

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE STC METROPOLITAN DISTRICT NO. 2 HELD JANUARY 2, 2019

A Regular Meeting of the Board of Directors (referred to hereafter as the “Board”) of the STC Metropolitan District No. 2 (referred to hereafter as the “District”) was convened on Wednesday, the 2nd day of January, 2019, at 9:00 A.M., at the offices of McGeady Becher P.C., 450 E. 17th Avenue, Suite 400, Denver, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

James A. Brzostowicz
Angie Hulsebus

Also In Attendance Were:

Lisa A. Johnson, Judy Leyshon, and Peggy Ripko; Special District Management Services, Inc.

Megan Becher, Esq.; McGeady Becher P.C.

Mark Chambers; Simmons & Wheeler, P.C.

Sonia Chin, Bill Jencks, and Jessica Sergi; Ranch Capital, LLC (via speakerphone)

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Board noted it was in receipt of disclosures of potential conflicts of interest statements for each of the Directors and that the statements had been filed with the Secretary of State at least seventy-two hours in advance of the meeting. Ms. Johnson requested that the Directors review the Agenda for the meeting and advised the Board to disclose any new conflicts of interest which had not been previously disclosed. No further disclosures were made by Directors present at the meeting.

ADMINISTRATIVE MATTERS

Agenda: Ms. Johnson distributed for the Board's review and approval a proposed Agenda for the District's Regular Meeting.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Agenda was approved, as presented.

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Confirm Location of Meeting, Posting of Meeting Notices and Quorum: Ms. Johnson confirmed the presence of a quorum. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within its boundaries or within 20 miles of its boundaries to conduct this meeting, the meeting would be conducted at the above-stated location. The Board further noted that the notice of the time, date and location was duly posted and that no objections to the location or any requests that the meeting place be changed were received from taxpaying electors within the District's boundaries.

CONSENT AGENDA

The Board considered the following actions:

- Approve Minutes of the December 5, 2018 Regular Meeting.
- Ratify approval of Service Agreement with Vargas Property Services, Inc. for Landscape Maintenance Services.
- Ratify approval of Service Agreement with Vargas Property Services, Inc. for Winter Watering Services.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board approved and/or ratified approval of, as appropriate, the above actions, as presented.

FINANCIAL MATTERS

Claims: The Board considered approval of the payment of claims as follows:

Fund	Period Ending Dec. 18, 2018
General	\$ 22,442.93
Debt	\$ -0-
Capital	\$ 5,595.30
Total	\$ 28,038.23

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board ratified approval of the payment of claims, as presented.

Unaudited Financial Statements: Mr. Chambers presented the unaudited financial statements for the period ending November 30, 2018 and the updated schedule of cash position for the period ending November 30, 2018.

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Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending November 30, 2018 and the updated schedule of cash position for the period ending November 30, 2018.

LEGAL MATTERS

Update on Supplemental Environmental Projects (“SEP”) Third Party Agreement: Ms. Johnson reported that the SEP Agreement was not approved by the Colorado Department of Public Health and Environment (“CDPHE”). CDPHE will provide the District with the final documents and fine related to the Stormwater Management Plan violations within the next few weeks.

OPERATIONS / MAINTENANCE

There were no operations and maintenance matters for discussion at this time.

COVENANT CONTROL

Community Management Report: Ms. Ripko presented the Community Manager’s Report for discussion, noting that she is working with an owner on Paintbrush regarding a non-compliant exterior curtain.

Contract with Thyssen Krupp for Annual Elevator Services: Ms. Ripko updated to the Board an update on the status of the contract with Thyssen Krupp for annual elevator services. She noted she is still working to obtain a service agreement.

CAPITAL PROJECTS

Final Engineer’s Report and Certification #41 dated December 7, 2018: Ms. Johnson reviewed with the Board the improvement costs under the Final Engineer’s Report and Certification #41, dated December 7, 2018, prepared by Manhard Consulting, Ltd.

Following discussion, upon motion duly made by Director Hulsebus, seconded by Director Brzostowicz and, upon vote, unanimously carried, the Board accepted the improvement costs in the approximate amount of \$837,473.61 under that certain Final Engineer’s Report and Certification # 41, dated December 7, 2018, prepared by Manhard Consulting, Ltd.

DEVELOPER UPDATE

Lot and Home Sales: Mr. Jencks provided an update to the Board on lot and home sales.

OTHER MATTERS

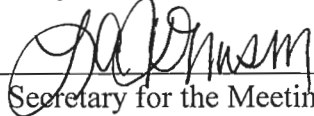
There were no other matters before the Board for discussion.

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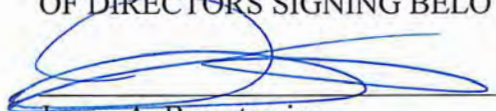
ADJOURNMENT

There being no further business to come before the Board at this time, upon a motion duly made by Director Hulsebus, seconded by Director Brzostowicz, and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By  _____
Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL JANUARY 2, 2019 MINUTES OF THE STC METROPOLITAN DISTRICT NO. 2 BY THE BOARD OF DIRECTORS SIGNING BELOW:


James A. Brzostowicz


Angie Hulsebus