

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF  
HEATHER RIDGE METROPOLITAN DISTRICT NO. 1**

Held April 18, 2013, at 4:00 p.m. at 13521 East Iliff Ave., Aurora, Colorado.

- Director Attendance                    A meeting of the Heather Ridge Metropolitan District No. 1 (the "District") was held as shown above and in accordance with the applicable statutes of the State of Colorado. A public audience was in attendance. The following directors, having confirmed their qualification to serve on the board, were in attendance:
- Errol Rowland                    James Bruce  
Vincent Roith  
Melissa Miller  
Van Lewis  
Joan Beldock
- Also present for the District: Sean Allen, Esq., White, Bear & Ankele Professional Corporation, general counsel (by phone).
- Call to Order & Quorum /            Director Rowland noted a quorum was present that all directors present were Qualifications                    qualified to serve. Director Rowland recited the District's mission statement.
- Conflict Disclosure                    The agenda for the meeting was reviewed and nothing appeared on the agenda for which disclosure certificates had not been filed.
- Approval of Agenda                    The agenda was reviewed and the matter of Director vacancy and appointment was added by the board.
- Minutes                                    The minutes from the January 17, 2013 meeting were discussed. Motion made and seconded to approve the minutes. Motion passed unanimously.
- UAHR, Inc. and HRCA                    Councilwoman Molly Markert discussed the potential construction of a self-storage Community Reports                    facility structure at I-225 and Iliff. It was determined that Mrs. Markert, Director Rowland and UAHR, Inc., will monitor the matter and alert the Board with any meaningful developments. Ms. Spencer of UAHR, Inc., gave a general community events update including a community garage sale. Motion and second to authorize up to \$300 for community garage sale advertisement costs. Motion passed unanimously. She also noted that they are down to four participating representatives and this is causing quorum difficulties.
- Director Lewis commented for HRCA that he attended a SDA luncheon regarding communication with residents and noted that the District's use of Metro Matters is a reasonable communication tool.
- Foundation/Donations                    Heather Ridge Open Space Foundation reported that its 501(c)(3) application has been submitted. Discussion regarding annual general fund donations to the Foundation in memory of and in recognition of those that make community benefiting services and contributions. Motion and second authorizing District making an annual donation of up to \$2,500 to the Foundation in memory of and in recognition of individuals who have made contributions to the community/District purpose. Annual nominations will be vetted by Directors and other volunteers with nominee approval given by the Board. Motion passed unanimously.
- Financial                                    The first quarter financial statements, current cash flow analysis, and invoices/claims payable were reviewed. After consideration of the financial statements and the current and interim invoices, and upon motion and second, the statements and invoices were unanimously approved with Director Rowland and

Roith abstaining as to invoice approval relative and pertaining to their previously disclosed conflict of interest, and Director Miller abstained noting she had not had an opportunity to review the materials.

Golf Course Operation Report

Larry Ransford summarized the first quarter 2013 golf operations, costs, revenues, and golf play/weather matters.

Asset Manager Report

Director Roith reported on efforts toward ADA compliance within the financial constraints of the District noting that he is still seeking a reasonable design for the main level bathroom and that he is having difficulty getting interest.

Director Roith noted that Noonan's operation continues to go well with the monthly lease payment currently has been in excess of the minimum required payment.

Boundary Line Encroachment and Golf Course Inclusion

Director Lewis indicating that there are no new developments to report on the encroachment issue.

Discussion regarding inclusion of the golf course property into the boundaries of the District. Director Rowland opened the inclusion hearing to take public comments. Hearing no comments, the hearing was closed. Mr. Allen instructed the Board that the District, as owner of the golf course has executed the inclusion petition, and that approval of the petition is required to include the golf course. Motion and second to approve the petition and include the golf course. Motion passed unanimously. Mr. Allen noted he will process the inclusion through the court and record the court order for inclusion.

Director Vacancy/Appointment

Director Rowland announced that Mary Lou Braun tendered her resignation. The Board expressed their appreciation for her service to the District and community. Jane Klein informed the Board of her desire to be appointed to the vacancy. After a discussion, motion and second to appoint Jane Klein to the vacancy. Motion passed unanimously. Mr. Allen informed Jane Klein of the oath requirement.

Adjourn

Motion made and seconded to adjourn. Meeting adjourned.

The foregoing minutes were approved by the Board of Directors on October 17, 2013, and constitute a true and correct copy of the minutes of the above-referenced meeting.

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Secretary for the Meeting