

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SOUTHLANDS METROPOLITAN DISTRICT NO. 1 HELD JUNE 3, 2014

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 3rd day of June, 2014, at 9:00 A.M., at the 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, President
Kevin McGlynn
Robin Boileau
Joyce Rocha

Also In Attendance Were:

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

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

Jason Carroll; CliftonLarsonAllen LLP

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

May 6, 2014 Directors' Election: Ms. Finn noted for the Board that the May 6, 2014 Directors' Election was cancelled, as allowed under Colorado law, by the Designated Election Official because there were no more candidates than positions available on the Board of Directors. Directors Nemec and Boileau were deemed

RECORD OF PROCEEDINGS

elected by acclamation to 4-year terms ending in May, 2018, Directors McGlynn and Rocha were deemed elected by acclamation to 2-year terms ending in May, 2016.

Appointment of Officers: The Board entered into discussion regarding the appointment of officers.

Following discussion, upon motion duly made by Director Rocha, seconded by Director McGlynn and, upon vote, unanimously carried, the following slate of officers was appointed:

President	Jeff Nemec
Vice President	Kevin McGlynn
Treasurer	Robin Boileau
Secretary	Joyce Rocha

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 Boileau, seconded by Director Rocha and, upon vote, unanimously carried, the Agenda was approved.

Minutes: The Board reviewed the Minutes of the April 16, 2014 special meeting.

Following discussion, upon motion duly made by Director Nemec, seconded by Director Boileau and, upon vote, unanimously carried, the Minutes of the April 16, 2014 special meeting were approved.

PUBLIC COMMENTS

There were no public comments.

FINANCIAL MATTERS

Claims: The Board considered ratifying approval of the payment of claims for the periods ending April 15, 2014, totaling \$80,423.86 and May 15, 2014, totaling \$285,634.60.

Following review and discussion, upon motion duly made by Director Nemec, seconded by Director McGlynn and, upon vote, unanimously carried, the Board ratified the approval of the payment of claims through the periods ending April 15, 2014 and May 15, 2014.

RECORD OF PROCEEDINGS

Financial Statements: Mr. Carroll reviewed with the Board the unaudited financial statements for the period ending April 30, 2014, cash position statement and the operations fees report.

Following review and discussion, upon motion duly made by Director Boileau, seconded by Director McGlynn and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending April 30, 2014, cash position statement and the operations fees report, as presented.

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

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

LEGAL MATTERS

Legislative Update: Attorney Waldron reviewed a memorandum with the Board concerning new legislation adopted in the 2014 legislative session. No action was required by the Board.

Policies and Procedures for Non-Commercial Expression: The Board entered into discussion regarding adopting a policy concerning requests for using District property for non-commercial expression.

Following discussion, upon motion duly made by Director McGlynn, seconded by Director Boileau and, upon vote, unanimously carried, the Board ratified the approval of the Policies and Procedures For Non-Commercial Expression at Southlands.

Public Record Request Policy: Attorney Waldron discussed with the Board the changes to the law concerning public records request.

Following discussion, upon motion duly made by Director McGlynn, seconded by Director Rocha and, upon vote, unanimously carried, the Board adopted the updated Public Records Request Policy and directed staff to post the policy on the SDA and SDMS website.

Seasonal Lighting: Attorney Waldron advised the Board on allowable expenses for seasonal lighting /decorations. Following discussion, the Board authorized staff to obtain proposals for seasonal lighting/decorations for the 2014/2015 holiday season.

RECORD OF PROCEEDINGS

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, upon motion duly made by Director Nemec, seconded by Director McGlynn and, upon vote, unanimously carried, the Board approved the Independent Contractor Agreement with Gordon Sign & Visual Products in the amount of \$27,286.96 for directional signage renovations.

Crosswalk Repairs: Director Nemec discussed with the Board the need to repair crosswalks along Main Street. Following discussion, upon motion duly made by Director McGlynn, seconded by Director Boileau and, upon vote, unanimously carried, the Board approved the Independent Contractor Agreement with Andraos Construction L.L.C. in the amount of \$21,562.20 for crosswalk repair work.

Fountain Repairs: Director Nemec noted for the Board that the pop-up fountain needed to be repaired. Following discussion, upon motion duly made by Director Nemec, seconded by Director McGlynn and, upon vote, unanimously carried, the Board approved the Independent Contractor Agreement with Colorado Hardscapes in the amount of \$11,900.00 for fountain repair work.

