

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

STERLING HILLS WEST METROPOLITAN DISTRICT

Held: Thursday, March 14, 2019, at 6:30 p.m. at 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:

Juliet Uhlott, President
Michael Lenz, Treasurer
Alberteen Ransom, Assistant Secretary
CJ Matthews, 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
Christine Hatter, resident

1. Call to Order/ Declaration of
Quorum:

Director Uhlott, 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
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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Director Uhlott noted that a vacancy exists on the Board due to Mr. Duncan selling his residence within the District and moving from the District boundaries. Ms. Hatter introduced herself to the Board, described her background, and interest in serving on the Board. Director Matthews inquired about Ms. Hatter's knowledge of litigation in her former community and why she left her position on previous HOA boards. Ms. Ivey stated that her office has verified that Ms. Hatter is an eligible elector of the District and therefore is qualified to be appointed to the vacancy. Director Matthews inquired regarding Ms. Baragen's interest in joining the Board. Ms. Ivey stated that she had given her card to her at the conclusion of the last meeting and has not heard from Ms. Baragen. Director Matthews stated that she thought the Board should reach out to Ms. Baragen before filling the vacancy. After review and discussion and upon the motion of Director Uhlott and second of Director Lenz, the Board voted 2-2 with Director Matthews and Ransom voting against the motion to appoint Ms. Hatter to the Board. The motion failed. Director Matthews will contact Ms. Baragen before the next meeting.

Ms. Hatter departed the meeting at this time.

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

After review and discussion, upon the motion of Director Uhlott and second of Director Lenz, 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 Uhlott and second of Director Lenz, the Board approved by a vote of 3-1 the November 8, 2018 regular meeting minutes as modified under Item 6, with Director Matthews opposed because she believes the minutes are not accurate as her recollection is that Mr. Velte stated that "topping" trees will kill them.

After review and discussion and upon the motion of Director Uhlott and second of Director Lenz, the Board unanimously approved the February 21, 2019 regular meeting minutes as presented.

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6. Financial Matters:

Ms. Sedgeley reviewed the December 31, 2018 financial statements, the schedule of cash position, interim claim represented by Check Numbers 1089 through 1112 and three ACH payments to Aurora Water which total \$45,609.06 and current claims represented by Check Numbers 1113 through 1119 and one ACH payment to Aurora Water which total \$17,779.17. Ms. Sedgeley noted that field work for the District's 2018 audit would start around April 15, 2019.

Director Matthews inquired regarding the legal expenses related to insurance matters. Ms. Ivey explained that this was coordination with Mr. Laves regarding the District's insurance renewal and requesting certificates of insurance from vendors.

Director Matthews stated that all District management accounts need to be in the name of the District and that all log-ins are available to the District in the event that anything happens to an individual.

After further review and discussion and upon the motion of Director Matthews and second of Director Lenz, the Board unanimously accepted the December 31, 2018 financial statements and the schedule of cash position and approved the current claims as presented and ratified the interim claims as presented.

7. District Manager Report:

Mr. Laves discussed with the Board items detailed in his District Manager's Report, including the following:

Mr. Laves advised the Board that the winter deep root watering of the trees that was approved at the February 21, 2019 special meeting was completed.

Mr. Laves recommended that the District approve a task order for SavATree to perform tree maintenance services and amend Keesen's contract to remove these tree maintenance services. Director Matthews inquired about finding a new contractor for the snow removal services in order to fall below the payment and performance bond threshold. Mr. Laves stated that he could work on this for a future meeting with a progress report at the May 9, 2019 regular meeting.

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After further review and discussion and upon the motion of Director Lenz and second of Director Uhlott, the Board unanimously approved a task order under the existing contract for SavATree to perform tree maintenance services in an amount not to exceed \$3,500.00 and an amendment to the Keesen contract to remove those tree maintenance services and the corresponding compensation.

