
RECORD OF PROCEEDINGS

Minutes of the Regular Meeting of the Board of Directors Ruedi Shores Metropolitan District October 13, 2009

A Regular Meeting of the Board of Directors of the Ruedi Shores Metropolitan District, Eagle County, Colorado, was held October 13, 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

The following Directors were absent and excused:

- Nina Dunn

Also in attendance were:

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

Mr. John Whiting, property owner, expressed concerns over the width of the road by his property. Mr. McMillan assured him that they were aware of the issue and would be looking into solutions as the project progresses.

AGENDA

No changes were made to the agenda.

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MINUTES

The Board reviewed the regular meeting minutes from September 8, 2009. Upon review and by motion duly made and seconded it was unanimously

RESOLVED to approve the September 8, 2009 meeting minutes as presented.

MEETING CALENDAR

The Board reviewed the scheduled meeting dates and made no changes. The next regular meeting is scheduled for November 10, 2009.

CONSTRUCTION UPDATES

Mr. McMillan reported that the water tank has been filled half way, the clear water test has been approved, and mechanical adjustments are being made. Filling will be completed soon and additional tests will be made as needed. A means for diffusing the overflow to avoid erosion is being looked in to. The majority of the lines and curb stops have been installed. Tests at individual residences will be made by John O'Connell to determine whether or not pressure reducing valves will need to be installed before the system goes on-line. Fire regulations require set pressures at the hydrants. Once the system is on-line follow-up pressure checks will be made. Ray Savage is in the process of back filling the tank.

An issue has arisen with the wire not being able to be run through the conduit. Mr. McMillan reported that at this time it has not been determined who should cover the cost overruns created by the problem. He may recommend a four way cost sharing between Hudick, JC Electric, Zancanella, and the District. Huddick should be removing their equipment in the next few days, and will do a walk through to determine any outstanding work to be completed before the final pay application will be made.

The rip rap will require spring maintenance to remove build up of soil and debris and the culverts will also need to be blasted out with water. The pump house will be monitored remotely by computer using high speed internet connected to the modem and system controls in the pump house.

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Rick Miller will be billed back for repairs made by Huddick to to his line for which the District has been billed. A cracked fitting was located at the Verplank property and has been repaired.

The Board discussed a checklist to be put in place of the managers duties with regards to the water system.

MILLER/ MULCAHEY

Mr. McMillan discussed the water pressure situation at the Miller house. They should have 45 PSI. Investigation into the possibility that another line is connected to the system that should not be there will be taking place.

FINANCIAL STATEMENTS

Mr. Weaver presented the September 30, 2009 financial statements. On motion duly made and seconded it was unanimously

RESOLVED to approve the September 30, 2009 financial statement.

BUDGET HEARING

Mr. Weaver stated that the meeting had been published as a public hearing to allow the public to provide comments on the preliminary 2010 budget. On motion duly made and seconded it was unanimously

RESOLVED to open the public hearing concerning the 2010 budget.

Mr. Weaver was asked if the District could take over maintenance of the roads. Mr. Weaver responded that the issue had been previously researched and the HOA had determined that it would like to maintain control of the roads in order to keep the roads private.

Mr. Weaver reviewed the preliminary budget which assumes that the District will to pay down the bonds in late 2009 using funds left over from the project.

A pay down of the bonds will currently require the payment of a fee, which is based off of interest rate swaps which fluctuate on a daily basis. The District could wither pay the current fee or

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wait for interest rates to rise which would decrease the fee. Given the uncertainties in the economy and that the District is losing money each day as it pays interest on the borrowed funds at a much higher rate that is earned on the investment Mr. Weaver recommended that the District pay down the bonds on December 15 of 2009 when the regular payment is made and the project is substantially complete.

Assuming this pay down is made, the mill levy will be able to be reduced from 99 mills in 2009 to an estimated 65 mills in 2010. Mr. Weaver highlighted that the budget includes contingency for operating the new system for the first year and not knowing the true costs of operations. Mr. Weaver recommended that the Board wait until the October meeting to formally adopt the budget to allow additional time for final project costs to be determined.

On motion duly made and seconded it was unanimously

RESOLVED to authorize Mr. Weaver to enter into negotiations to amend the bond documents to allow the District to pay down a portion of the bonds, and

FURTHER RESOLVED to continue the public hearing for the 2010 budget to the November 10, 2009 meeting.

ACCOUNTS PAYABLE

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

RESOLVED to ratify Huddick Change Orders 1 – 6 totaling \$27,116.00 and to bill back change orders #3 and #5 to Grand Junction Pipe and to bill back change order #2 to Rick Miller for repairs in his system, and

FURTHER RESOLVED to ratify change orders in the Savage Excavation contract totaling \$19,908.73, and

FURTHER RESOLVED to approve the payables listing as presented.

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ACCOUNTS

RECEIVABLE

The Board reviewed the accounts receivable aging report. The letter that was sent out previously has been helpful with only a couple of accounts remaining delinquent with no payment arrangements in place.

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 October 13, 2009.

Respectfully submitted,



Lynette L. Sander

Recording Secretary for the Meeting