Sidewalk Paver Replacement Project: Director Nemec noted that the sidewalk repair work is ongoing.

Other: Director Nemec also noted that the street striping has been completed and that his staff is currently working on repairing the umbrella fountain.

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

Snow Removal Services: Ms. Finn reviewed with the Board a proposal from JPL Cares for a multi-year contract for snow removal services.

Following discussion, upon motion duly made by Director Nemec, seconded by Director McGlynn and, upon vote, unanimously carried, the Board approved the proposal for snow removal services with JPL Cares to extend snow removal services through the 2015/2016 season.

Street Light Retrofitting Project: Ms. Finn noted for the Board that the Street Light Retrofitting Project is underway and is expected to be completed by the end of September 2014.

RECORD OF PROCEEDINGS

Metco Landscape, Inc. Proposals: Following discussion, upon motion duly made by Director Nemec, seconded by Director McGlynn and, upon vote, unanimously carried, the Board ratified approval of the following proposals from Metco Landscape, Inc.:

- Tree replacement, \$550
- Planting bed renovations, \$1,310
- Aphid spraying, \$3,870
- Pine bark beetle spraying, \$650
- Ash borer spraying, \$6,000
- Planting bed renovations, \$24,750

Concrete Curb Replacement: Ms. Finn presented an Independent Contractor Agreement between the District and ASAP Asphalt & Concrete, Inc. for curb replacement work.

Following discussion, upon motion duly made by Director Nemec, seconded by Director Rocha and, upon vote, unanimously carried, the Board ratified the approval of the Independent Contractor Agreement with ASAP Asphalt & Concrete, Inc. in the amount of \$5,775 for concrete curb replacement work.

Painting Project: Ms. Finn presented an Independent Contractor Agreement between the District and MR/Westco Inc. pedestrian light pole painting.

Following discussion, upon motion duly made by Director McGlynn, seconded by Director Nemec and, upon vote, unanimously carried, the Board ratified the approval of the Independent Contractor Agreement with MR/Westco Inc. for an amount not to exceed \$10,000 for the Pedestrian Light Pole Painting Project.

Sidewalk and Irrigation Repair: Ms. Finn noted for the Board she received a request from Thompson Thrift to relocate a portion of the District's irrigation system at the southeast corner of S. Aurora Parkway and Orchard Road.

Following discussion, upon motion duly made by Director McGlynn, seconded by Director Rocha and, upon vote, unanimously carried, the Board approved the proposal from Metco to relocate the irrigation system in the amount of \$2,427.40.

2015 Maintenance Contracts: Ms. Finn discussed with the Board contracts for operation and maintenance services for 2015. Following discussion, the Board directed staff to obtain proposals from the current contractors for 2015 operation and maintenance services to be presented at the September regular Board meeting.

RECORD OF PROCEEDINGS

OTHER BUSINESS

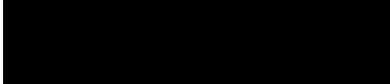
Special Events Permit: Director Rocha reported to the Board that she has received a request to use District property for displaying cars. She also noted that she is currently reviewing the Special Events Permit to see if it needs to be revised to conform to the request.

Xcel Energy Transmission Line Project: Ms. Finn noted for the Board that Xcel Energy is preparing a letter for distribution to property owners regarding the Energy Transmission Line Project.

ADJOURNMENT

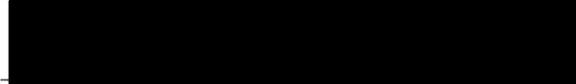
There being no further business to come before the Board at this time, upon motion duly made by Director McGlynn, seconded by Director Boileau and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

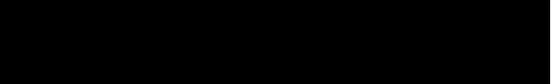
By 

Secretary for the Meeting

THESE MINUTES APPROVED AS THE OFFICIAL JUNE 3, 2014 MINUTES
OF THE SOUTHLANDS METROPOLITAN DISTRICT NO. 1 BY THE BOARD
OF DIRECTORS SIGNING BELOW:


Jeff Nemeč


Kevin McGlynn


Robin Boileau


Joyce Rocha