

## RECORD OF PROCEEDINGS

---

### MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE DANCING WILLOWS METROPOLITAN DISTRICT HELD JUNE 28, 2012

A special meeting of the Board of Directors of the Dancing Willows Metropolitan District (referred to hereafter as the "Board") was convened on Thursday, the 28<sup>th</sup> day of June, 2012, at 6:30 P.M., at the Community Clubhouse, 11893 W. Long Circle, Littleton, Colorado. The meeting was open to the public.

#### ATTENDANCE

#### Directors In Attendance Were:

James D. "Don" Walker  
Bobby Thomas  
William A. Anderson  
William A. Bristol

#### Also In Attendance Were:

Lisa A. Johnson and George Turtle; Special District Management Services, Inc.

MaryAnn McGeady, Esq.; McGeady Sisneros, P.C.

John Simmons; Simmons & Wheeler, P.C.

See attached sign-in sheet for a list of District residents in attendance.

#### 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 or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State.

Ms. Johnson 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.

Director Bristol disclosed his relationship with Stillwater Community Management, LLC. He reported that his son and daughter in-law, Scott and Holly Bristol, are owners and employees of Stillwater Community Management, LLC. It was noted that

## RECORD OF PROCEEDINGS

---

the District entered into a Service Agreement for Clubhouse Management with Stillwater Community Management, LLC dated January 7, 2011.

### ADMINISTRATIVE MATTERS

**Agenda:** Ms. Johnson distributed for the Board's review and approval a proposed Agenda for the District's special meeting.

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

**Results of May 8, 2012 Election:** Ms. Johnson noted for the Board that the May 8, 2012 election was cancelled, as allowed under Colorado law, by the Designated Election Official because there were no more candidates than positions available on the Board of Directors. Directors Walker and Thomas were deemed elected to 4-year terms ending in May, 2016. Director Bristol was deemed elected to a two-year term ending in May, 2014.

**Board Vacancy:** Ms. Johnson reported that she received e-mail correspondence today from Ms. Karen Halbach indicating her interest in serving on the Board of Directors. Ms. Johnson confirmed Ms. Halbach's qualifications with the Board.

Director Bristol informed the Board that Mr. Robert Lee Jennings is also interested in serving on the Board of Directors.

Ms. Halbach addressed the Board as to why she is interested in serving on the Board of Directors. She noted that she does not have any experience serving as an elected official, but that she is interested in serving the community.

Mr. Jennings then addressed the Board as to why he is interested in serving on the Board of Directors. He reported that he has over forty-years serving on the Board of the American Cancer Society and serves on numerous committees. He further reported that he also serves on the board of the Dancing Willows Patio Homeowners Association.

Ms. Halbach volunteered to rescind her interest in serving on the Board of Directors, but reported that she would be interested in serving on any future committees.

**Appointment of Director:** The Board considered the appointment of Robert Lee Jennings to fill the vacancy created by the resignation of Charles "Regan" Hauptman.

## RECORD OF PROCEEDINGS

---

Following discussion, upon motion duly made by Director Walker, seconded by Director Anderson and, upon vote, unanimously carried, Robert Lee Jennings was appointed to fill the vacancy created by the resignation of Charles "Regan" Hauptman.

Director Jennings disclosed that he serves on the board of the Dancing Willows Patio Homeowners Association.

**Appointment of Officers:** Following discussion, upon motion duly made by Director Jennings, seconded by Director Thomas and, upon vote, unanimously carried, the following slate of officers was appointed:

President	James "Don" Walker
Treasurer	Bobby Thomas
Secretary	Lisa Johnson
Assistant Secretary	William Anderson
Assistant Secretary	William Bristol
Assistant Secretary	Robert Lee Jennings

**Minutes:** The Board reviewed the Minutes of the December 12, 2011 special meeting.

Following discussion, upon motion duly made by Director Anderson, seconded by Director Thomas and, upon vote, unanimously carried, the Board approved the Minutes of the December 12, 2011 special meeting.

**Resolution No. 2012-06-01 Regarding 24-hour Posting Place:** The Board considered Resolution No. 2012-06-01 designating the place at which notice will be posted at least 24 hours prior to each meeting.

Following review, upon motion duly made by Director Anderson, seconded by Director Jennings and, upon vote, unanimously carried, the Board adopted Resolution No. 2012-06-01, as presented. A copy of the Resolution is attached hereto, and incorporated herein, by this reference.

