

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

Held April 17, 2014, at 4:00 p.m. at 13521 East Iliff Ave., Aurora, Colorado.

**Director Attendance/
Qualifications**

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

Jane Klein excused absence

Also present for the District: Sean Allen, Esq., White, Bear Ankele Tanaka & Waldron, general counsel (by phone).

Call to Order/Quorum

Director Rowland noted a quorum was present and each director present confirmed they were 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 accepted by the board.

Minutes

The minutes from the October 17, 2013, meeting were discussed. Motion made and seconded to approve the minutes. Motion passed unanimously.

Community Reports

Director Lewis reported that UAHR has been dissolved and the HOAs have created a Presidents Council in its place which is intended to be a community advisory group to the District. Director Lewis also noted that the functions of the HRCA and its role and relationship to the District are being reviewed and the District's resolution creating the HRCA and its role may be updated to reflect any changes that are warranted by the District.

Director Election

Mr. Allen commented that the May 2014 Director Election was cancelled and that each candidate that submitted a nomination was deemed elected to new director terms.

Financial

The 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.

Director Roith noted that the 2013 audit field work will be starting.

Director Lewis noted that preliminary bond refunding concept discussions have taken place with Mr. Lund as the bonds mature in October 2016. Early refunding, premium rates, borrowing rates and new money borrowing within a refinance, public debate, etc., will continue to be periodically considered as the 2016 maturity

draws near.

Golf Course Operation
Report

Larry Ransford summarized the golf operations, costs, revenues, and golf play/weather matters for the first quarter of 2014. It was noted that revenue and rounds played were up compared to the same period 2013.

Golf course intrusion/trespass concerns were discussed as people continue to trespass upon the golf course during open operation hours and after hours which are inherently dangerous and causes undue stress and damage to the course itself. New "No Trespassing" signs will be installed with wording recommended by the Aurora Police Department.

Director Roith reported that leases for the golf cart and beverage cart have been entered into. Motion and second ratifying the new leases was unanimously approved.

Asset Manager Report

Director Roith reported on fire code compliance updates to the club house stemming from recent inspections. Efforts toward ADA compliance within the financial constraints of the District continue as obtaining design and construction interest for the main level bathroom have been difficult.

Director Roith noted that restaurant operation continues to go well in the areas of service, menu options and "café" feel stemming from the changes put in place by the new operator.

Boundary Line
Encroachment and Golf
Course Inclusion

Discussion about HOA and unit owner encroachment onto golf course property. It was decided that notice regarding the encroachment issues will be sent to all HOAs and special property counsel, Matt Gordon, will be consulted as necessary should further legal action become necessary.

Miscellaneous

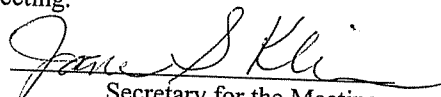
Mr. Allen presented the 2014 Annual Compliance Resolution. After consideration, and upon motion and second, the resolution was unanimously approved.

Director Roith reported that the AED expenses should be reimbursed by the District's Insurance safety and theft prevention grant program.

Adjourn

Motion made and seconded to adjourn. Meeting adjourned.

The foregoing minutes were approved by the Board of Directors on October 16, 2014, and constitute a true and correct copy of the minutes of the above-referenced meeting.


Secretary for the Meeting