

RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL MEETING OF HERITAGE RIDGE METROPOLITAN DISTRICT

HELD
August 7, 2017

The Board of Directors of the Heritage Ridge Metropolitan District ("Board") held a special Meeting at First Bank, 1013 E. Harmony Road, Fort Collins, Colorado; at 10:00 a.m. on Monday, August 7, 2017.

ATTENDANCE

<u>Directors in Attendance</u>	Kenneth Mitchell, President Karen Mitchell, Assistant Secretary Russell Baker, Assistant Secretary
<u>Directors Absent and Excused</u>	Jim Birdsall, Assistant Secretary
<u>Additional Attendees</u>	Megan Becher, Esq.; McGeady Becher P.C. (via teleconference) John Paul Williams, Danaly Howe and Tisha Higgins; Centennial Consulting Group, LLC.

ADMINISTRATIVE MATTERS

<u>Call to Order</u>	Director Ken Mitchell called the meeting to order.
<u>Disclosure of Potential Conflicts of Interest</u>	Attorney Becher discussed the requirements of Colorado law to disclose any potential breaches of fiduciary duty of the Board of Directors to the Secretary of State. The members of the Board were requested 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 statute. It was noted by Attorney Becher that disclosures of potential conflicts of interest were filed with the Secretary of State for all Directors.
<u>Agenda; Approval of Meeting Location and Posting of Meeting Notices</u>	The Agenda for the District's special meeting was distributed for the Board's review. Ms. Howe noted that Notice of the Regular Board Meeting had been properly posted within the District's boundaries at least 72 hours in advance of the meeting and a copy of the Notice was sent to the Larimer County Clerk and Recorder for posting on the bulletin board, as required by statute. The Notice also included the agenda items. Upon motion duly made by Director Ken Mitchell, seconded by Director Baker and unanimously carried, the Board approved the Agenda as presented.

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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. The Board further noted that notice of this location was duly posted and that it has not received any objections to the location or requests that the meeting place be changed by residents or taxpaying electors within the District's boundaries.

November 7, 2016 Minutes

The Board reviewed the Minutes of the November 7, 2016 Regular Meeting.

Following discussion, upon a motion duly made by Director Baker, seconded by Director Ken Mitchell, and upon vote, unanimously carried, the Board approved the Minutes from the November 7, 2016 Regular Meeting, subject to review by legal counsel.

Resignation of Director

The Board acknowledged the resignation of Director Brian Powers, effective March 15, 2017.

Discuss Appointment of New Director

The Board entered into a discussion regarding the vacancy created by the resignation of Brian Powers. A Notice of Vacancy will be published and if no others step forward and if available to fill the vacancy, Anthony Vienna, a qualified candidate, will be appointed to the Board at the next regular meeting, Monday, November 6, 2017.

Appointment of Officers

The Board considered the appointment of officer for Treasurer. Following discussion, upon motion duly made by Director Ken Mitchell, seconded by Director Baker and upon vote, unanimously carried, the Board Appointed Director Jim Birdsall to the office of Secretary / Treasurer.

Termination of Service Agreements

Following discussion, upon a motion duly made by Director Ken Mitchell, seconded by Director Karen Mitchell, and upon vote, unanimously carried, the Board ratified the termination of the Service Agreement with Pinnacle Consulting Group, LLC.

Following discussion, upon a motion duly made by Director Ken Mitchell, seconded by Director Karen Mitchell, and upon vote, unanimously carried, the Board ratified the termination of the Service Agreement with Tamarack Consulting, LLC for SDICO.org.map-centric SAAS Asset Management Platform.

Engagement with Centennial Consulting Group, LLC

Following discussion, upon a motion duly made by Director Ken Mitchell, seconded by Director Baker, and upon vote, unanimously carried, the Board ratified the engagement of Centennial Consulting Group, LLC for District Management and Accounting services.

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Service Agreement with Wohnrade Civil Engineers, INC

Following discussion, upon a motion duly made by Director Ken Mitchell, seconded by Director Baker, and upon vote, unanimously carried, the Board approved the Service Agreement with Wohnrade Civil Engineers, INC for Cost Verification Services, subject to final review.

Discussion of Project Management

The Board designated Ken Mitchell to be the Project Manager for the District, and directed the District Manager to provide notice of the new Project Manager to contractors.

