

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE STC METROPOLITAN DISTRICT NO. 2 HELD SEPTEMBER 5, 2018

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 5th day of September, 2018, 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
Bob Revis
Angie Hulsebus

Also In Attendance Were:

Lisa A. Johnson 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 (via speakerphone); Ranch Capital, LLC

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 Hulsebus, seconded by Director Brzostowicz and, upon vote, unanimously carried, the Agenda was approved, as amended.

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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 Hulsebus, seconded by Director Brzostowicz 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, it was determined to conduct the meeting 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 its boundaries.

CONSENT AGENDA

The Board considered the following actions:

- Approve Minutes of the August 8, 2018 Special Meeting.
- Ratify award of contract for the Superior Town Center- FDP1 Phase 2B- Infrastructure Block 15 Superior Drive and Central Parkway Project to Hudick Excavating, Inc., d/b/a HEI Civil, in an amount not to exceed \$819,400.

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

FINANCIAL MATTERS

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

Fund	Period Ending Aug. 17 2018
General	\$ 7,159.46
Debt	\$ -0-
Capital	\$ 13,407.89
Total	\$ 20,567.35

Following discussion, upon motion duly made by Director Hulsebus, seconded by Director Revis 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 July 31, 2018 and the updated schedule of cash position for the period ending July 31, 2018.

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Following review, upon motion duly made by Director Revis, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending July 31, 2018 and the updated schedule of cash position for the period ending July 31, 2018.

2017 Audit: It was noted that the Audit is still in process. The Board discussed who to appoint to review and approve 2017 Audit for filing.

Following discussion, upon motion duly made by Director Revis, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board appointed Director Brzostowicz to review and approve the 2017 Audit for filing.

Preparation of 2019 Budget: The Board discussed the preparation of the 2019 Budget.

Following discussion, upon motion duly made by Director Revis, seconded by Director Brzostowicz and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2019 Budget. The Board determined to hold the public hearing to consider adoption of the 2019 Budget on Wednesday, November 7, 2018 at 9:00 a.m. at the regular meeting location

LEGAL MATTERS

Status of First Amendment to Facilities Funding and Acquisition Agreement between the District and RC Superior, LLC: Attorney Becher reported to the Board on the status of the First Amendment to Facilities Funding and Acquisition Agreement as a work in progress.

Parking Garage Conveyance: Attorney Becher reported that The Medical Office Building owner is working through some final tax issues with the seller.

Colorado Department of Public Health and Environment (“CDPHE”)– Stormwater Management Plan: Ms. Johnson reported to the Board that the Colorado Department of Public Health and Environment has preapproved the SEP Project. A meeting has been scheduled to discuss final approval and final fine amount.

Rules and Regulations: It was noted there was no new report.

OPERATIONS / MAINTENANCE

Resolution Regarding Imposition of Fees: No new information was provided on the status of approval from the Town of Superior of the Resolution Regarding Imposition of Fees, or the updated Operations and Maintenance Analysis. Work is still in progress.

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Proposals for 2018-2019 Snow Removal Services Contract: Ms. Ripko received two proposals from Brightview Landscape Services, Inc. and Vargas Property Services, Inc. for 2018-2019 snow removal services.

Following discussion, upon motion duly made by Director Revis, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board approved the proposal from Vargas Property Services, Inc. for 2018-2019 snow removal services.

Landscape Maintenance Proposals: Ms. Ripko will have proposals for landscape maintenance services available to discuss at the October meeting.

CAPITAL PROJECTS

Final Engineer's Report and Certification No. 37 prepared on July 31, 2018 Ms. Johnson reviewed with the Board the improvement costs under the Final Engineer's Report and Certification #37, dated July 31, 2018, prepared by Manhard Consulting, Ltd.

Following discussion, upon motion duly made by Director Revis, seconded by Director Brzostowicz and, upon vote, unanimously carried, the Board accepted the improvement costs in the approximate amount of \$1,019,716.46 under that certain Final Engineer's Report and Certification #37, dated July 31, 2018, prepared by Manhard Consulting, Ltd.

Final Engineer's Report and Certification No. 38 prepared on August 23, 2018 The Board deferred discussion regarding the improvement costs under the Final Engineer's Report and Certification #38, dated August 23, 2018, prepared by Manhard Consulting, Ltd. until the October meeting.

Change Order No. 11, Superior Town Center - Phase 1 Final Plan Sidewalks/Parking/Landscaping under the Contract between the District and SAMORA Construction. Director Revis reviewed with the Board Change Order No. 11, Superior Town Center - Phase 1 Final Plan Sidewalks/Parking/Landscaping under the Contract between the District and SAMORA Construction in the amount of \$6,900.00.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Revis, and, upon vote, unanimously carried, the Board approved Change Order No. 11, Superior Town Center - Phase 1 Final Plan Sidewalks/Parking/Landscaping under the Contract between the District and SAMORA Construction in the amount of \$6,900.00.

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Change Order No. 2, Village Green Park under the Contract between the District and SAMORA Construction: Director Revis reviewed with the Board Change Order No. 2, Village Green Park under the Contract between the District and SAMORA Construction in the amount of \$4,298.32.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Revis, and, upon vote, unanimously carried, the Board approved Change Order No. 2, Village Green Park under the Contract between the District and SAMORA Construction in the amount of \$4,298.32.

Change Order No. 3, Superior Town Center – FDP 2/FDP 3 Phase 1 South Courtyard under the Contract between the District and SAMORA Construction: Director Revis reviewed with the Board Change Order No. 3, Superior Town Center – FDP 2/FDP 3 Phase 1 South Courtyard under the Contract between the District and SAMORA Construction in the amount of \$59,370.12.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Revis, and, upon vote, unanimously carried, the Board approved Change Order No. 3 Superior Town Center – FDP 2/FDP 3 Phase 1 South Courtyard under the Contract between the District and SAMORA Construction in the amount of \$59,370.12.

**DEVELOPER
UPDATE**

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

OTHER MATTERS

There are no other matters at this time.

ADJOURNMENT

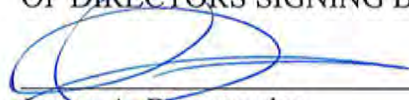
There being no further business to come before the Board at this time, upon a motion duly made, seconded and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By  _____
Secretary for the Meeting

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THESE MINUTES ARE APPROVED AS THE OFFICIAL SEPTEMBER 5, 2018
MINUTES OF THE STC METROPOLITAN DISTRICT NO. 2 BY THE BOARD
OF DIRECTORS SIGNING BELOW:



James A. Brzostowicz



Bob Revis



Angie Hulsebus