

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

Thursday, the 10th day of May, 2007  
,2685 S. Xanadu  
Aurora, Colorado  
4:00 p.m.

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 board, were in attendance:

Errol Rowland	Jane S. Klein - absent
Van Lewis	
Vincent Roith	
Mary Lou Braun	
Joan Beldock	
Lee Eldredge	

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 Lewis made a motion to approve the agenda and Director Braun seconded the motion. The motion passed unanimously.

Approval of Minutes of  
April 12, 2007 Meeting        A motion was made by Director Roith and seconded by Director Eldredge to approve the minutes of the April 12, 2007 meeting. The motion passed unanimously.

**General items**

Golf Course Ownership        Director Rowland advised the board he had a telephone conversation with the owner of the Heather Ridge Country Club at 3:58pm May 10, 2007 prior to this meeting. The owner stated the golf course is under contract and closing date is expected within 60 days. No other details were offered during this conversation.

Fund Raising                      The 2007 Budget will be posted on the District's website prior to the June 14, 2007 meeting. The board agreed that all homeowner's association representatives will be invited to the June 14<sup>th</sup> meeting to discuss two funding options to cover the budget for future years:

- Mandatory HOA contributions and
- Mill levy assessments

Officer Election Pledge        The election pledge was discussed. The pledge states should the board

consider imposing a mill levy a proposal will be mailed in the most cost effective manner to each address within the district. Two hearings will be held to discuss and vote on the imposition of a mill levy at regular scheduled meetings. Mr. Lico advised the board that they already had this power to impose a mill levy as the voters approved such action at the November 2006 Organizational Election.

Security

The board discussed current security concerns. Director Rowland mentioned that on 4/29/2007 Carol L Kolash, Cobblestone Crossing notified him of safety & security concerns on the golf course. Children & infants were on the tee box of hole 8 and green of number 7. Ms. Kolash asked Mr. Rowland to discuss with the board if they could organize the homeowner's associations to address these types of problems. Director Rowland invited Ms. Kolash to today's meeting and provided her contacts of each homeowner's association. Director Rowland suggested she let the homeowner's associations all know of the concerns and invite them to also attend the meeting. Mr. Lico advised the board that the golf course is not within the boundaries of the District and the District did not have any jurisdiction or authority over the golf course. These issues may be addressed further in a United Association of Heather Ridge meeting.. No action was taken.

Re-designation of Officers

Director Lewis noted there was an error in the designation of District officers and made a motion that the officers for the District be: Director Rowland, President; Director Roith, Vice President; Director Klein, Secretary; Director Eldredge, Treasure; with the remaining three directors acting as Assistant Secretary. Director Braun seconded the motion. The motion passed unanimously.

Communication

The United Association of Heather Ridge website has been updated & includes links for information on the District. Director Rowland will maintain and assure the website remains up to date. It was agreed that District minutes of all meetings would be available upon request rather than being posted on the website. The District approved budget will be posted on the website prior to the next regular meeting.

Objectives

The board discussed the need to prioritize objectives for the District now that it is formed. It was agreed the mission of the District was:

1. Preserve the open space – the 18 hole Heather Ridge Golf Course
2. Protect the property values
3. Safeguard our quality of life
4. Support Heather Ridge facilities – The financial success of the golf course is consistent with the objectives and formation of the District.

Legal

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 continue with the Director Bonds and not obtain any further insurance for 2007.

Insurance Coverage

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

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 Director Roith to begin work on rules and regulations and seek further opinion from Mr. Jim Bruce and Mr. Lico. No further action taken.

Appointment of Accountant      Director Rowland suggested the District pay the Burgundy Homeowner's Association \$25 per meeting for use of the Burgundy Clubhouse. Mr. Lico stated that this item is not on the agenda and this expenditure is not in the budget of the District but that it could be added on to the agenda for the next meeting. It was suggested that consideration of this item be presented to the United Association of Heather Ridge for approval. The district's meeting precedes the United Association of Heather Rodge's meeting and the board was informed that \$25 would cover both meetings. No further action taken.

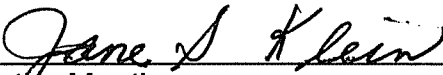
BYLAWS -- Rules & Regulations

Meeting facility payment      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 at 5:05pm.

The foregoing minutes were approved by the boards of directors on the 14 day of June, 2007.

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

**Other Business and  
Adjourn**

  
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Secretary for the Meeting