

RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF THE

STERLING HILLS WEST METROPOLITAN DISTRICT

Held: Thursday, October 11, 2018, at 6:30 p.m. at the
Rockridge Clubhouse, 2561 South Bahama Circle, Aurora,
Colorado 80013.

Attendance:

A special 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:

Juliet Uhlott, President
Michael Lenz, Treasurer
Albertain Ransom, Assistant Secretary
Alan Duncan, Secretary
CJ Matthews, Assistant Secretary

Also present were:

Jennifer L. Ivey, Icenogle Seaver Pogue, P.C.
Debra Sedgely, CliftonLarsonAllen, LLP
Ted Laves, Colorado Special District Management
and Operations
Darin Overstreet, District resident

1. Call to Order/ Declaration of Quorum: Director Uhlott, noting the presence of a quorum, called to order the special 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 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.

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3. Approval of/Additions to/Deletions from Agenda: After review and discussion, upon the motion of Director Lenz and second of Director Duncan, the Board unanimously approved the agenda as presented.

4. Public Comment for Matters Not on Agenda: None.

5. Approval of Meeting Minutes: After review and discussion and upon the motion of Director Duncan and second of Director Matthews, the Board unanimously approved the August 9, 2018 regular meeting minutes as presented.

6. Financial Matters: Ms. Sedgeley reviewed the financial ledgers, including the, cash requirement report, schedule of cash position, interim claims represented by Check Numbers 1067 through 1073 and an ACH payment to Aurora Water which total \$39,752.48, and current claims represented by Check Numbers 1074 through 1082 and an ACH payment to Aurora Water which total \$43,152.86.

After review and discussion and upon the motion of Director Matthews and second of Director Lenz, the Board unanimously accepted the financial report, ratified the interim claims, and approved the current claims as presented.

Ms. Sedgley reviewed with the Board the preliminary draft of the 2019 budget. Director Matthews requested that Utilities – Irrigation be decreased to \$75,000, that Tree Planting be renamed to Tree Planting/Bed Expansion and be increased to \$15,000, that Detention Pond Renovations be decreased to \$15,000. Director Matthews recommended that the Board consider a small bump in taxes over the next few years to collect the necessary funding for a known detention pond fix. Director Uhlott stated that we don't currently have any solid estimates of an obligation and therefore does not feel comfortable increasing the mill levy. Director Uhlott stated that in lieu of increasing the mill levy she suggests pulling any "extra" items such as removing Holiday Decorations, decreasing Tree Planting/Bed Expansion remain at \$5,000, and decreasing Landscape Renovations to \$5,000. The Board also discussed the possibility of decreasing the frequency of meetings and/or having legal counsel and accountant not attending all meetings. Director Matthews stated that Mr. Laves should obtain competitive

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bids for legal services and accounting services. The Board determined that meetings would be held the second Thursday in March, May, August, and November 2019 with legal counsel and accountant attending and invoices will be sent monthly for review and if there are any questions a special meeting can be held to discuss questions. The Board directed corresponding changes to the budget to account for less frequent meetings. After review and discussion and upon the motion of Director Duncan and second of Director Ransom, the Board unanimously set the public hearing on the 2019 budget for November 8, 2018.

Mr. Overstreet joined the meeting during the preceding agenda item.

7. District Manager Report:

Mr. Laves discussed with the Board items detailed in his District Manager's Report, including the proposal received and the proposed contract for the Detention Pond Clean-up, landscaping project for the Blue Park, tree maintenance, weed eradication in the Xcel Easement, results of the playground safety inspection, planning for potential swing set installation, vandalism in the Red Park, updates to the insurance schedules and an update on the status of the District's website.

Mr. Laves and Ms. Ivey briefed the Board regarding the proposal received from Doyle Construction, Inc. (Doyle) for the Detention Pond Clean-up and the proposed contract therefor. Mr. Laves reported that Doyle failed to factor in the cost of procuring the excess liability insurance coverage specified in the Request for Proposals and therefore has increased their proposal from \$36,025.00 to \$41,825.00, exclusive of the cost of a bond and including haul-away of only 40 cubic yards of debris. Ms. Ivey explained the benefits of excess liability insurance and the risks to the District if it waives this coverage. Director Matthews requested that Doyle provide the cost for a per-project excess liability policy for just the District. After review and discussion and upon the motion of Director Matthews and second of Director Ransom, the Board unanimously approved awarding the contract to Doyle in an amount not-to-exceed \$65,000 with excess liability coverage and including a bond.

Mr. Laves reviewed the work that has been completed related

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to the tree maintenance project and the costs proposals received from Keesen Landscape Management, Inc. (Keesen) to grind the tree stumps. After review and discussion, the Board directed Mr. Laves to advise Keesen to leave the stumps flush and not grind stumps out.

Mr. Laves reviewed the proposal received from Keesen for weed eradication in the Xcel Easement area. After review and discussion, the Board tabled this item since the winter is upon us and the weeds will not grow.

Mr. Overstreet briefly addressed the Board on an HOA matter. Director Uhlott provided Mr. Overstreet contact information for HOA board members and explained the functions of the District.

Mr. Overstreet departed the meeting at this time.

8. Legal Matters:

Ms. Ivey distributed to the Board a notice from the Aurora Urban Renewal Authority.

Ms. Ivey reviewed with the Board the proposed Park Rules, User Agreement/Liability Waiver, and Park Permit.

After review and discussion, the Board directed that the Board members review the Park Rules, User Agreement/Liability Waiver, and Park Permit and to send comments to Ms. Ivey and Mr. Laves. Further discussion was tabled to the November 8, 2018 meeting.

9. Other Business:

None.

10. Adjourn:

There being no further business to come before the Board, upon motion of Director Matthews, second of Director Ransom and unanimous vote, the meeting was adjourned at 8:38 p.m.



Secretary of the Meeting