

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SOUTHLANDS METROPOLITAN DISTRICT NO. 1 HELD SEPTEMBER 9, 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 9th day of September, 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. Attorney Waldron noted that Disclosure Statements for Directors Nemec, McGlynn, Boileau and Rocha had been filed.

ADMINISTRATIVE MATTERS

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

Minutes: The Board reviewed the Minutes of the June 3, 2014 regular meeting.

Following discussion, upon motion duly made by Director Nemecek, seconded by Director McGlynn and, upon vote, unanimously carried, the Minutes of the June 3, 2014 regular 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 June 20, 2014, totaling \$210,619.10, July 22, 2014, totaling \$125,669.16, and August 20, 2014, totaling \$153,601.13.

Following review and discussion, upon motion duly made by Director Rocha, seconded by Director McGlynn and, upon vote, unanimously carried, the Board ratified the approval of the payment of claims through the periods ending June 20, 2014, July 22, 2014, and August 20, 2014.

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

2015 Budget: The Board entered into discussion regarding the 2015 Budget.

Following discussion, the Board determined to hold a Work Session on the 2015 Budget on October 21, 2014 at 9:00 a.m. at Southlands Shopping Center, Management Office, 6155 S. Main Street, #260, in Aurora, Colorado.

2015 Professional Services Agreement and Billing Services with CliftonLarsonAllen LLP as the District Accountant: The Board entered into discussion regarding the 2015 Professional Services Agreement and Billing Services with CliftonLarsonAllen LLP as the District Accountant.

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Following discussion, upon motion duly made by Director Nemec, seconded by Director McGlynn and, upon vote, unanimously carried, the Board approved the 2015 Professional Services Agreement and Billing Services with CliftonLarsonAllen LLP as the District Accountant.

LEGAL MATTERS

Funding and Reimbursement Agreement between the District and Northwood Retail LLC: Attorney Waldron reviewed the Agreement with the Board.

Following discussion, upon motion duly made by Director McGlynn, seconded by Director Boileau and, upon vote, carried with Directors McGlynn, Boileau, and Rocha voting “Yes”, and Director Nemec abstaining, the Board approved the Funding and Reimbursement Agreement between the District and Northwood Retail LLC.

Easements for Maintaining the District’s Monuments within Property Owned by the Public Service Company: Attorney Waldron discussed with the Board issues related to easements for maintaining the District’s monuments within property owned by the Public Service Company.

Following discussion, upon motion duly made by Director McGlynn, seconded by Director Boileau and, upon vote, unanimously carried, the Board authorized Attorney Waldron to obtain a Public Service Easement map from the District’s Engineer and to work with the Public Service Company on obtaining easements for monuments owned by the District.

Exhibit to the Policies and Procedures for Non-Commercial Expression Resolution: Ms. Finn requested that the Board review and confirm the accuracy of the Exhibit to the Policies and Procedures for Non-Commercial Expression Resolution.

Following review, it was determined by the Board that the Exhibit is accurate.

OPERATIONS

Meeting with City of Aurora regarding Funding for the Traffic Signal to be Installed at the corner of South Aurora Parkway and Southlands Parkway: Ms. Finn advised the Board that she and Director Nemec had met with the City of Aurora regarding funding for the traffic signal that is to be installed at the corner of South Aurora Parkway and Southlands Parkway. Ms. Finn noted that it was their recommendation to the City that the District be permitted to utilize a payment plan.

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Following discussion, the Board directed Attorney Waldron the work with the City of Aurora on an Intergovernmental Agreement concerning the payment and installation of the traffic signal.

Request from Outdoor Productions, LLC to Install a Bus Shelter at the RTD Bus Stop on East Commons Avenue for Business Advertising: Ms. Finn reported that she had reviewed a request from Outdoor Productions, LLC to install a bus shelter at the RTD bus stop on East Commons Avenue for business advertising. Ms. Finn noted that according to the request, the shelter would be maintained by Outdoor Productions, LLC.

