

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE STC METROPOLITAN DISTRICT NO. 2 HELD SEPTEMBER 10, 2019

A Special 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 Tuesday, the 10th day of September, 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
Terry Willis

Also In Attendance Were:

Lisa A. Johnson and Peggy Ripko; Special District Management Services, Inc. (“SDMS”)

Kate Olson, Esq.; McGeady Becher P.C.

Diane Wheeler; Simmons & Wheeler, P.C.

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

David Andrews; Edifice North, 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 Special Meeting.

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

Confirm Quorum, Location of Meeting and Posting of Meeting Notices: 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 the District's boundaries, within the County which the District is located, or within 20 miles of the District's 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 of the meeting 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 August 7, 2019 regular Meeting.
- Ratify approval of Resolution No. 2019-08-02; Establishing District Website and Designating Location for Posting of 24-Hour Notices.
- Ratify approval of Change Order No. 1 to the Service Agreement with Thyssen Krupp Elevator for replacement power supply in the amount of \$1,367.
- Ratify approval of Change Order No. 2019-01 to the Service Agreement with C&J Enterprises DBA Doody Calls for Pet Waste Removal.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Willis 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 ratifying approval of the payment of claims as follows:

Fund	Period Ending Aug. 26, 2019
General	\$ 19,632.72
Debt	\$ -0-
Capital	\$ 16,176.38
Total	\$ 35,809.10

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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: Ms. Wheeler discussed with the Board the unaudited financial statements through the period ending July 31, 2019.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Board accepted the unaudited financial statements through the period ending July 31, 2019.

2018 Audit: Ms. Wheeler gave an update on the 2018 audit. It will be distributed for review via email and ratified at the next meeting.

Operation and Maintenance Budget Forecast: Ms. Wheeler presented an operation and maintenance budget forecast. She noted that information is still needed related to expenses regarding future landscape maintenance responsibilities. Ms. Ripko will schedule a meeting with Mr. Jencks and Director Brzostowicz and Mr. Andrews to gather the information needed to complete the forecast.

2019 Preliminary Assessed Valuation: The Board reviewed the 2019 preliminary assessed valuation received from Boulder County.

Preparation of 2020 Budget: The Board discussed the preparation of the 2020 Budget.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2020 Budget. The Board determined to hold the public hearing to consider adoption of the 2020 Budget on Wednesday, November 6, 2019 at 9:00 a.m. at the regular meeting location.

LEGAL MATTERS

2019 Refunding and Improvement Bonds: Mr. Jencks presented the Board with an update on the status of the 2019 Refunding and Improvement Bonds.

OPERATIONS / MAINTENANCE

Operations and Maintenance Matters: There were no operations and maintenance matters discussed.

COMMUNITY MANAGEMENT/ COVENANT CONTROL

Community Management Report: Ms. Ripko presented to the Board the Community Manager's Report.

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Service Agreement for Snow Removal Services: Ms. Ripko presented a service agreement with Vargas Property Services, Inc. for 2019-2020 Snow Removal Services.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Board approved a service agreement with Vargas Property Services, Inc. for 2019-2020 Snow Removal Services.

Proposal for Sod around Booster Pump: Ms. Ripko presented a proposal from Vargas Property Services, Inc. in the amount of \$1,180 to replace the sod around the booster pump where construction has damaged the existing sod. No action was taken by the Board on this proposal.

The Board discussed the proposal and determined the damage was caused by the Builder. Mr. Andrews will work with the Builder to correct the issue.

Proposal for Sod between the Lamp Post and Tree and Other Enhancements around Booster Pump: No action was taken by the Board on this proposal. It was noted that enhancements are up to the Town and that the Homeowner, who raised this, should follow up directly with the Town.

2020 Service Contracts: The Board discussed services needed in 2020 and directed staff to solicit proposals and/or draft service agreements and present for approval at a future meeting. The Board noted it is satisfied with current providers.

CAPITAL PROJECTS

Final Engineer's Report and Certification #51 dated, August 21, 2019: Ms. Johnson reviewed with the Board the improvement costs in the amount of \$872,480.78 under the Final Engineer's Report and Certification #51, dated August 21, 2019, prepared by Ranger Engineering, LLC.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board accepted the improvement costs in the amount of \$872,480.78 under the Final Engineer's Report and Certification #51, dated August 21, 2019, prepared by Ranger Engineering, LLC.

Change Order No. 010, Superior Town Center Block 25 Phase 2 under the Construction Contract between the District and SAMORA Construction in the amount of \$58,294.41: The Board discussed and reviewed Change Order No. 010, Superior Town Center Block 25 Phase 2 under the Construction Contract between the District and SAMORA Construction for an increase in the amount of \$58,294.41.

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Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Board approved Change Order No. 010, Superior Town Center Block 25 Phase 2 under the Construction Contract between the District and SAMORA Construction for an increase in the amount of \$58,294.41.

Change Order No. 001, FDP1, Phase 2D under the Construction Contract between the District and Hudick Excavating, Inc. DBA HEI Civil in the amount of \$252,906.00: The Board discussed and reviewed Change Order No. 001, FDP1, Phase 2D under the Construction Contract between the District and Hudick Excavating, Inc. DBA HEI Civil in the amount of \$252,906.00.

Following discussion, upon motion duly made by Director Hulsebus, seconded by Director Brzostowicz and, upon vote, unanimously carried, the Board approved Change Order No. 001, FDP1, Phase 2D under the Construction Contract between the District and Hudick Excavating, Inc. DBA HEI Civil in the amount of \$252,906.00.

**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 for discussion 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