

MINUTES OF A SPECIAL MEETING OF THE BOARD OF  
DIRECTORS OF

WHEATLANDS METROPOLITAN DISTRICT NO. 2

Held: Thursday, December 1, 2011 at 6:00 p.m.  
at 6601 S. Wheatlands Parkway, Aurora, Colorado

Attendance

A special meeting of the Board of Directors of Wheatlands Metropolitan District No. 2 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, were in attendance:

Steven S. Perry  
Richard Tashma  
Kevin McGlynn

Directors Goldberg and McFarland were absent and excused.

Also present were Clint C. Waldron, Esq., White, Bear & Ankele Professional Corporation, General Counsel; Carrie Bartow, Clifton Gunderson, District Accountant; Irene Borisov, Colorado Management; Kent Vanderploeg, Brickman Group, LTD.; Melanie Goetz, Hughes & Stuart; and homeowners.

Call to Order

Director Perry noted that a quorum of the Board was present and called the meeting to order.

Disclosure Matters

Mr. Waldron advised the Board that pursuant to Colorado law, certain disclosures by the directors may be required prior to taking official action at the meeting. The Directors reviewed the agenda for the meeting, following which each Board member confirmed the contents of any written disclosure previously made stating the fact and summary nature of any matters as required under Colorado law to permit official action to be taken at the meeting. Additionally, the Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act.

Written disclosures of conflicts of interest were filed with the Secretary of State at least 72 hours prior to the meeting.

Agenda

Mr. Waldron presented the proposed agenda to the Board for consideration. After consideration, the Board unanimously approved the agenda, as amended.

Public Comment

None

Approval of Meeting  
Minutes and Ratification of  
Any and All Action Taken at  
the October 11, 2011  
Meeting

The minutes of the October 11, 2011 special meeting were reviewed. Upon motion duly made and seconded, the Board unanimously approved the minutes, and ratified all actions taken at the meeting.

Status of Website Design

Director Tashma provided a detailed report on the status of the development and deployment of the website. Ms. Goetz noted that the website should be publically available by the first of the year. The Directors noted that many residents have requested information on the status and that having the website up by the end of the year should be made a priority. The Board reviewed and concurred with the general site layout and requested that Ms. Goetz move forward with the programming.

Landscape Maintenance:

Landscape Maintenance  
Report

Mr. Vanderploeg reviewed the landscape maintenance report with the Board. He noted that winter watering is include in the contract and will begin in December. He also noted that the backflows have been removed and stored for the winter. Mr. Vanderploeg presented revised proposals and cost thresholds (bulk rate) for tree replacements. The Board determined to delay implementation of a tree replacement plan until a later date. Mr. Vanderploeg is continuing to work on updates to the proposal for new controllers including air-cards and monitoring costs, and an updated re-seeding proposal for the dead turf areas.

Approval and Ratification  
Work Orders and Repairs

No work orders were approved.

Cherry Creek Schools  
Maintenance Items

Mr. Vanderploeg will work with the School on a proposal for the crosswalk landscaping.

Facilities Management:

Facilities Management  
Report

Ms. Sandoval and Ms. Borisov reviewed the management report with the board.

Approval and Ratification  
Work Orders and Repairs

Ms. Sandoval presented bids for clubhouse pest control to the Board. After review and discussion, upon motion duly made and seconded, the Board unanimously approved the Independent Contractor Agreement for Commercial Pest Control with Terminix in the amount of \$860.00 per year. The Board requested that Colorado Management look in to access to the Terminix website tracking application.

The Board also discussed the current clubhouse cleaning contract. The contract with Final Touch Housekeeping, Inc was reviewed by the Board. Upon motion duly made and seconded, the Board unanimously approved the Independent Contractor Agreement for Commercial Cleaning – Clubhouse with Final Touch Housekeeping, Inc. in the amount of \$135.00 per cleaning, \$270.00 monthly, for the months of November and December, subject to final legal review.

District Billing and  
Collections

Ms. Sandoval updated the Board on the status of billing and collections. Mr. Waldron provided a breakdown of past-due accounts. After discussion, upon motion duly made and seconded, the Board unanimously authorized legal counsel to send a final notice and initiate foreclosure proceedings for accounts past due and owing more than \$1,000. The Board also approved a revision to the Collections Policy to remove the requirement for warning letters to be sent via certified mail.

