

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE VISTA RIDGE METROPOLITAN DISTRICT HELD MAY 9, 2013

A special meeting of the Board of Directors of the Vista Ridge Metropolitan District (referred to hereafter as the "Board") was convened on Thursday, the 9th day of May, 2013, at 8:00 A.M., at the Vista Ridge Community Center, 2750 Vista Parkway, Erie, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Christopher Koch
Michael Lund
Richard Cori
Daniel Fishman

Following discussion, upon motion duly made by Director Fishman, seconded by Director Lund and, upon vote, unanimously carried, the absence of James Spehalski was excused.

Also In Attendance Were:

Lisa A. Johnson and Dan Cordova; Special District Management Services, Inc.

Brandon Carter; Colorado National Golf Club

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Board noted it was in receipt of disclosures of potential conflict of interest statements for each of the Directors and that statements had been filed with the Secretary of State at least seventy-two hours in advance of the meeting in accordance with the statute. Ms. Johnson requested that the Directors consider whether they had any new conflicts of interest which had not been previously disclosed. It was noted that Director Spehalski is a consultant to Colorado National Golf Club and is working with the Town of Erie ("Town") on other development applications in the Town.

ADMINISTRATIVE MATTERS

Agenda: Ms. Johnson requested that the Board review and approve the proposed Agenda for the District's special Board meeting.

Following discussion, upon motion duly made by Director Fishman, seconded by Director Lund and, upon vote, unanimously carried, the Agenda was approved.

Minutes: The Board reviewed the Minutes of the March 21, 2013 regular meeting.

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Following discussion, upon motion duly made by Director Koch, seconded by Director Fishman and, upon vote, unanimously carried, the Minutes of the March 21, 2013 regular meeting were approved.

Eligible Governmental Entity Agreement (“the Agreement”) with the Statewide Internet Portal Authority of the State of Colorado (“SIPA”): Ms. Johnson presented the Agreement and she noted that SIPA is a State agency that offers District websites and options to pay fees online with a credit card or electronic check at no cost to the District. In order to take advantage of these services, the District needs to approve the Agreement.

Following discussion, upon motion duly made by Director Fishman, seconded by Director Koch and, upon vote, unanimously carried, the Board approved the Agreement between SIPA and the District.

The Board also directed staff to research other website options to create a website as soon as possible.

FINANCIAL MATTERS

Claims: The Board considered ratifying the approval of the payment of claims through the period ending April 15, 2013, totaling \$111,032.96 for general fund expenses.

Following discussion, upon motion duly made by Director Fishman, seconded by Director Lund and, upon vote, unanimously carried, the Board ratified approval of the payment of claims for the period ending April 15, 2013.

The Board then considered approval of the payment of claims through the period ending May 9, 2013, totaling \$31,288.10 for general fund expenses.

Following discussion, upon motion duly made by Director Koch, seconded by Director Cori and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending May 9, 2013, as presented.

Financial Statements: Ms. Johnson presented the unaudited financial statements for the period ending March 31, 2013 and the schedule of cash position for the period ending March 31, 2013.

Following review, upon motion duly made by Director Cori, seconded by Director Fishman and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending March 31, 2013 and the schedule of cash position for the period ending March 31, 2013.

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Potential to Restructure Current Debt Structure: The Board discussed the work that was completed in 2012 related to a potential bond restructure. Although the District was successful in restructuring the B Bonds to avoid non-payment, the District was unable to restructure the A Bonds due to two main factors, 1) call protection period does not expire until 2021 and 2) the assessed valuation has not grown as originally projected. The Board will continue to monitor the situation and as soon as a savings can be realized, will move forward with a restructure of the A Bonds.

LEGAL MATTERS

Lease Agreement: The Board discussed the Lease Agreement between the District and the Town.

Following discussion, upon motion duly made by Director Koch, seconded by Director Cori and, upon vote, unanimously carried, the Board ratified approval of the Lease Agreement between the District and the Town for 8.24 shares of FRICO water at \$310.00 per share.

OTHER BUSINESS

Project Manager's Report: Mr. Cordova reviewed with the Board the Project Manager Report (the "Report"). A copy of the Report is attached hereto, and incorporated herein, by this reference.

Integrated Water System Update: Mr. Carter presented his report on the integrated water system and the Board reviewed.

Mr. Carter reported to the Board that repairs are necessary at the Coal Creek Pump Station. The estimated amount to repair is \$4,000. The District's portion is \$1,200.

The Board acknowledged the expenditure.

Non-Potable Water System Energy Assessment: Mr. Carter reported to the Board that the contractor continues to investigate possible grant funding to be used to fund the non-potable water system energy assessment.