Authorization of the Board President to Approve Orders

Following discussion, upon a motion duly made by Director Ken Mitchell, seconded by Director Baker, and upon vote, unanimously carried, the Board designated Ken Mitchell to approve 2017 Work Orders, Limited Authorization to Proceed, and Change Orders not to exceed \$5,000 for construction items, not to exceed \$20,000 for individual items, and an aggregate not to exceed \$100,000, subject to not exceeding the 2017 Budget.

Service Agreement with All Sweep

Following discussion, upon a motion duly made by Director Ken Mitchell, seconded by Director Baker, and upon vote, unanimously carried, the Board ratified the Master Service Agreement with All Sweep.

Approval of Work & Change Orders

Following discussion, upon a motion duly made by Director Ken Mitchell, seconded by Director Baker, and upon vote, unanimously carried, the Board ratified approval of Work Order No. 1, Limited Authorization to Proceed No. 1, with All Sweep in the amount of \$440.

Following discussion, upon a motion duly made by Director Ken Mitchell, seconded by Director Baker, and upon vote, unanimously carried, the Board ratified approval of Work Order No. 2, Limited Authorization to Proceed No. 1, with All Sweep in the amount of \$550.

Following discussion, upon a motion duly made by Director Ken Mitchell, seconded by Director Baker, and upon vote, unanimously carried, the Board ratified approval of Work Order No. 3, Limited Authorization to Proceed No. 1, with All Sweep in the amount of \$336.

Following discussion, upon a motion duly made by Director Ken Mitchell, seconded by Director Karen Mitchell, and upon vote, unanimously carried, the Board ratified approval of Change Order No. 1 with CMS Environmental Solutions, LLC for Heritage Ridge Storm Water Management Plan in the amount of \$1,800.

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FINANCIAL MATTERS

<u>Approval of Payables</u>	Following discussion, upon a motion duly made by Director Ken Mitchell, seconded by Director Baker, and upon vote, unanimously carried, the Board ratified the payables for the period ending July 31, 2017 in the amount of \$17,030.50 subject to final review.
<u>Approval of 2016 Audit</u>	Following discussion, upon a motion duly made by Director Ken Mitchell, seconded by Director Karen Mitchell, and upon vote, unanimously carried, the Board ratified the 2016 Audit.
<u>Authorization of District Accountant to Prepare 2018 Budget</u>	Following discussion, upon a motion duly made by Director Ken Mitchell, seconded by Director Karen Mitchell, and upon vote, unanimously carried, the Board authorized the District Accountant to prepare the 2018 Budget.
<u>Discuss Acceptance of Phase 1 Improvements</u>	The Board entered into a discussion regarding Acceptance of Phase 1 Public Improvements. No action was taken.
<u>Discuss Acceptance of Public Park Improvements</u>	The Board entered into a discussion regarding Acceptance of Public Park Improvements. No action was taken.
<u>Review Capital Fund Summary</u>	The Board reviewed the Capital Fund Summary. No action was taken.
<u>Fourth Amendment to Facilities and Funding Acquisition</u>	Action deferred.
<u>Discuss 2017 Bond Issuance</u>	Action deferred.

LEGAL MATTERS

<u>Amended CCR Approval Update</u>	The Board discussed the Final Amended Covenants, Conditions and Restrictions. It was noted that no resolution with St. Aubyn Homes has been reached regarding street parking. No action taken.
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Discuss Amended
Annual
Administrative
Resolution

The Board discussed the Amended Annual Administrative Resolution. No action was taken.

Acceptance of
Common Area
Property from
Heritage Ridge I,
LLC

The Board discussed the Acceptance of Common Area Property from Heritage Ridge I, LLC. It was noted that the Common Area Property would be accepted with a future conveyance. Action deferred.

CAPITAL MATTERS

Phase 1C Infrastructure

Discussion
Regarding
Acceptance of
Phase 1C
Infrastructure

Director Ken Mitchell reported that Phase 1C Infrastructure had been preliminarily approved by the Town of Berthoud. The Town will require a two year maintenance program on the infrastructure. No action was taken.

Phase 1 Landscaping and Irrigation

Change Orders
with Metco
Landscaping

Following discussion, upon a motion duly made by Director Ken Mitchell, seconded by Director Karen Mitchell, and upon vote, unanimously carried, the Board ratified approval of Change Order No. 3 with Metco Landscaping, Inc. for repairing sod and irrigation damaged by truck in the amount of \$1,924.

