 for the additional PRV. He stated that he still needs to meet with Bill Harding of Zancanella to make sure it will all work. He stated that they are required to provide 1,000 gallons per minute minimum. He stated that the \$20,000 for the additional PRV would come out of the contingency. The costs will be further analyzed prior to approving a change order to the Hudick contract.

CONTINGENCY

AUTHORIZATION Mr. McMillin requested that he have authorization for things that come up in between board meetings. He reported that he would notify the board via email before spending any money but would like to have the authorization to do so. Upon motion duly made and seconded, it was unanimously

RESOLVED to allow Mr. McMillin to spend out the contingency budget without calling a meeting and the board would ratify these expenses at the following meeting.

FINANCIAL STATEMENTS

Mr. Weaver presented the May 31, 2009 financial statements and reported that the cash flow looks good. He stated there was nothing concerning at this point other than several residences are behind on paying their water bills. He also reported that we are in line with Mr. McMillin's budget, and if the project

RECORD OF PROCEEDINGS

Ruedi Shores Metropolitan District June 9, 2009 Meeting Minutes

continues on track the District will have approximately \$650,000 left over that could be used to pay down the bonds and therefore reduce the tax bills to the constituents. He explained that he will begin discussions with the underwriter that placed the bonds with the bond holder to get a sense of how to proceed and the costs associated. He stated that the deal, if made, will need to be completed by late November, prior to the certification of the tax levy in early December.

**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.

**ACCOUNTS
PAYABLE**

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

**ACCOUNTS
RECEIVABLE**

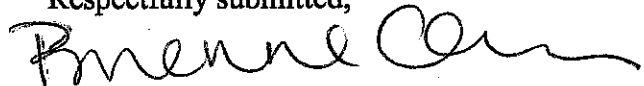
Due to time constraints the item was tabled until the next Board meeting.

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 June 9, 2009.

Respectfully submitted,



Brienne Olsen

Recording Secretary for the Meeting