Allocation of responsibility between the District and the Town for maintenance of streets and sidewalks within the community: The Board discussed recent correspondence received from the Town of Erie regarding their response to the District's assertion that the repair and replacement of sidewalks is a Town responsibility. The Town's response interprets the language included on the plat map as it is the District's responsibility to repair and replace sidewalks within the Town owned areas. The District feels differently based on other governing documents. The Board determined to ask the District Attorney to

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review the governing documents and prepare a response to the Town regarding the District's position. The Board also asked Ms. Johnson to solicit an estimate from Attorney McGeady as to the cost for litigation of this issue in the event that a mutual resolution cannot be achieved.

Masonry/Stonework Repair: There was nothing new to report on this matter.

Vista Parkway Fence Staining: Mr. Cordova presented to the Board a proposal from Olson Painting for Vista Parkway fence staining.

Following discussion, upon motion duly made by Director Fishman, seconded by Director Lund and, upon vote, unanimously carried, the Board approved the proposal from Olson Painting for Vista Parkway fence staining, for an amount not to exceed \$9,835.00.

Vole Mitigation: Mr. Cordova presented to the Board two proposals for increased vole mitigation from Critter Gitterz and Terminex Commercial.

Following discussion, upon motion duly made by Director Fishman, seconded by Director Koch and, upon vote, unanimously carried, the Board approved the proposal from Critter Gitterz and authorized Mr. Cordova to prepare a change order to the Critter Gitterz contract.

Entry Monument Lamps: Mr. Cordova reviewed with the Board the Service Agreement with All Reach Property Lighting to retro-fit the entry monument lamps.

Following discussion, upon motion duly made by Director Fishman seconded by Director Cori and, upon vote, unanimously carried, the Board ratified approval of the Service Agreement with All Reach Property Lighting to retro-fit the entry monument lamps, for an amount not to exceed \$3,065.32.

OTHER BUSINESS

Communication with the HOA: There were no new communications with the HOA to report.

ADJOURNMENT

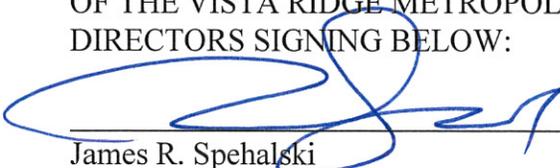
There being no further business to come before the Board at this time, upon motion duly made, seconded and, upon vote, unanimously carried, the meeting was adjourned.

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Respectfully submitted,

By  _____
Secretary for the Meeting

THESE MINUTES APPROVED AS THE OFFICIAL MAY 9, 2013 MINUTES
OF THE VISTA RIDGE METROPOLITAN DISTRICT BY THE BOARD OF
DIRECTORS SIGNING BELOW:

 _____
James R. Spehalski

Christopher H. Koch
 _____
Michael Lund

Richard Cori
 _____
Daniel Fishman

Project Manager Report

Vista Ridge Metropolitan District

3/13/13 – 4/30/13

General Landscaping

- ❖ Activation of the irrigation system was started in April. However, due to the amount of precipitation experienced in the month, regular irrigation has yet to occur.
- ❖ Deep-root fertilization of 500 of pines showing stress throughout the district was begun on April 22nd. These applications will increase the tree roots' ability to absorb more water and nutrients, making for healthier trees.
- ❖ Ash borer control, general insecticide, and foliar fertilization applications are scheduled for late May/early June when leaves emerge.

Vole Mitigation

- ❖ Due to an increased presence of vole activity in planting beds and damage to junipers and grasses, proposals for more extensive vole control (increasing service to twice-monthly) have been requested. See enclosures.

2013 Landscape Enhancements

- ❖ Planting of approved landscape enhancements is scheduled for the end of May.

Snow Removal

- ❖ CoCal responded to four snow events between March 11, 2013 and April 30, 2013.

Entry Monument Lighting Issues

- ❖ New lamps are on order and retrofitting of the entry monument lights will be scheduled as soon as they are received.

Fence Staining

- ❖ A proposal from Olson Painting has been received to complete staining for all privacy fencing along Vista Parkway for \$9,835.00. See enclosure.

Fence Repair

- ❖ One section of fencing along Sunset Drive, one section along Vista Pkwy, and one section along Sheridan Boulevard were repaired in April.

Pump Station Maintenance

- ❖ Motor & pump #3 at the hole #17 pump station were reinstalled successfully on April 22nd. However, a start-up inspection revealed non-functioning components on the pump's filter system. The parts are on order and repair will be scheduled as soon as they are received.

Other

- ❖ 5 phone calls and 1 e-mail from residents and 1 e-mail from the HOA Community Manager regarding maintenance issues were responded to.