

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE VISTA RIDGE METROPOLITAN DISTRICT HELD MARCH 21, 2019

A regular meeting of the Board of Directors of the Vista Ridge Metropolitan District (referred to hereafter as the "Board") was convened on Thursday, the 21st day of March, 2019, at 6:00 P.M., at the Vista Ridge Community Center, 2750 Vista Parkway, Erie, Colorado. The meeting was open to the public.

ATTENDENCE

Directors In Attendance Were:

James R. Spehalski
Michael Lund
Tony Whiteley

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

Also In Attendance Were:

Lisa A. Johnson, Judy Leyshon, and Dan Cordova; Special District Management Services, Inc. ("SDMS")

MaryAnn McGeady; McGeady Becher, P.C.

Rob Neuhauser; 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 Directors Lund and Spehalski and that said 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. There were no additional disclosures made.

ADMINISTRATIVE MATTERS

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

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

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Approval of Meeting Location: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting.

Following discussion, and upon motion duly made by Director Spehalski, seconded by Director Lund and, upon vote, unanimously carried, the Board determined that the meeting location was in accordance with statute, as it was conducted at a location within the boundaries of the District. The Board further noted that notice of this location was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within its boundaries.

Minutes: The Board reviewed the Minutes of the October 18, 2018 regular meeting.

Following discussion, upon motion duly made by Director Spehalski, seconded by Director Lund and, upon vote, unanimously carried, the Minutes from the October 18, 2018 regular meeting were approved as presented.

**FINANCIAL
MATTERS**

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

Fund	Period Ending Nov. 16, 2018	Period Ending Dec. 18, 2018	Period Ending Jan. 17, 2019	Period Ending Feb. 22, 2019
General	\$ 48,321.90	\$ 51,858.02	\$ 36,189.20	\$ 45,791.84
Debt	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total	\$ 48,321.90	\$ 51,858.02	\$ 36,189.20	\$ 45,791.84

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

The Board then considered the approval of the payment of claims through the period ending March 21, 2019 as follows:

General Fund:	\$ 37,432.61
Debt Service Fund:	\$ -0-
Capital Projects Fund:	\$ -0-
Total:	<u>\$ 37,432.61</u>

Following discussion, upon motion duly made by Director Spehalski, seconded by Director Whiteley and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending March 21, 2019.

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Financial Statements: Ms. Johnson presented the unaudited financial statements and schedule of cash position for the period ending December 31, 2018.

Following review, upon motion duly made by Director Spehalski, seconded by Director Lund and, upon vote, unanimously carried, the Board accepted the unaudited financial statements and schedule of cash position for the period ending December 31, 2018.

Resolution No. 2018-10-04; Resolution Regarding the Increase of System Development Fees: The Board discussed Resolution No. 2018-10-04; Resolution Regarding the Increase of System Development Fees.

Following discussion, upon motion duly made by Director Spehalski, seconded by Director Lund and, upon vote, unanimously carried, the Board ratified adoption of Resolution No. 2018-10-04; Resolution Regarding the Increase of System Development Fees.

LEGAL MATTERS

Executive Session: Pursuant to Section 24-6-402(4)(b), C.R.S. upon motion duly made by Director Spehalski, seconded by Director Whiteley and, upon an affirmative vote of at least two-thirds of the quorum present, the Board convened in executive session at 7:04 p.m. for the purpose of receiving legal advice, as authorized by Sections 24-6-402(4)(b) C.R.S. Furthermore, pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., no record or electronic recording will be kept of those portions of the executive session that, in the opinion of the Board's attorney, constitutes privileged attorney-client communication pursuant to Section 24-6-402(4)(b), C.R.S.

The Board reconvened in regular session at 8:02 p.m.

OPERATION AND MAINTENANCE MATTERS

Integrated Water System Update: Mr. Neuhauser presented to the Board an Integrated Water System Update. He noted that he is experiencing issues with silt in the pumps at Coal Creek Pump Station. Mr. Neuhauser and Mr. Cordova will talk with Wright Water Engineers, Inc. about the issue and Ms. Johnson will follow-up on recommendations for mitigation.

