

RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF THE

STERLING HILLS WEST METROPOLITAN DISTRICT

Held: Thursday, November 12, 2020, at 6:30 p.m. via Zoom Online Meeting at <https://bit.ly/3obCDnx> or by telephone conference Dial-In Number: 1-346-248-7799; Meeting ID: 923-0273-6943, due to the closure of the regularly scheduled meeting location, the Balterra Clubhouse, 2654 South Danube Place, Aurora, Colorado 80013, and to preserve the health, safety, and welfare of the public in light of the imminent threat caused by the COVID-19 virus. Notices advising members of the public of the login URL and call in-number to join the meeting were posted on the District's website and at the District's regular posting locations.

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.

The following directors were in attendance:

Juliet Uhloft, President (*via zoom/telephone conference*)
Michael Lenz, Treasurer (*via zoom/telephone conference*)
Alberteen Ransom, Secretary (*via zoom/telephone conference*)
CJ Matthews, Asst. Secretary (*via zoom/telephone conference*)

The following director was absent:

Christine Hatter, Director

Also present were:

Jennifer L. Ivey, Icenogle Seaver Pogue, P.C. (*via zoom/telephone conference*); Edward W. (Ted) Laves, Colorado Special District Management and Operations (*via zoom/telephone conference*); Andrew Earles, Wright Water Engineers, Inc. (*via zoom/telephone*); and Debra Sedgeley, CliftonLarsonAllen LLP

RECORD OF PROCEEDINGS

(via zoom/telephone conference).

1. Call to Order/
Declaration or 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. Approval of/Additions
to/Deletions From
Agenda: After review and discussion, upon the motion of Director Lenz and second of Director Ransom, the Board unanimously approved the agenda with the following changes:
 1. Addition of and Item under 9.a – Animal digging in Blue Park.
 2. Addition of Item 10.b – Consider Approval of Icenogle Seaver Pogue, P.C. Engagement Letter.

3. Director Matters -
 - a. Conflicts of Interest: 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.

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

5. Approval of Meeting
Minutes: After review and discussion, upon the motion of Director Matthews and second of Director Lenz, and unanimous vote the Board approved the minutes of the August 13, 2020 special meeting of the Board of Directors as presented.

6. Financial Matters -
 - a. Financial Report/Payment of Claims Ms. Sedgeley reviewed the September 30, 2020 financial statements, the schedule of cash position, and current claims represented by Check Numbers 1277 through 1284 and one ACH to the City of Aurora which totaled \$36,120.84.

After review and discussion, upon the motion of Director Matthews and second of Director Lenz, the Board unanimously accepted the September 30, 2020 financial statements and the

RECORD OF PROCEEDINGS

- schedule of cash position, and approved the current claims as presented.
- b. Approval of Engagement Letter for 2020 District Audit: Ms. Sedgeley reviewed with the Board the engagement letter from WIPFLI LLP, for audit services in preparation of the 2020 audit report. After review and discussion and upon motion by Director Matthews, second by Director Ransom and upon unanimous vote, the Board approved the engagement of WIPFLI LLP, to prepare and file with the Office of the State Auditor the District's 2020 audit report.
7. Public Hearing on Proposed 2021 Budget- Ms. Sedgeley reviewed with the Board of Directors the draft of the proposed 2021 budget. Upon the motion of Director Uhlott and second of Director Ransom the Board of Directors voted unanimously to open a public hearing on the proposed 2021 budget for the District. With no members of the public wishing to address the Board of Directors, upon the motion of Director Uhlott and the second of Director Matthews the Board of Directors voted unanimously to close the public hearing on the proposed 2021 budget.
- a. Approval of Proposed 2021 Budget, Appropriate Sums of Money and Certify Mill Levies: The Board of Directors discussed the need for reserves and the ability to potentially lower the general fund (operations and maintenance) mill levy by 2.000 mills. After discussion and review, upon the motion of Director Matthews and second of Director Ransom the Board of Directors voted unanimously to approve the resolution adopting the 2021 budget and appropriating the funds to the approved budget and certifying the mill levies as provided in the budget as revised to lower the general fund (operations and maintenance) mill levy to 25.000 and reducing the Reserve for Irrigation Replacement to \$150,000 and reducing the Reserve for Operations by the balance of the reduction.
8. Wright-Water Engineering's Update on Detention Pond Projects - Mr. Earles reviewed the Engineering Report on the Detention Pond, which was include in the meeting packet, the following Items were discussed in additional detail:
1. Xcel License Agreement: Mr. Earles reported that the District was successful in getting the requested changes to the Xcel License Agreement and that it has been fully executed and submitted to the City of Aurora.
2. Aurora Final Mr. Earles discussed with the Board the City of Aurora's final

RECORD OF PROCEEDINGS

Approval: approval which is expected no later than November 16, 2020. After final approval there is some site preparation work and then an initial meeting with the City of Aurora. Mr. Earles anticipates that construction on the Detention Pond Project can start in early December.