Following discussion, the Board determined to deny the request and directed Ms. Finn to notify Outdoor Productions, LLC of the Board's decision.

Recommendation from the Aurora Police Department to Establish a Speed Limit on Main Street and to Post Speed Limit Signage: Director Nemec reported to the Board that he had received and reviewed a recommendation from the Aurora Police Department to establish a speed limit on Main Street and to post speed limit signage.

Following discussion, it was noted by Attorney Waldron that the District would need to enter into an Intergovernmental Agreement with the City of Aurora in order to enforce a Speed Limit. Follow additional discussion, the Board directed Attorney Waldron to pursue the requisite Agreement.

Code Violation from the City of Aurora:

Removal of Dead Trees: Ms. Finn noted for the Board that she received a Code Violation from the City of Aurora regarding dead trees and that she has requested a proposal from Metco Landscape Inc. for removal of the dead trees.

Following discussion, upon motion duly made by Director McGlynn, seconded by Director Boileau and, upon vote, unanimously carried, the Board authorized Director Nemec to approve the proposal to remove dead trees once it is received.

ADA Violation: Ms. Finn noted for the Board that she received a call from the City of Aurora's Code Enforcement Officer regarding a possible ADA issue regarding streetlights blocking the sidewalk on a portion of East Commons Avenue.

Following discussion, the Board determined to research options available to the District to address this issue.

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Maintenance Report from Northwood Retail LLC:

Renovation of Directional Signage: Director Nemec reported to the Board that he had received a sample of the renovated directional signage, but that the color was incorrect and needs to be changed. Director Nemec also noted that Gordon Signs will construct a sign for final approval by Paul Mark and the Board.

Storm Damage to District Flowers: Ms. Finn noted that the insurance claim made by the District for storm-damaged flowers has been paid and received by the District.

Umbrella Fountain: Director Nemec advised the Board that the Umbrella Fountain requires a new motor and that the installation will take place in the Spring of 2015.

Ice Rink Installation: Director Nemec reported to the Board that the ice rink will be installed on October 27, 2014.

Crosswalk Replacement Project: Director Nemec reported that work has been completed on the Crosswalk Replacement Project.

Holiday Décor: The Board entered into discussion regarding the 2014/2015 holiday décor program.

Following discussion, upon motion duly made by Director McGlynn, seconded by Director Boileau and, upon vote, unanimously carried, the Board authorized Director Rocha to obtain quotes for the rental of a Christmas Tree for the upcoming holiday season, and authorized the purchase of three decorative bows to be displayed on the three signs along E-470 at a cost of \$3,500 each, plus shipping costs.

Property Management Report from SDMS:

Streetlight Retrofitting Project: Ms. Finn advised the Board that the District received a pre-approved rebate in the amount of \$41,231 from Xcel Energy and that the install should be completed by the end of September.

Ratify Approval of a Proposal from Metco Landscape, Inc. for Irrigation Relocation Work in the amount of \$2,427.40: The Board entered into discussion regarding the ratification of a proposal from Metco Landscape, Inc. for irrigation relocation work in the amount of \$2,427.40.

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Following discussion, upon motion duly made by Director Boileau, seconded by Director Rocha and, upon vote, unanimously carried, the Board ratified approval of a Proposal from Metco Landscape, Inc. for irrigation relocation work in the amount of \$2,427.40.

Proposals and Awarding of Independent Contractor Agreements: Ms. Finn reviewed with the Board proposals for maintenance services from various contractors.

1. 2014-2015 Street Sweeping Services between the District and Common Area Maintenance Services ("CAM"): Ms. Finn noted that current Independent Contractor Agreement with CAM is a two year contract at a rate of \$19,200 per year, and that no action was required of the Board.
2. 2015 Common Area Cleaning Services between the District and Millard Mall Services, Inc.: Ms. Finn reported that the 2015 proposal increased by \$5,000 from 2014.

