

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SOUTHLANDS METROPOLITAN DISTRICT NO. 1 HELD JULY 16, 2019

A regular meeting of the Board of Directors (referred to hereafter as "Board") of the Southlands Metropolitan District No. 1 (referred to hereafter as "District") was convened on Tuesday, the 16th day of July, 2019, at 9:00 a.m., at the Southlands Shopping Center, Management Office, 6155 South Main Street, Suite 260, Aurora, Colorado 80016. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Martin Liles
Joyce Rocha
April Elliott

Following discussion, upon motion duly made by Director Rocha, seconded by Director Elliott and, upon vote, unanimously carried, the absences of Directors Bailey and Sandhoff were excused.

Also In Attendance Were:

Ann E. Finn; Special District Management Services, Inc.

Clint C. Waldron, Esq.; White Bear Ankele Tanaka & Waldron P.C.

Thuy Dam and Brittany Superchi; CliftonLarsonAllen, LLP

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: Ms. Finn noted that a quorum was present. Attorney Waldron advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Attorney Waldron reported that disclosures for those directors with potential or existing conflicts of interest were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Attorney Waldron asked the Board whether members of the Board had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The Board

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determined that the participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

ADMINISTRATIVE MATTERS

Agenda: Ms. Finn 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 Rocha, seconded by Director Elliott and, upon vote, unanimously carried, the Agenda was approved, as amended.

Cancellation of Regular Meeting: The Board entered into discussion regarding the August 20, 2019 regular meeting.

Following discussion, upon motion duly made by Director Elliott, seconded by Director Liles and, upon vote, unanimously carried, the Board determined to cancel the August 20, 2019 regular meeting and schedule a special meeting for August 13, 2019.

Minutes: The Board reviewed the Minutes of the June 10, 2019 special meeting.

Following discussion, upon motion duly made by Director Lyles, seconded by Director Rocha and, upon vote, unanimously carried, the Minutes of the June 10, 2019 special meeting was approved, as presented.

PUBLIC COMMENTS There were no public comments at this time.

FINANCIAL MATTERS

Claims: The Board considered ratifying approval of the payment of claims for the period ending as follows:

Fund	Period Ending June 27, 2019
General	\$ 124,020.84
Debt Service	\$ -0-
Capital Projects	\$ -0-
Total Claims	\$ 124,020.84

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

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Financial Statements: Ms. Dam reviewed with the Board the unaudited financial statements for the period ending May 31, 2019, the Schedule of Cash Position dated May 31, 2019, updated July 9, 2019, and the Operations Fee Report.

Following discussion, upon motion duly made by Director Liles, seconded by Director Elliott and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending May 31, 2019, the Schedule of Cash Position dated May 31, 2019, updated July 9, 2019, and the Operations Fee Report.

LEGAL MATTERS

Memorandum Regarding an Overview of 2019 Legislation Affecting Special Districts, Municipalities, and Homeowner Associations: Attorney Waldron reviewed with the Board a Memorandum regarding an overview of the 2019 legislation enacted by the Colorado General Assembly which, directly or indirectly, impact special districts.

Litigation with Ridgeline CM, LLC: Attorney Waldron reported to the Board that the District is waiting for a ruling from the court. No action was taken by the Board at this time.

Status of “No-Build” Easement for Tract A, Filing No. 22: The Board entered into discussion regarding Tract A, Filing No. 22. Ms. Finn reported that there are no utilities located in the Tract.

Negotiations with Pronghorn Valley Development (“Pronghorn”): The Board entered into discussion regarding the status of negotiations with Pronghorn Valley Development for cost sharing of maintenance expenses. It was noted that Pronghorn Valley Development has agreed to pay the District \$30,000 annually for operations and maintenance expenses associated with the increased traffic through the District with a 10% increase every five years. Attorney Waldron noted he is waiting to receive a draft agreement from Pronghorn.

Temporary Access and Construction Easement Agreement with Gun Club Group Partners: Attorney Waldron reviewed with the Board a draft Temporary Access and Construction Easement Agreement with Gun Club Group Partners. No action was taken by the Board at this time.

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Expanded Utility and Public Easement: Attorney Waldron reviewed with the Board an Expanded Utility and Public Easement. No action was taken by the Board at this time.

Non-Commercial Expression: Attorney Waldron discussed with the Board issues concerning Non-Commercial Expression and free speech.

OPERATIONS AND MAINTENANCE

M & J Wilkow's Maintenance Report: Director Liles reported the following:

Asphalt Repair Work: The asphalt repair work is underway.

Striping: Striping will not commence until after the asphalt repair work has been completed.

Metco Landscape, Inc. Snow Removal: Metco Landscape, Inc. has started repair work for damages to District property from snow removal services.

Parking Stops: Parking stops have not been installed.

Tree Replacements: Tree replacements will take place during the fall time frame.

Holiday Lighting: Director Rocha discussed with the Board ideas for holiday lighting for the 2019/2020 Season.

Property Management Report (SDMS): No report was given.

Independent Contractor Agreement ("ICA") between the District and Full Spectrum Lighting, Inc.: The Board discussed entering into an ICA between the District and Full Spectrum Lighting, Inc. for site lighting maintenance.

Following discussion, upon motion duly made by Director Liles, seconded by Director Elliott and, upon vote, unanimously carried, the Board approved an ICA between the District and Full Spectrum Lighting, Inc. for site lighting services, subject to Director Bailey's review and approval.

Common Area Cleaning for the District: The Board entered into discussion regarding obtaining proposals for common area cleaning for the District. Following discussion, the Board authorized Ms. Finn to request proposals and to work with Director Bailey on the scope of service.

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ICA between the District and Dewberry | J3: The Board entered into discussion regarding an ICA between the District and Dewberry | J3 for engineering services.

Following discussion, upon motion duly made by Director Liles, seconded by Director Elliott and, upon vote, unanimously carried, the Board approved an ICA between the District and Dewberry | J3 for engineering services.

CAPITAL IMPROVEMENTS

Sidewalk Renovation Project Walk-Through with Contractors: Director Liles noted he is working with the contractor on scheduling the work.

Status of the Capital Improvement Plan: Director Liles updated the Board regarding the status of the Capital Improvement Plan. No action was taken at this time.

Status of Comcast Construction: Ms. Finn noted for the Board that the \$10,000 permit fee was paid by Comcast, the permit has been issued and construction should be starting this week.


OTHER MATTERS

Sponsorship for Concert Series: Director Rocha reported to the Board the District Sponsored Concert Series is a big success.

ADJOURNMENT

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

Respectfully submitted,

By: 
Secretary for the Meeting