3. Landscaping: Mr. Earles reported that Edge currently has \$42,880 earmarked in their budget for revegetation. However, upgrades to the landscaping would require additional funding and should be preceded by a landscape design plan. Mr. Earles reviewed with the Board the landscaping design proposals included in the meeting packet. After discussion and review, upon the motion of Director Matthews and second of Director Ransom the Board of Directors voted unanimously to approve the proposal from Stream Design, LLC in the amount of \$11,950.00 and directed that Directors Matthews and Lenz work with Stream Design, LLC representatives regarding the general design plan and report back to the Board. Director Matthews inquired about the availability of irrigation for the landscaping. Mr. Earles stated that the need for irrigation will depend on the nature of the landscaping that is installed but this is not currently included in the proposals.

Mr. Earles departed the meeting at this time.

9. District Manager's Report - Mr. Laves discussed with the Board his District Manager's Report which was included in the meeting packet, the following Items were discussed in detail:
- a. Parks and Landscaping:
1. Edge of Basketball Court: Mr. Laves discussed with the Board the concerns voiced about the low spots in the dirt along the baseline edge of the bigger basketball court. Mr. Laves recommended approval of a proposal from Keesen Landscape to correct the problem for \$1,482.62. After discussion and review, upon the motion of Director Matthews and second of Director Lenz the Board of Directors voted unanimously to approve Keesen Landscape Work Order 67214 in the amount of \$1,482.62 with irrigation adjustment/moving of heads being completed on a time and materials basis.
2. Blue Park: Mr. Laves reported that the park hours sign was being pulled out. It has now been dug in deeper and secured with a greater amount of cement. Director Lenz reported that some animal has been

RECORD OF PROCEEDINGS

digging in the park area. Mr. Laves consulted the prairie dog exterminator who advised that there is not much that can be done to prevent and animal digging for grubs or recreationally. Director Lenz suggested putting river rock in that area to replace the bark that is being dug up. The Board directed that this be added to the agenda for the March 11, 2021 meeting for further consideration.

- b. Webpage Update: Mr. Laves reported about the upgrades to the District's website.
 - 1. Adding Board Packets to the Website: Mr. Laves requested that the Board consider adding Board Packets to the website. After discussion and review, the Board directed that the additional time does not need to be taken to post this additional information to the website.
- c. Use www.Bill.com for Interim Check Signing: Mr. Laves requested that the Board consider using www.Bill.com for check signing and payment. After discussion and review, upon the motion of Director Matthews and second of Director Ransom the Board of Directors voted unanimously to begin using www.Bill.com for payment of the District's bills with both Directors Uhlott and Lenz required to sign-off prior to processing for release of funds and mirroring the current review process with Mr. Laves and Ms. Sedgeley.

10. Legal Matters -

- a. Approval of Annual Administrative Resolution for 2021: Ms. Ivey reviewed with the Board the draft 2021 Annual Administrative resolution included in the meeting packet. After review and discussion, and upon motion of Director Matthews, and second of Director Ransom, and unanimous vote the Board of Directors adopted the 2021 annual resolution, part of which was the re-election of officers as follows:

President/Chairman: Juliet Uhlott
Treasurer: Mike Lenz
Secretary: Alberteen Ransom
Assistant Secretary: CJ Matthews
Assistant Secretary: Christine Hatter

and setting the regular meetings the second Thursday of March, May, August and November at 6:30 P.M. at the telephone/video conference locations listed in the resolution. Ms. Ivey explained that if the Board is able to resume in-person meetings next year those dates can be easily transitioned to a special meeting at a physical location.

RECORD OF PROCEEDINGS

- b. Engagement of Icenogle Seaver Pogue, P.C.: Ms. Ivey reviewed with the Board the proposed engagement letter with Icenogle Seaver Pogue, P.C. After review and discussion, and upon motion of Director Matthews, and second of Director Lenz, and unanimous vote the Board of Directors approved the Icenogle Seaver Pogue, P.C engagement letter.
11. Other Business: None.
12. Adjournment: There being no further business to come before the Board, upon motion of Director Matthews, second of Director Ransom and majority vote, the meeting was adjourned at 8:22 P.M.

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Alberteen Ransom
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Secretary of the Meeting