Following discussion, upon motion duly made by Director McGlynn, seconded by Director Boileau and, upon vote unanimously carried, the Board approved the 2015 Independent Contractor Agreement for Common Area Cleaning Services between the District and Millard Mall Services, Inc.

3. 2015 Security Services between the District and Securitas Security Services USA, Inc.: Ms. Finn discussed the scope of security services with the Board.

Following discussion, the Board authorized staff to continue negotiations with Securitas USA Inc. regarding their proposal for 2015.

4. 2015 General Maintenance Services between the District and Northwood Retail LLC: Ms. Finn reviewed the 2015 proposal with the Board.

Following discussion, upon motion duly made by Director McGlynn, seconded by Director Boileau and, upon vote, carried with Directors McGlynn, Boileau, and Rocha voting "Yes", and Director Nemecek abstaining, the Board approved the Independent Contractor Agreement for General Maintenance Services between the District and Northwood Retail LLC.

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5. 2015 District Management and Property Management Services between the District and Special District Management Services, Inc.: Ms. Finn noted that District Management rates have increased by 4%, and that there has been no increase in rates since 2011. Ms. Finn also noted that Property Management Rates will remain the same at \$2,900 per month or, \$34,800 per year.

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 for District Management and Property Management Services between the District and Special District Management Services, Inc.

6. 2015 Landscape Maintenance Services and Tree Care Program between the District and Metco Landscape, Inc.: Ms. Finn reviewed the 2015 proposal with the Board.

Following discussion, upon motion duly made by Director Boileau, seconded by Director Rocha and, upon vote, unanimously carried, the Board approved the Independent Contractor Agreement for 2015 Landscape Maintenance Services and Tree Care Program between the District and Metco Landscape, Inc.

7. 2015 Floral Program between the District and Metco Landscape, Inc.: Ms. Finn reviewed the 2015 proposal with the Board.

Following discussion, the Board directed Ms. Finn to work with Metco Landscape, Inc. on revising the proposal for 2015 Floral Program and to confirm the scope of service.

8. 2014-2015 Seasonal Lighting between the District and Deck the Malls: Ms. Finn reviewed the proposal with the Board.

Following discussion, upon motion duly made by Director McGlynn, seconded by Director Nemec and, upon vote, unanimously carried, the Board approved the Independent Contractor Agreement for 2014-2015 Seasonal Lighting between the District and Deck the Malls.

9. 2015 Site Lighting Maintenance between the District and YESCO: Ms. Finn reviewed the proposal with the Board.

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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 for 2015 Site Lighting Maintenance between the District and YESCO.

10. 2015 Traffic Signal Maintenance between the District and W.L. Contractors: Ms. Finn reviewed the 2015 proposal with the Board.

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 for 2015 Traffic Signal Maintenance between the District and W.L. Contractors.

11. 2015-2016 Snow Removal between the District and JPL: Ms. Finn noted for the Board that the Independent Contractor Agreement with JPL Services had previously been approved.

OTHER BUSINESS

2014 Special District Association of Colorado Conference and Annual Business Meeting: The Board entered into discussion regarding the 2014 Special District Association of Colorado Conference and Annual Business Meeting.

Following discussion, upon motion duly made by Director McGlynn, seconded by Director Nemec and, upon vote, unanimously carried, the Board authorized Karen J. Steggs to act as proxy for the District to vote at the Annual Meeting of Members of the Association, and to abstain from voting on bylaws.

Xcel Energy Transmission Line Project: Ms. Finn noted for the Board that she received only one call concerning the Xcel Energy Transmission Line Project from a property owner and that no action was required of the Board.

ADJOURNMENT

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

Respectfully submitted,

By 

Secretary for the Meeting

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THESE MINUTES APPROVED AS THE OFFICIAL SEPTEMBER 9, 2014
MINUTES OF THE SOUTHLANDS METROPOLITAN DISTRICT NO. 1 BY
THE BOARD OF DIRECTORS SIGNING BELOW:


Jeff Memec


Kevin McGlynn


Robin Boileau


Joyce Rocha