Project Manager's Report: Mr. Cordova presented to the Board the Project Manager's Report which is attached hereto and incorporated herein.

Biotree Contract: The Board discussed a Biotree, LLC Contract for 2019 tree care and insect control.

Following discussion, upon motion duly made by Director Spehalski, seconded by Director Lund and, upon vote, unanimously carried, the Board approved the Biotree, LLC Contract for 2019 tree care and insect control in the amount of \$17,900.

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Installation of LED Sample Light and a Potential Retrofit to Entry Monument Lighting: Mr. Cordova presented to the Board LED sample lights and a potential retrofit to entry monument lighting. No action was taken.

Public Outreach Program: The Board deferred discussion at this time.

Master Landscape Plan Update: Ms. Johnson noted that this continues to be a work in progress. Director Spehalski noted that he will schedule a meeting with Mr. Cordova and a Landscape Architect.

Service Agreement with MR/Westco, Inc. for Three-Rail Fence Staining in Tract 1O and 1R: The Board reviewed a Service Agreement with MR/ Westco, Inc. for fence staining in Tract 1O and 1R.

Following discussion, upon motion duly made by Director Spehalski, seconded by Director Lund and, upon vote, unanimously carried, the Board ratified approval of the Service Agreement with MR / Westco, Inc. for fence staining in Tract 1O and 1R.

Detention Pond Maintenance Request: The Board discussed detention pond maintenance at Hole 2 Pond. No action was taken at this time.

WATER RIGHTS

Engagement Letter with Lyons Gaddis for Water Rights Legal Counsel Services: The Board reviewed an Engagement Letter with Lyons Gaddis for water rights Legal Counsel Services.

Following review, upon motion duly made by Director Whiteley, seconded by Director Lund and, upon vote, carried with Directors Whiteley and Lund voting "Yes" and Director Spehalski abstaining, the Board ratified approval of the Engagement Letter with Lyons Gaddis for water rights Legal Counsel Services.

Status of Water Rights Acquisition: Ms. Johnson provided to the Board an update on the acquisition of 5.94 shares of Marshall Lake water from Vista Ridge Development Corporation.

Water Lease Agreements: The Board reviewed the following Water Lease Agreements:

- Gary Fonay
- Lucille Mullen
- Rhonda Swain
- Roy Jobes
- Nema Webb
- Margaret Weber

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- Town of Erie
- VRDC

Following discussion, upon motion duly made by Director Spehalski, seconded by Director Lund and, upon vote, unanimously carried, the Board ratified approval of The Water Lease Agreements listed above.

DEVELOPER UPDATE

Update on Recent Development in the District: Director Spehalski gave an update on the status of recent development in the District.

OTHER MATTERS

There were no other matters for discussion at this time.

CONTINUATION

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 continued to Thursday, April 18, 2019 at 6:00 p.m. at the regular meeting location.

Respectfully submitted,

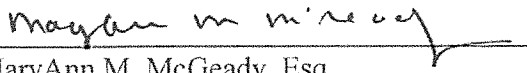
By


Secretary for the Meeting

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Attorney Statement Regarding Privileged Attorney-Client Communication

Pursuant to §24-6-402(2)(d.5)(II)(b), C.R.S., I attest that, in my capacity as the attorney representing the Vista Ridge Metropolitan District, I attended the executive session on March 21, 2019 for the sole purposes of providing legal advice on specific legal questions and discussing matters subject to negotiation, as authorized by §24-6-402(4)(b) and (e)(I) C.R.S. I further attest that it is my opinion that all of the executive session discussion constituted attorney-client privileged communication as provided by §24-6-402(4)(b), C.R.S., and, based on that opinion, no further record, written or electronic, was kept or required to be kept pursuant to §24-6-402(2)(d.5)(II)(b), C.R.S.


MaryAnn M. McGeary, Esq.
General Counsel
Vista Ridge Metropolitan District