---

### **PUBLIC COMMENT**

**Public Comments:** There were no public comments.

---

### **FINANCIAL MATTERS**

**Claims:** The Board considered ratifying the approval of the payment of claims through the periods ending:

## RECORD OF PROCEEDINGS

	Period Ending Jan. 13, 2012	Period Ending Feb.14, 2012	Period Ending Mar. 14, 2012
General Fund	\$ 14,950.79	\$ 7,109.35	\$ 20,333.47
Debt Service Fund	\$ -0-	\$ 157.22	\$ -0-
Capital Projects Fund	\$ -0-	\$ -0-	\$ -0-
<b>Total Claims:</b>	<b>\$ 14,950.79</b>	<b>\$ 7,266.57</b>	<b>\$ 20,333.47</b>

	Period Ending Apr. 13, 2012	Period Ending May 10, 2012
General Fund	\$ 5,696.14	\$ 9,837.02
Debt Service Fund	\$ -0-	\$ 200.00
Capital Projects Fund	\$ -0-	\$ -0-
<b>Total Claims:</b>	<b>\$ 5,656.14</b>	<b>\$ 10,037.02</b>

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

The Board then considered approval of the payment of claims for the period ending June 28, 2012, as follows:

General Fund	\$ 13,702.02
Capital Projects Fund	<u>-0-</u>
<b>Total Claims:</b>	<b>\$ <u>13,702.02</u></b>

Following review and discussion, upon motion duly made by Director Anderson, seconded by Director Jennings and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending June 28, 2012.

**Financial Statements:** Mr. Turtle presented to the Board the unaudited financial statements of the District setting forth the cash deposits, investments, budget analysis, and accounts payable vouchers and the schedule of cash position for the period ending May 31, 2012.

Following review, upon motion duly made by Director Bristol, seconded by Director Jennings and, upon vote, unanimously carried, the unaudited financial statements and the schedule of cash position for the period ending May 31, 2012 were accepted.

**2011 Audit:** Mr. Simmons reviewed the 2011 draft Audit with the Board.

Following review and discussion, upon motion duly made by Director Thomas, seconded by Director Anderson and, upon vote, unanimously carried, the Board approved the 2011 Audit, subject to final review by legal counsel, and authorized execution of the Representations Letter.

## RECORD OF PROCEEDINGS

---

**2013 Budget:** The Board discussed the 2013 Budget.

Following discussion, upon motion duly made by Director Anderson, seconded by Director Jennings and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2013 Budget. The Board determined to hold the public hearing to consider adoption of the 2013 Budget on Wednesday, November 14, 2012 at 6:30 p.m. at the regular meeting location.

### **OPERATIONS AND MAINTENANCE**

**Executive Committee Actions:** Directors Walker and Anderson reported that they met with staff in the spring to discuss the street and sidewalk repairs. They further reported that staff prepared a Request for Proposals for the street and sidewalk repairs and solicited bids for the work.

**Proposals Regarding Street and Sidewalk Repair and Award of Service Agreement:** Ms. Johnson presented bids from The Perfect Patch Asphalt Co, Inc., Rocky Mountain Pavement and Avery Asphalt, Inc. for street and sidewalk repairs.

Following discussion, upon motion duly made by Director Anderson, seconded by Director Jennings and, upon vote, unanimously carried, the Board approved a short form Construction Contract with Rocky Mountain Pavement for an amount not to exceed \$9,152.00, subject to a one year warranty and receipt of the contractor's insurance certificate.

**Process of Inspection of Completed Work and Issuance of Release for Work Deemed Completed:** The Board discussed the process for determining when Remington has completed a phase of its obligation for corrective work under the Agreement related to same, effective December 12, 2011 (the "Agreement"), noting the process is as follows: Remington contacts either Director Walker, Thomas or Anderson and at least one Director walks the project with a Remington representative. Upon completion of the walk through, if the Director determines the work has been completed as required by the Agreement, the Director will make recommendation to the Board to approve the release related to the completed work. If the Director determines the work has not been completed as required, the Director will notify Remington of this conclusion and will advise the Board accordingly.

