

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

Held: May 13, 2010, at 4:00 p.m. at 13521 East Iliff Ave., Aurora, Colorado.

Director Attendance            A meeting of the Heather Ridge Metropolitan District No. 1 (the "District") was 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            James Bruce            Mary Lou Braun  
Jane S. Klein            Joan Beldock            Vincent Roith  
Van Lewis

Also present for the District: Sean Allen, Esq., White, Bear & Ankele Professional Corporation, general counsel; Diane Wheeler, Simmons & Wheeler, district accountant. A public audience was also in attendance.

Call to Order & Quorum /        Director Rowland noted a quorum was present and all directors present were  
Qualifications                    qualified to serve. Director Rowland called the meeting to order.

Approval of Agenda            Motion made and seconded to approve the agenda. The motion passed  
unanimously.

Approval of Minutes            The minutes from the March 11, 2010 meeting were discussed. Motion made and  
seconded to approve the minutes. Motion passed unanimously.

New Director Term Oaths        For directors that were beginning new terms of office, oaths of office were taken.  
of Office                            Mr. Allen will file the oaths of office with the district court and division of local  
government accordingly.

Golf Course Operation            Director Roith indicated that the UAHR, Inc. golf course management agreement  
Agreements                        was ready for consideration by the District. After a discussion of the agreement, a  
motion was made and seconded to approve the agreement. Motion passed  
unanimously.

Director Roith indicated that the Golf Pro agreement was ready for consideration by  
the District. After a discussion, including a discussion about the various  
termination provisions, a motion was made and seconded to approve the agreement.  
The motion passed unanimously.

Director Roith indicated that a short term arrangement with Dumitri was still in  
effect, while a long term agreement is being pursued.

Water Wells                        Director Rowland reported that the well drilling was complete. The existing well  
pump/motor is not working properly and repair and/or replacement efforts are being  
pursued.

Repair/Construction            Director Roith reported that the next phase of the HVAC installation of  
Contracts                        approximately four (4) units will begin soon.

Director Rowland reported that walking path repairs are expected to begin in the  
near future, and approximately twelve (12) new mature trees have been planted.

County Grant Applications        Director Rowland reported the District's 2010 ARCO grants for 2010 were denied.

General Matters

Metro Matters Publication. Director Lewis reported that negotiations are on going. A motion was made and seconded to have Director Lewis continue efforts with Metro Matters and to approve the pending agreement which has been reviewed and commented on by the District's general legal counsel. Motion passed unanimously.

Revised Property Tax Statements. Director Lewis and Mr. Allen reported on the meetings they have had with the County relative to the steps the county and the district will be taking in regards to amended property tax statements going to those property owners who did not see the District as a taxing entity on the earlier property tax statements/invoices from the County. The District has circulated information about the issue in newsletters and the County will be sending amended property tax statements in July with an October 2010 due date.

Clubhouse Pool. Pool reactivation and operation analysis (cost estimate) is being performed and findings will be presented to the board at a future meeting.

Financial Matters

Ms. Wheeler presented the financial statement, current cash flow analysis, and invoices/claims payable to the board for consideration. After consideration of the current and interim invoices, upon motion and second, the invoices were approved for payment.

2009 Auditor

Ms. Wheeler informed the board that the 2009 audit was ongoing by the auditor.

Adjourn

Motion made and seconded to adjourn. Meeting adjourned.

The foregoing minutes were approved by the Board of Directors on \_\_\_\_\_, 2010, and constitute a true and correct copy of the minutes of the above-referenced meeting.

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Secretary for the Meeting