

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

STERLING HILLS WEST METROPOLITAN DISTRICT

Held: Thursday, January 11, 2018, at 6:30 p.m. at the Balterra Clubhouse, 2654 South Danube Place, Aurora, Colorado 80013.

Attendance:

A regular meeting of the Board of Directors of the Sterling Hills West Metropolitan District was scheduled in compliance with the laws of the State of Colorado, with the following directors in attendance:

CJ Matthews, President
Michael Lenz, Secretary/Treasurer
Juliet Uhlott, Vice President/Assistant Secretary
Alan Duncan, Assistant Secretary

The following director was absent, and upon motion of Director Matthews, second and unanimous vote the Board excused the absence:

Albertain Ransom, Assistant Secretary

Also present were:

Jennifer L. Ivey, Icenogle Seaver Pogue, P.C.
Debra Sedgeley, CliftonLarsonAllen, LLP
Ted Laves, Colorado Special District Management
and Operations
Trint Ladd, District Resident

1. Call to Order/ Declaration of Quorum:

Director Matthews, noting the presence of a quorum, called to order the regular meeting of the Board of Directors (the "Board") of the Sterling Hills West Metropolitan District (the "District") at approximately 6:30 p.m.

2. Directors Matters/Disclosure Matters:

Ms. Ivey advised the Board that pursuant to Colorado law, certain disclosures by the Board members may be required prior to taking official action at the meeting. The Board then reviewed the agenda for the meeting, following which each

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Board member confirmed the contents of any written disclosure previously made, stating the fact and summary nature of any matters, as required under Colorado law, to permit official action to be taken at the meeting.

3. Approval of/Additions to/Deletions from Agenda:

After review and discussion, the agenda was approved as presented.

4. Public Comment for Matters Not on Agenda:

Mr. Ladd inquired about the couch under the power lines and was advised that Xcel owns this property and should be contacted through Access Aurora.

5. Approval of Meeting Minutes:

After review and discussion and upon the motion of Director Matthews and second of Director Uhlott, the Board unanimously approved the December 14, 2017 special meeting minutes as revised to correct typos.

Upon inquiry from Director Matthews, Ms. Ivey reported that her additional investigations regarding regulating participation via telephone has lead her to make a recommendation that the Board allow telephonic participation without regulation and if it perceives an abuse of this in the future it could reassess this in the future.

6. District Manager Report:

Mr. Laves discussed with the Board his recommended proposal for a telephone service for the District through Vonage Business. Mr. Laves advised that an answering service is quite expensive and would likely not provide enough benefit to the District for the cost at this point. Director Matthews made a motion to approve moving forward with one phone unit with the caller ID showing "SWH Metro" as a minimum and "SWH Metro Dist" if possible, and options routing to Keesen Landscaping and indicating that if it is an emergency to hang up and call 911, Director Duncan seconded the motion and the Board unanimously approved.

Director Uhlott made a motion to approve expenditures to pay for a storage unit not-to-exceed \$150.00 per month and not-to-exceed \$100.00 in cost to procure an appropriate locking device for the unit, Director Duncan seconded the motion and the Board unanimously approved.

7. Landscape/Snow Removal/Pond Maintenance Report:

Ms. Ivey reported that the Landscape/Snow Removal/Pond Maintenance Agreement has been finalized. Ms. Ivey also reported that Mr. Fredericks notified her that the winter

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watering approved by the Board at its December 14, 2017 special meeting was completed on December 28, 2017.

Director Matthews reported on the Landscape Committee's meeting with Ms. Ivey and Messrs. Laves and Lorenz regarding the remediation necessary for the Detention Pond, the potential cost of \$400,000.00 to fully remediate the issues, moving forward with the piezometers that the Board previously authorized and directing Mr. Lorenz to read the water levels, and directing Ms. Ivey to research the history of the Detention Pond, responsibility therefor, and legal considerations related thereto and reporting back to the Board.

