

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF

HEATHER RIDGE METROPOLITAN DISTRICT NO. 1

Held: Monday, the 12th day of April, 2007, at 4:00 p.m. at 2685 S. Xanadu, Aurora, Colorado.

Attendance

A meeting of the Heather Ridge Metropolitan District No. 1 was called and held as shown above and in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve on the boards, were in attendance:

Errol Rowland
Jane S. Klein
Vincent Roith
Mary Lou Braun
Joan Beldock

Van Lewis- absent
Lee Eldredge - absent

All director absences are deemed excused unless a contrary notation is recorded in these minutes. Also present was Joseph J. Lico, Esq, White Bear & Ankele, Professional Corporation, District General Counsel.

Call to Order

The meeting was called to order by Director Rowland.

Quorum / Qualifications

Director Rowland noted a quorum was present and all directors present were qualified to serve.

Approval of Agenda

Director Roith made a motion to approve the agenda and Director Beldock seconded the motion. The motion passed unanimously.

Approval of Minutes of February 8, 2007 Meeting

A motion was made by Director Roith and seconded by Director Rowland to approve the minutes of the February 8, 2007 meeting. The motion passed unanimously. There was no meeting on March 8, 2007.

General items

Communication

The board discussed the need to continue its communication efforts. It was decided that Director Rowland should continue to update United Association of Heather Ridge ("UAHR") members via email as updates occur. There was also further discussion that the UAHR website will be updated and included links for information on Heather Ridge Metropolitan District No. 1.

Security

The board discussed current security concerns. No action was taken.

Objectives

The board discussed the need to prioritize objectives for the district now that it is formed.

Financing

The board discussed the need for HOA contributions to avoid any

taxation for operations and maintenance of the district. The board decided to begin work on proposals that may be presented to the HOAs asking for contributions.

Insurance Coverage

Mr. Lico discussed insurance options. Mr. Lico explained that most special districts participate in the Special District Association Insurance Fund. Mr. Lico also explained this district was unusual in that currently it did not own anything, was not building anything and was not maintaining anything so the need for insurance was minimal. The board directed Mr. Lico to obtain an insurance proposal from the SDA for consideration by the board.

Appointment of Accountant

Mr. Lico reminded the board that there was a need for an accountant for the District. No further action was necessary.

Legal

Intergovernmental Agreement with the City of Aurora

Mr. Lico presented the board with an intergovernmental agreement with the City of Aurora for consideration. Mr. Lico explained that this was the same IGA that was an exhibit to the Service Plan that was a condition of the City of Aurora for approval of the Service Plan. Director Roith made a motion and it was seconded by Director Klein. The motion passed unanimously.

Rules and Regulations

The board discussed the need for rules and regulations for the district. The rules and regulations should focus on the campaign pledge given by each director that would establish a procedure prior to the district imposing a mill levy. The board directed Director Lewis and Roith to begin work on rules and regulations and seek further opinion from Mr. Jim Bruce and Mr. Lico. No further action taken.

Intent to Certify Mill Levy


Mr. Lico advised the board of the need to send a letter to the Division of Local Government if the board wanted to certify a mill levy this year (2007). Mr. Lico explained that by sending the letter it did not require the district to impose a mill levy, merely gave it the ability if the board chose. Director Roith made a motion to have Mr. Lico prepare and send the intent to certify a mill levy letter. Director Beldock seconded the motion. The motion passed unanimously.

Other Business and Adjourn

There being no further business to come before the board and following discussion and upon motion duly made, seconded and unanimously carried, the board determined to adjourn the meeting.

The foregoing minutes were approved by the boards of directors on the _____ day of _____, 2007.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.



Secretary for the Meeting

The undersigned candidates for the Heather Ridge Metropolitan District election May 02, 2006, pledge to create and include in their post-election By-Laws:

1. In general, any proposed metropolitan district bond and tax levy will be presented to and voted upon by its citizens only. The Board of Directors will not have the power to levy without voter approval.
2. Specifically, the By-Laws will include the following issues:
 - a. Time period for any proposed levy issues: The citizens will have no less than thirty-days, but no more than forty-five days, from the date of official notice by the Board to any proposed levy to conduct public hearings and seminars concerning said levy.
 - i. The Board will sponsor no fewer than two public hearings at reasonable times and dates for maximum participation by citizens.
 - ii. The Board will mail to all citizens one or more times concerning any proposed levy-bond issues, setting forth necessary and required information to properly inform voters.
 - b. Voting Procedure: Any election will be conducted in the most cost-effective manner per Colorado law and the Heather Ridge Metropolitan District plan.
 - c. Board Membership: The Board of Directors will seek to expand its number to include seven members and seek candidates that represent the broadest possible pool of resident owners from each community within the Heather Ridge Metropolitan District.

Mary L Braun – 2191-C S Victor St; Aurora, CO 80014 - Cobblestone Mary L. Braun

Lee Eldredge CPA – 2697-A S Xanadu Way; Aurora, CO 80014 - Burgundy Lee Eldredge

Jane S Klein – 13502 E Asbury Dr; Aurora, CO 80014 – Cobblestone Crossing Jane S Klein

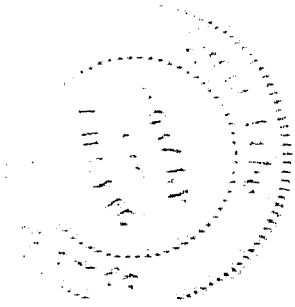
Vincent E Roith – 2497-D S Victor St; Aurora, CO 80014 - Sausalito Vincent E Roith

Errol Rowland – 2677-D S Xanadu Way; Aurora, CO 80014 – Burgundy Errol Rowland

STATE OF COLORADO)
)
COUNTY OF ARAPAHOE)

ss.

Subscribed and affirmed before me this 5th day of April 2006



Duann Jato
Notary Public

My commission Expires: November 26, 2007