

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE STC METROPOLITAN DISTRICT NO. 2 HELD DECEMBER 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 December, 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
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; Ranch Capital, LLC (via speakerphone)

Jay Diceglie; JVD Consulting (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.

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

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, 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 its boundaries.

§32-1-809, C.R.S. Reporting Requirements, Mode of Eligible Elector Notification for 2019: The Board discussed §32-1-809, C.R.S. reporting requirements and mode of eligible elector notification for 2019. The Board determined to continue to post the required transparency notice information on the Special District Association's website and the District website.

CONSENT AGENDA

The Board considered the following actions:

- Approve Minutes of the November 7, 2018 Regular Meeting.

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

FINANCIAL MATTERS

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

Fund	Period Ending Nov. 26, 2018
General	\$ 50,713.22
Debt	\$ -0-
Capital	\$ 15,312.93
Total	\$ 66,026.15

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

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 October 31, 2018 and the updated schedule of cash position for the period ending October 31, 2018.

LEGAL MATTERS

Supplemental Environmental Projects (“SEP”) Third Party Agreement: The Board discussed a SEP Third Party Agreement prepared by the Colorado Department of Health and Environment.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board approved the SEP Third Party Agreement, subject to revisions and clarification that the timeline for payment is acceptable. Ms. Johnson will be handling processing.

District Boundary Maps: The Board continued discussion regarding the District Boundary Maps. The Boundary Maps for District No. 2 are current as of December 31, 2018. Several inclusions will likely be needed in 2019.

OPERATIONS / MAINTENANCE

Proposals for 2019 Landscape Maintenance Services Contracts: The Board discussed proposals for 2019 landscape maintenance services and considered award of a service agreement. Ms. Ripko recommended contracting with Vargas Property Services, Inc., for an amount not-to-exceed \$25,382.

Following discussion, upon motion duly made by Director Hulsebus, seconded by Director Brzostowicz and, upon vote, unanimously carried, the Board approved the engagement of Vargas Property Services, Inc. for landscape maintenance services, in an amount not-to-exceed \$25,382.

Winter Watering Proposals: The Board discussed two proposals they received for winter watering, Buddy Holly for \$2,340 per occurrence and Vargas Property Services Inc. for \$2,800 per occurrence.

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Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board approved the proposal for winter watering from Vargas Property Services, Inc., in the amount of \$2,800 per occurrence. However, the Board directed Ms. Ripko to try to negotiate lower per occurrence fee due to the engagement of the contractor for 2019 Landscape Maintenance Services.

COVENANT CONTROL

Covenant Control Committee Update: Ms. Ripko provided an update on covenant control services.

CAPITAL PROJECTS

Final Engineer's Report and Certification #41: The Board deferred discussion on Final Engineer's Report and Certification #41, to be prepared by Manhard Consulting, Ltd., as a result of Mr. Koranda waiting for clarification on costs related to system development fees from District Counsel.

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.

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 DECEMBER 5, 2018
MINUTES OF THE STC METROPOLITAN DISTRICT NO. 2 BY THE BOARD
OF DIRECTORS SIGNING BELOW:



James A. Brzostowicz



Angie Hulsebus