Following discussion, upon a motion duly made by Director Ken Mitchell, seconded by Director Karen Mitchell, and upon vote, unanimously carried, the Board ratified approval of Change Order No. 4 with Metco Landscaping, Inc. for 9 horizontal borings and erosion control blanket in the amount of \$5,606.10.

Following discussion, upon a motion duly made by Director Ken Mitchell, seconded by Director Karen Mitchell, and upon vote, unanimously carried, the Board ratified approval of Change Order No. 5 with Metco Landscaping, Inc. for cleaning up concrete at tree lawn in the amount of \$140.

Following discussion, upon a motion duly made by Director Ken Mitchell, seconded by Director Karen Mitchell, and upon vote, unanimously carried, the Board ratified approval of Change Order No. 6 with Metco Landscaping, Inc. for additional maintenance services at seeded areas in the amount of \$1,477.

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Phase 1D Public Infrastructure

Change Orders with Premier Earthworks

Following discussion, upon a motion duly made by Director Baker, seconded by Director Ken Mitchell, and upon vote, unanimously carried, the Board ratified approval of Change Order No. 2 with Premier Earthworks and Infrastructure for installation of temporary drain to divert water from existing underground clay tile pipe to detention pond in the amount of \$5,135.49

Following discussion, upon a motion duly made by Director Baker, seconded by Director Ken Mitchell, and upon vote, unanimously carried, the Board ratified approval of Change Order No. 3 with Premier Earthworks and Infrastructure for additional trench excavation and backfill at sewer lines in the amount of \$19,800.

Following discussion, upon a motion duly made by Director Baker, seconded by Director Ken Mitchell, and upon vote, unanimously carried, the Board ratified approval of Change Order No. 4 with Premier Earthworks and Infrastructure for installation of underdrain between Phases 1B and 1D in the amount of \$194,453.27.

Following discussion, upon a motion duly made by Director Baker, seconded by Director Ken Mitchell, and upon vote, unanimously carried, the Board ratified approval of Change Order No. 5 with Premier Earthworks and Infrastructure for installation of utility sleeves in the amount of \$51,072.

Work Order with Earth Engineering Consultants, LLC

Consider Ratification of Approval of Work Order No. 2, Limited Authorization to Proceed No. 1, with Earth Engineering Consultants, LLC for supplemental engineering services for the development and design of underdrain system for Heritage Ridge - \$33,786.
See notes on this as well

OTHER MATTERS

Other Matters

There were no other matters to come before the Board.

NEXT MEETING

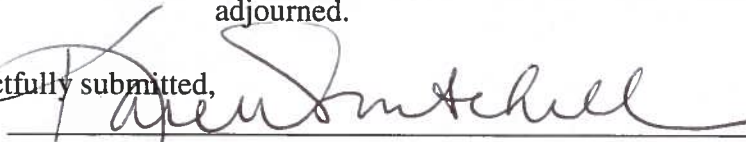
The next meeting and of the Board of Directors is scheduled for Monday, November 6, 2017, at the FirstBank branch at 1013 E Harmony Rd, Fort Collins, CO; at 10:00 a.m. The 2018 Budget Hearing will take place at this meeting.

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ADJOURNMENT

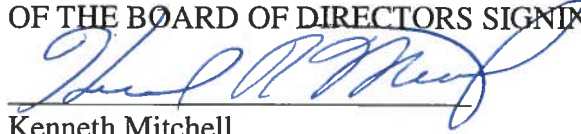
There being no further business to come before the Board at this time, upon a motion duly made by Director Kenneth Mitchell, seconded by Director Baker and upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,



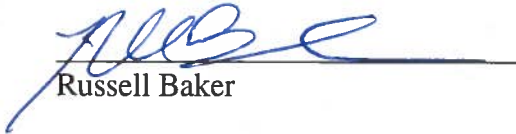
Karen Mitchell, Secretary for the Meeting

THESE FOREGOING MINUTES ARE APPROVED AS THE OFFICIAL AUGUST 7, 2017 MINUTES OF THE HERITAGE RIDGE METROPOLITAN DISTRICT BY THE MEMBERS OF THE BOARD OF DIRECTORS SIGNING BELOW:



Kenneth Mitchell

Karen Mitchell



Russell Baker

Jim Birdsall