Director Uhlott made a motion to contract for prairie dog mitigation on District property not-to-exceed \$500.00, Director Duncan seconded the motion, upon unanimous vote 3-0-1 vote, with Director Matthews abstaining, the Board approved.

8. Financial Matters:

Ms. Sedgeley reviewed the financial ledgers, including the cash requirement report, schedule of cash position, and claims represented by Check Numbers 1001 through 1006 which total \$14,255.98.

After review and discussion and upon the motion of Director Uhlott and second of Director Matthews, the Board unanimously accepted the schedule of cash position and claims as presented.

Ms. Sedgeley reviewed with the Board the authorization form from FirstBank to obtain a debit card. After review and discussion and upon the motion of Director Uhlott and second of Director Duncan, the Board unanimously approved authorized Director Lenz and Mr. Laves to receive debit cards with a \$200.00 monthly limit.

9. Legal Matters:

Ms. Ivey reviewed with the Board the 2018 Annual Administrative Resolution. The Board discussed at length the election of officers with various motions failing for a lack of a second. Upon motion of Director Uhlott, second by Director Lenz and 3-1 vote, with Director Matthews voting against the motion, the Board elected the following officers:

President: Juliet Uhlott
Secretary: Alan Duncan

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Treasurer: Michael Lenz
Assistant Secretary: CJ Matthews
Assistant Secretary: Alberteen Ransom

After review and discussion and upon the motion of Director Uhlott and second of Director Lenz, the Board approved the 2018 Annual Administrative Resolution.

Upon inquiry from Director Uhlott, Director Matthews stated that she does not have a conflict of interest with serving on the Pond Committee because of her involvement with Rock Ridge or otherwise. Director Matthews noted that she believes Director Uhlott has a conflict of interest related to the Green Park proposal included in Item 10(a)(i). After further discussion and review, upon the motion of Director Duncan and second of Director Matthews, the Board unanimously approved the designation of the following committees and members:

Landscape Committee: CJ Matthews and Michael Lenz
Parks Committee: CJ Matthews and Juliet Uhlott
Pond Committee: CJ Matthews and Michael Lenz

Director Lenz requested that this Item be included on the agenda for the February regular meeting so Director Alberteen can join a committee if she would like.

Ms. Ivey reviewed with the Board the 2018 Regular Special District Election Resolution. After review and discussion and upon the motion of Director Matthews and second of Director Lenz, the Board unanimously approved the 2018 Regular Special District Election Resolution calling the election, designating the designated election official and authorizing cancellation of the election if it is uncontested, among other things.

Ms. Ivey also noted that she included materials related to annual compliance item deadlines and election deadlines in the meeting materials as an informational item.

10. Property Matters:

Park Updates:

Green Park – Director Uhlott reviewed the information in the packet related to the two ½ basketball courts. Director Lenz noted that this would require additional investigation to ensure it does not in any way compromise the Board’s ability

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to get grant funds. Director Matthews noted concerns that this would impact the District's ability to successfully receive grant funds and the need to benefit all District residents. Director Matthews suggested looking at the Blue Park to see if any new basketball court improvements are to be made. The Board tabled this item for future consideration.

Red Park – None.

Blue Park – None.

Detention Pond Project Update: Director Matthews reported on this Item under Item 7 above.

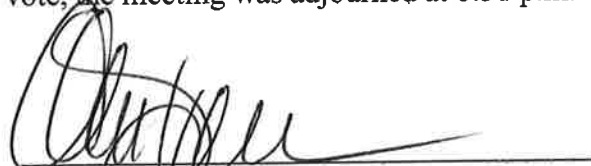
Landscape Committee: Director Matthews reported on this Item under Item 7 above.

11. Other Business:

None.

12. Adjourn:

There being no further business to come before the Board, upon motion of Director Uhlott, second of Director Matthews and unanimous vote, the meeting was adjourned at 8:31 p.m.



Secretary of the Meeting