

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE SOUTHLANDS METROPOLITAN DISTRICT NO. 1 HELD APRIL 16, 2014

A special 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 Wednesday, the 16th day of April, 2014, at 9:00 A.M., at the offices of Southlands Shopping Center, Management Office, 6155 S. Main Street, #260, Aurora, CO 80016. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Jeff Nemec
Kevin McGlynn
Robin Boileau
Joyce Rocha

Also In Attendance Were:

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

Kristen Bear, Esq.; White, Bear & Ankele P.C.

Jason Carroll; CliftonLarsonAllen LLP

Scott Albro; Northwood Retail LLC

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest to the Board of Directors and to the Secretary of State.

Ms. Finn noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. It was noted that Directors Nemec, McGlynn, Boileau and Rocha's Disclosure Statements had been filed.

ADMINISTRATIVE MATTERS

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

Minutes: The Board reviewed the Minutes of the March 4, 2014 regular meeting and the March 13, 2014 special meeting.

Following discussion, upon motion duly made by Director McGlynn, seconded by Director Boileau and, upon vote, unanimously carried, the Minutes of the March 4, 2014 regular meeting and the March 13, 2014 special meeting were approved.

Resignation of Director: The resignation of Director Inclan effective April 4, 2014, was acknowledged.

Appointment of Secretary to the Board: The Board considered the appointment of Joyce Rocha as Secretary to the Board.

Following discussion, upon motion duly made by Director Nemec, seconded by Director McGlynn and, upon vote, unanimously carried, the Board appointed Joyce Rocha as Secretary to the Board.

PUBLIC COMMENTS

There were no public comments.

FINANCIAL MATTERS

Claims: The Board considered the approval of the payment of claims through the period ending March 18, 2014, totaling \$80,423.86 for operation expenses and \$77,324.32 for General Operation Fee reimbursements.

Following review and discussion, upon motion duly made by Director Boileau, seconded by Director Rocha and, upon vote, unanimously carried, the Board approved the payment of claims through the period ending March 18, 2014, totaling \$80,423.86 for operation expenses and \$77,324.32 for General Operation Fee reimbursements.

2013 Audit: Mr. Carroll reviewed the 2013 draft Audited Financial Statements with the Board.

Following review and discussion, upon motion duly made by Director Rocha, seconded by Director Boileau and, upon vote, unanimously carried, the Board approved the 2013 Audited Financial Statements, subject to final approval by Director Boileau, and authorized execution of the Representations Letter.

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LEGAL MATTERS

Rules and Regulations: Attorney Bear discussed with the Board the Policies and Procedures For Non-Commercial Expression at Southlands. There was some question as to whether the Xcel easement allows for this purpose.

Following discussion, upon motion duly made by Director Nemec, seconded by Director Boileau and, upon vote, unanimously carried, the Board approved the Policies and Procedures For Non-Commercial Expression at Southlands, subject to confirmation that the Xcel easement allows for this purpose.

OPERATIONS

Maintenance Report from Northwood Retail LLC (“Northwood”):

Renovation of Directional Signage: Director Nemec reported to the Board on status of the renovation of the directional signage. Following discussion, the Board authorized Director Nemec to select the paint color for the signs and work with the contractor regarding the warranty for the work.

Paver Replacement: Mr. Albro noted that the paver replacement work was submitted for bids on a time and materials basis and Tilted Cactus was the low bidder at \$22/hour.

Following discussion, upon motion duly made by Director Nemec, seconded by Director McGlynn and, upon vote, unanimously carried, the Board awarded the contract for the paver replacement project to Titled Cactus and approved the Independent Contractor Agreement in the amount not to exceed \$10,000.

Property Management Report from Special District Management Services, Inc. (“SDMS”):

Replacement of Decorative Pole: Ms. Finn reviewed with the Board a proposal from Colorado Lighting, Inc. for replacement of a small decorative pole in the amount of \$6,515.58.

Following discussion, upon motion duly made by Director McGlynn, seconded by Director Nemec and, upon vote, unanimously carried, the Board ratified approval of the proposal from Colorado Lighting, Inc. for replacement of a small decorative pole in the amount of \$6,515.58.

Replacement of Sod in the Plaza Area: Ms. Finn reviewed with the Board a proposal from Metco Landscape, Inc. for replacement of sod in the plaza area in the amount of \$2,510.00.

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Following discussion, upon motion duly made by Director McGlynn, seconded by Director Nemeč and, upon vote, unanimously carried, the Board ratified approval of the proposal from Metco Landscape, Inc. for replacement of sod in the plaza area in the amount of \$2,510.00.

2014/2015 Snow Removal Services: Ms. Finn reviewed with the Board a proposal from JPL Cares for 2014/2015 Snow Removal Services.

Following discussion, upon motion duly made by Director Rocha, seconded by Director McGlynn and, upon vote, unanimously carried, the Board approved the proposal and an Independent Contractor Agreement for 2014/2015 Snow Removal Services with JPL Cares.

Street Light Retrofitting Project: Ms. Finn reviewed with the Board the bids from Colorado Lighting, Inc. and YESCO for the Street Light Retrofitting Project.

Following discussion, upon motion duly made by Director Nemeč, seconded by Director McGlynn and, upon vote, unanimously carried, the Board awarded the contract for the Street Light Retrofitting Project to YESCO and approved the Independent Contractor Agreement.

2015 Site Lighting Maintenance Services: Ms. Finn reviewed with the Board the bids from Colorado Lighting, Inc. and YESCO for the 2015 site lighting maintenance services.

Following discussion, upon motion duly made by Director Nemeč, seconded by Director McGlynn and, upon vote, unanimously carried, the Board awarded the contract to YESCO and approved the Independent Contractor Agreement for 2015 Site Lighting Maintenance Services.

Renovations to Planter and Curbs: The Board reviewed a proposal from Metco Landscape, Inc. ("Metco") for renovations to planting beds. It was noted that \$15,000 has been budgeted for the renovations.

Following discussion, upon motion duly made by Director McGlynn, seconded by Director Rocha and, upon vote, unanimously carried, the Board authorized the renovations to the planter and curbs for an amount not to exceed \$15,000.

Director Rocha left the meeting at this point.

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OTHER BUSINESS

Special Events Permit: Ms. Finn reported that she is working with Director Rocha on a form Special Events Permit. No action was taken by the Board at this time.

ADJOURNMENT

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

Respectfully submitted,

By _____

Secretary for the Meeting

THESE MINUTES APPROVED AS THE OFFICIAL APRIL 16, 2014 MINUTES OF THE SOUTHLANDS METROPOLITAN DISTRICT NO. 1 BY THE BOARD OF DIRECTORS SIGNING BELOW:

Jeff Nemeč

Kevin McGlynn

Robin Boileau

Joyce Rocha