Mr. Laves recommended that the District engage Dahl Environmental Services, LLC to perform forestry management services, including an inventory of the District's trees, at an estimated cost of \$4,469.00. Director Matthews noted that the proposal does not state attendance at Board meetings, does not include an hourly rate, and does not specify all of the details needed in a contract to protect the District. After review and discussion and upon the motion of Director Uhlott and second of Director Ransom, the Board unanimously approved engaging Dahl Environmental Services, LLC via a Work Order Contract to perform forestry management services and attend a Board meeting, in an amount not to exceed \$3,000.00, which shall include equipment, hourly rates, board meeting attendance and all necessary details.

Mr. Laves discussed with the Board the status of the clean-up and remediation work in the Detention Pond being completed by Doyle Construction, Inc. and recommendations for future maintenance and remediation work, including laying a new concrete shale, replacing the orifice plate, and grass hydroseeding on the sides, that should ensure that the Detention Pond operates effectively. Mr. Laves' recommendation is to follow the recommendations from Doyle Construction, Inc.

Mr. Laves discussed with the Board the current engagement with Wright Water Engineers, Inc. and the work that has been performed. Mr. Laves recently spoke with Mr. Orsatti of Lamp Rynearson, Inc. who had previously proposed detention pond services and who made recommendations similar to Doyle Construction, Inc.'s for the Detention Pond. Mr. Laves recommended requesting a proposal from Mr. Orsatti for consideration at the May meeting. The Board directed Mr. Laves to request the final piezometer report be

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delivered by the end of April from Wright Water Engineers, Inc. and request a proposal for services from Mr. Orsatti.

Mr. Laves discussed with the Board the reemergence of prairie dogs near the Detention Pond. After review and discussion and upon the motion of Director Uhlott and second of Director Ransom, the Board approved, on a vote of 3-0 with Director Matthews abstaining, engaging a contractor to perform prairie dog mitigation from the District in an amount not to exceed \$700.00. The board discussed the prairie dogs on the undeveloped parcel and their migration onto District property and across the road. Director Matthews will approach the City Council for the City of Aurora regarding prairie dog mitigation on the undeveloped parcel.

Mr. Laves discussed with the Board the recovery through the District's insurer for the tree that was destroyed in a vehicular accident at the corner of Sterling Hills Parkway and East Water Drive. After review and discussion and upon the motion of Director Uhlott and second of Director Ransom, the Board unanimously approved a Task Order with SavATree in an amount not to exceed \$1,150.00 for a 3-inch tree.

Mr. Laves discussed with the Board his research related to the Xcel license agreement and the District's potential liability thereunder and stated that he therefore did not approach Xcel regarding the District abandoning its rights. Director Matthews noted the costs associated with the District's maintenance of this area.

Mr. Laves discussed the request from Ms. Forbes regarding holding an Easter Egg Hunt in one of the District's parks on April 13, 2019.

8. Review Water Engineering and Detention Pond Status:

This was discussed under Item 7 – Manager Report.

9. Consider Rules and Procedures regarding Conduct and Meetings:

Director Uhlott advised that she is preparing a proposed abbreviated version of Roberts Rules of Order and meeting conduct to help the Board ensure they are having efficient and professional meetings.

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10. Legal Matters:

Ms. Ivey noted that she had received no additional comments on the proposed Park Rules, User Agreement/Liability Waiver, and Park Permit. The Board directed that the User Fee be set at \$50.00, a Damage Deposit of \$250.00 and that reservations must be canceled at least 10 days in advance.

After review and discussion and upon the motion of Director Uhlott and second of Director Ransom, the Board unanimously approved the Park Rules, User Agreement/Liability Waiver, and Park Permit as revised.

Ms. Ivey reported that she is monitoring legislation that might impact the District, including proposed legislation regarding posting of meeting notices on the District's website. Mr. Laves and Director Uhlott discussed procedures for posting the meeting notice signs.

11. Other Business:

None.

11. 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 8:41 p.m.


Secretary of the Meeting