**Remington Homes Corrective Work Under Agreement Related to the Facility and Infrastructure Repairs:** The Board discussed the status of Remington corrective work, noting Directors Anderson and Walker reviewed the completed work with Remington's representative and indicated the repair work on specific items, as opposed to all items, was completed. The Board noted the Agreement anticipated particular work items would be completed incrementally and allows for releases of the

## RECORD OF PROCEEDINGS

---

continuing obligations of Remington for a particular item once completed. The Board approved the release of Remington for responsibility for the work items with regard to the Area 4 public improvements, as described in Exhibit C to the Agreement, except for the following items: (1) sidewalk on the southwest corner of West Gould Loop and South Urban Court, as shown on Sheet 3 of Exhibit C to the Agreement; (2) curb on the northeast side of West Gould Loop and South Urban Court, as shown on Sheet 3 of Exhibit C to the Agreement; and (3) repair at the northwest corner of South Union Street and West Ida Drive as shown on Sheet 8 of Exhibit C to the Agreement.

Following discussion, upon motion duly made by Director Anderson, seconded by Director Jennings and upon vote, unanimously carried, the Board accepted the Area 4 repairs completed by Remington, subject to the exceptions noted above and approved the Settlement Agreement Release (Area 4).

### LEGAL MATTERS

**Dancing Willows Metropolitan District (“DWMD”) History Highlights:** Attorney McGeady reviewed the DWMD History Highlights with the Board.

Following discussion, upon motion duly made by Director Anderson, seconded by Director Jennings and, upon vote, unanimously carried, the Board approved the DWMD History Highlights. It was noted that Director Jennings will continue to update the document going forward.

**Easement Agreement for Roadways (West Long Circle) and Underdrain by and between Dancing Willows Condominium Association, Inc. and the District (the “Easement Agreement”):** Attorney McGeady presented to the Board a Memorandum Regarding Underdrain and Roadway Maintenance/Easements – Dancing Willows dated June 25, 2012 as well as the related Easement Agreement.

Following discussion, upon motion duly made by Director Anderson, seconded by Director Thomas and, upon vote, unanimously carried, the Board approved the Easement Agreement.

**License Agreement by and between Dancing Willows Townhomes Homeowners Association, Inc. and the District:** Attorney McGeady reviewed with the Board the License Agreement by and between the Dancing Willows Townhomes Homeowners Association, Inc. and the District.

Following discussion, upon motion duly made by Director Anderson, seconded by Director Thomas and, upon vote, unanimously carried, the Board approved the License Agreement by and between the Dancing Willows Townhomes Homeowners Association, Inc. and the District.

## RECORD OF PROCEEDINGS

---

**License Agreement by and between Dancing Willows Patio Homeowners Association, Inc. and the District:** Attorney McGeady reviewed with the Board the License Agreement by and between the Dancing Willows Patio Homeowners Association, Inc. and the District. Director Jennings informed Attorney McGeady that the Dancing Willows Patio Homeowners Association will be requesting certain revisions to the proposed License Agreement.

Following discussion, upon motion duly made by Director Thomas, seconded by Director Anderson and, upon vote, with Directors Walker, Thomas, Anderson and Bristol voting "Yes" and Director Jennings abstaining, the Board approved the License Agreement by and between the Dancing Willows Patio Homeowners Association, Inc. and the District, subject to final acceptance by the Dancing Willows Patio Homeowners Association.

---

### **OTHER BUSINESS**

**2012 SDA Conference:** Ms. Johnson discussed having Board members attend the 2012 SDA Conference.

Following discussion, upon motion duly made by Director Jennings, seconded by Director Bristol and, upon vote, unanimously carried, the Board authorized all interested Board members to attend the 2012 SDA Conference.

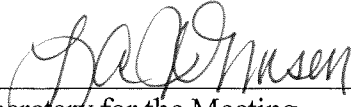
---

### **ADJOURNMENT**

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 adjourned.

Respectfully submitted,

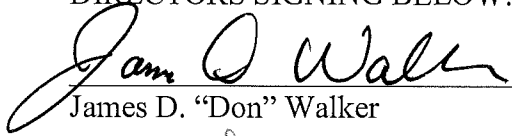
By


  
Secretary for the Meeting


**RECORD OF PROCEEDINGS**

---

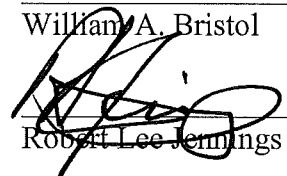
THESE MINUTES APPROVED AS THE OFFICIAL JUNE 28, 2012 MINUTES OF THE DANCING WILLOWS METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

  
James D. "Don" Walker

  
Bobby Thomas

  
William A. Anderson

  
William A. Bristol

  
Robert Lee Jennings