

RECORD OF PROCEEDINGS

**MINUTES OF A CONTINUED REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
E-470 POTOMAC METROPOLITAN DISTRICT
HELD
June 7, 2011**

A continued regular meeting of the Board of Directors of the E-470 Potomac Metropolitan District was held on Tuesday, June 7, 2011 at 3:00 p.m. at 8390 E. Crescent Parkway, Suite 500, Greenwood Village, CO 80111-2814.

Attendance

In attendance were Directors:

Michael P. Vickers
C. Chandler Lippitt
Gary Wiseman
Lorena Espinosa

Also in attendance were:

Bob Blodgett; Clifton Gunderson LLP
Mat Mendisco; Clifton Gunderson LLP
Janece Soendker; Clifton Gunderson LLP
Rick Kron; Grimshaw & Haring, P.C.
Jim Hunsaker; Grimshaw & Haring, P.C.
Larry Grace; CBCMD Board member
Mitch Chambers; Mulhern, MRE, Inc.
Melody Goetz; Hughes & Stuart
David Strauss; Attira Golf and Landscaping

Call to Order

Director Vickers called the meeting to order at 3:10 p.m. as a joint meeting with Compark Business Campus Metropolitan District.

Disclosures of
Potential Conflicts
Of Interest

The Board disclosed possible conflicts of interest. No additions were reported.

Status of
Inclusion
Agreement with
PWSD

Mr. Chambers reported the Inclusion Agreement is being drafted by the attorney for Stonegate. This will be available for review by E-470 Potomac and the other involved districts in the near future. The campaign will begin towards the end of June. Newsletters are being prepared which will be mailed and also be placed on the Districts' websites. A sample water bill calculator is being prepared by Stonegate for use by residents in each of the Districts to determine what their new water bill will be in

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Parker Water and Sanitation District ("PWSD") if the inclusion is successful.

A. Schedule

The campaign is on schedule at this point for the anticipated November 1, 2011 election.

B. Status of Polling

Stonegate determined that the residents do not yet have enough information about the election to conduct the polling. This will be done at a later date.

C. Community Meetings

The initial community meeting is June 29, 2011 at the Stonegate Village Metropolitan District Community Center.

D. Sample E-470 Potomac Bill After Inclusion

This will be prepared with the sample water bill calculator. Stonegate also needs to know if the Compark District will eliminate the present \$15/month water operations fee and \$15/month sewer operations fee if the inclusion is successful. This will affect future Potomac bills.

E. Other

Mr. Chambers reported PWSD has met with the Douglas County Assessor and determined that even if the election is successful on November 1, 2011, there is not time to prepare the tax roll for the consolidated district on January 1, 2012. Collections from the PWSD tax levy would begin January 1, 2013. In 2012, there will be a payment in lieu of taxes in the form of a fee which is the equivalent of the aggregate amount that would have been generated by the PWSD mill levy imposed within E-470 Potomac, Stonegate, Lincoln Park and Compark.

Mr. Chambers reported that there are some changes to the WISE project with Denver and Aurora. This could impact the "stand alone" cost comparisons of Stonegate vs. the Parker Water and Sanitation District ("PWSD") inclusion. This information will be known in the near future.

Ms. Goetz reported that the campaign strategy includes newsletters, DVDs, frequently asked questions ("FAQs") and community meetings. All of this information will be placed on the Districts' websites as well. Stonegate will meet with the Dove

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Ridge HOA to ensure they are informed about the inclusion issues.

Other Items

Mr. Chambers distributed copies of the May 18, 2011 draft Term Sheet regarding inclusion between the various districts and PWSO and reviewed these items with the Board. This will be finalized in the coming months during the negotiations with PWSO.

A. Termination of Service Agreement Between CBCMD and E-470 Potomac

Mr. Kron reported this will be required if the inclusion is successful. It will be distributed for review by the Potomac and Compark Boards prior to their August regular meeting.

B. Conservation Trust Fund

Mr. Blodgett distributed copies of the June 7, 2011 letter from Mr. Tony Hernandez, Division Director, Department of Local Affairs, to him, regarding the District's request that prior Conservation Trust Fund ("CTF") expenditures in the Dove Ridge HOA park be allowed. Mr. Hernandez denied this request since the District does not own this property or have a public easement over it. Mr. Hernandez's letter implied that the request would be approved should the District obtain a public easement in the future.

Mr. Kron will clarify with Mr. Hernandez that the easement is not being requested over any private property not owned by the HOA, merely the park, open space and trails.

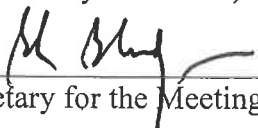
Following this, Mr. Blodgett will get with the Dove Ridge HOA to finalize the public access easement.

The District will need to reimburse \$19,747.84 to the CTF account. Mr. Kron will prepare an amortized schedule for review by the State. This will be returned to the Board at the August 23, 2011 meeting.

Adjournment

Upon a motion by Director Vickers, seconded by Director Lippitt, the meeting adjourned at 4:40 p.m.

Respectfully submitted,


Secretary for the Meeting