Approval of Payables

None.

Other Facilities Management

The Board requested that Colorado Management follow up with MSI on the status of the restitution for the damage to the pool. The Board discussed holding a meet and greet in February, and authorized a not-to-exceed budget of \$1,000 for the event. The new ADA requirements for public pools were discussed, and Colorado Management will be presenting options to the Board at the next meeting.

Legal Matters:

Approval of May 2012  
Election Resolution

After discussion, upon motion duly made and seconded, the Board unanimously approved the May 2012 Election

Resolution.

2012 Annual Administrative Resolution

Mr. Waldron reviewed the resolution with the Board. Upon motion duly made and seconded, the Board unanimously approved the 2012 Annual Administrative Resolution, as amended.

Termination of Master Association and Amended Declaration

The Board discussed the status of the amendment to the declaration and termination of the HOA. After discussion, upon motion duly made and seconded, the Board unanimously approved the Consent to Amendment In Its Entirety.

Termination of Master IGA and Issuance of Promissory Notes

The Board briefly discussed the termination of the Master IGA and the issuance of promissory notes.

Second Amended and Restated Resolution Concerning the Imposition of a General Operations Fee & Working Capitol Fee

The Board discussed The Second Amended and Restated Resolution Concerning the Imposition of a General Operations Fee & Working Capitol Fee which implements the revised \$60 per lot fee for Residential Units and \$40 per lot fee for Vacant Lots. After discussion, upon motion duly made and seconded, the Board unanimously approved the Resolution.

Financial Report/Claims Payable/Financial Matters:

Public Hearing on 2012 Budget

Director Perry opened the public hearing on the 2012 budget for the District. Mr. Waldron noted that notice of the public hearing was made in accordance with the applicable Colorado statutes. No public comment was offered and the public hearing was closed. Ms. Bartow reviewed the budget with the Board.

Upon a motion duly made and seconded, the Board unanimously approved the budget as revised, subject to final assessed valuation from the county, appropriated revenues sufficient for the expenditures for the District, certified a mill levy of 25.000 mills for general operating expenses, 50.000 mills for debt service obligations, and 1.000 mill for contractual obligation expenses, and approved the budget resolution. The District monthly operations fees in 2012 will be \$60 for residential units and \$40 for vacant lots, reflecting a combined HOA and District fee.

Public Hearing on 2011  
Budget Amendment

Director Perry opened the public hearing on the 2011 budget amendment for the District. Mr. Waldron noted that notice of the public hearing was made in accordance with the applicable Colorado statutes. No public comment was offered and the public hearing was closed. Ms. Bartow reviewed the budget amendment with the Board.

Upon a motion duly made and seconded, the Board unanimously approved an amendment to the general fund – expenditures, in the amount of \$700,000.

Consider Acceptance of  
Financial Reports & Cash  
Position Report

The Board reviewed the September 30, 2011 financial statements and cash position report. Upon a motion duly made and seconded, the Board unanimously accepted the financial statements and cash position report.

Consider Approval and  
Ratification of Claims  
Payable

Ms. Bartow reviewed the claims payable with the Board. Upon motion duly made and seconded, the Board unanimously ratified and approved claims payable represented by check numbers 1046-1064 in the amount of \$144,431.65 and check numbers 1250 – 1266 in the amount of \$137,755.16.

Engagement of Clifton  
Gunderson for 2012

The Board reviewed the engagement letter from Clifton Gunderson to provide accounting services to the District for 2012. Upon motion duly made and seconded, the Board unanimously approved the engagement of Clifton Gunderson.

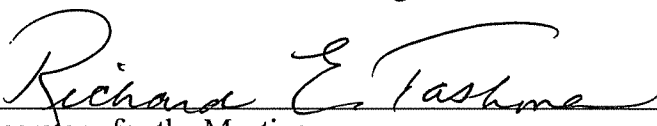
Other Business:

The Board discussed the need for a repair and replacement analysis and the need to strictly monitor water usage.

Adjournment

There being no further business to come before the Board, upon motion, second and unanimous vote, the meeting was adjourned.

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

  
Secretary for the Meeting

The foregoing minutes were approved on the \_\_\_\_ day of \_\_\_\_\_, 2012.