

SOUTHWEST TIMNATH METRO DISTRICTS

RECORD OF PROCEEDINGS MINUTES OF THE JOINT ORGANIZATIONAL MEETING OF THE BOARDS OF DIRECTORS OF SOUTHWEST TIMNATH METROPOLITAN DISTRICT NOS. 1-4

HELD: Thursday, November 07, 2019, at 9:00 a.m. at 6000 Summerfields Parkway, Timnath, Colorado 80547

ATTENDANCE:

The joint organizational meeting of the Boards of Directors of the Southwest Timnath Metropolitan District Nos. 1-4 (collectively, the "Board") was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting:

Michael J. DiTullio, Dino A. DiTullio, Jennifer DiTullio, and Kara DiTullio
Director Michael D. DiTullio was not present, absence excused.

David O'Leary, of Spencer Fane, Guy Johnson and Jackie Johnson from the District, and homeowners Jill Willey of 5895 Story Rd and Nicole Stroud 5816 Connor St was in attendance.

CALL TO ORDER:

Director Dino DiTullio called the meeting to order at 9:00 a.m.

QUALIFICATION OF BOARD MEMBERS/OATHS OF OFFICE COMBINES MEETING AND NOTICES:

Mr. O'Leary reported that all the Board members are registered to vote in Colorado and are residents and/or owners of taxable real or personal property within the Districts. Mr. O'Leary stated that all the Board members had been administered the Oaths of Office. The Districts are meeting in a combined board meeting. Unless otherwise noted, the matters set forth below shall be deemed to be the actions of the Southwest Timnath Metro District No. 1, with concurrence by the Southwest Timnath Metro District No. 2, 3, & 4. Mr. Johnson stated that the notice of the meeting was properly posted in 3 public places in District No. 1, 2, 3 & 4 boundaries at least 72 hours prior to this meeting. Notice of meeting and agenda were sent to the Larimer County Clerk and Recorder for posting as required by law.

DISCLOSURE OF POTENTIAL CONFLICT OF INTEREST:

Mr. Johnson discussed the state law requirements for disclosure of potential conflicts of interest with the directors, noting that completed disclosure statements must be filed for each of the Directors with the Secretary of State and the Secretary of the District at least 72 hours prior to a meeting in which a potential conflict may arise. In addition, each director is to verbally reveal his potential conflicts of interest to the Board at the start of the meeting in which the conflict may arise.

APPROVAL OF AGENDA:

The Board reviewed the agenda,

Upon motion was made by Dino DiTullio and seconded by Mike DiTullio and unanimously carried to approve the agenda.

APPROVAL OF MINUTES:

The meeting Minutes of February 15, 2019 meeting was presented and discussed.

Upon motion was made by Dino DiTullio and seconded by Mike DiTullio and unanimously carried to approve the meeting minutes of the February 15, 2019 Meeting.

PUBLIC COMMENTS:

Meeting notes area taken as people ask questions and/or during conversations, meeting minutes on public comment are in general.

Homeowner Jill Willey of 5895 Story Rd. stated she was new to the neighborhood and was just curious as to how the Districts ran, she stated she lives across from Mike DiTullio Sr, and really likes the family. Her observation was that the dark stain was hard to maintain and would suggest a lighter stain in the future. Mrs. Willey stated, evening meetings would work better for her schedule and was sure it would for other residents.

Homeowner Nicole Stroud 5816 Connor St. stated she was new to the neighborhood and was just curious as to how the Districts ran also, she stated she would like evening meetings. Director Dino DiTullio discussed how a Metro District worked with the Operation and Maintenance fees being for the day to day Operations of the District and an increase of \$50.00 or more per quarter would be necessary in the near future to keep the area maintained and looking good. The irrigation water and fence maintenance/stain were the largest expense to budget, and the collected taxes were used to pay the Bonds the District took out to reimburse the Developer for the infrastructure. Director Mike DiTullio stated they were considering having Open house meetings to educate the residents on the cost to operate the District and funds needed to do so.

Homeowner Jill Willey of 5895 Story Rd., stated she thought that cutting back the mowing's to every other week or every 10 days would help in saving money along with cutting back the watering, she also stated she thought other residents would be willing to help in placing the garage sale signs, stain the fences and possibly having neighborhood events to raise additional monies to help the District.

With no other Public comment and no other residents present Dino DiTullio closed this portion of the meeting.

DESIGNATION OF OFFICIAL POSTING LOCATIONS:

Mr. Johnson presented the annual posting locations with no changes to the Board.

Upon motion was made by Dino DiTullio and seconded by Michael J. DiTullio and unanimously carried to approve the annual posting locations for Southwest Timnath Metropolitan Districts 1-4.

CONSIDER APPROVAL & RATIFICATION OF THE RESOLUTION OF ONLINE NOTIFICATION OF PUBLIC MEETING:

Mr. O'Leary discussed there were new state statues allowing the District to post the Meeting notification on the District website, After further discussion,

Upon motion was made by Dino DiTullio and seconded by Kara DiTullio and unanimously carried to approve the Resolution for On-line Notifications of Public Meetings for Southwest Timnath Metropolitan Districts 1-4.

COMMUNITY CENTER/POOL RATES AND SCHEDULE:

Mr. O'Leary presented the cost share agreement for the Community Center/Pool. Went over Out of District pool memberships, the lost FOB and FOB Disconnect and Re-connect fee for outstanding O & M fees, covenant violations, and the Out of District room rental fees and governmental agency rental fees.

Upon motion duly made by Michael J. DiTullio and seconded by Dino DiTullio and unanimously carried, the Board approve the Resolutions for cost share of the Community Center/Pool with STMD, Out of District pool memberships to be sold at \$550.00 for the pool season, FOB Disconnect/Re-connect fee along with lost FOB replacement fee of \$25.00. District residents' room rental fee stay's the same at \$60.00 per hour with a 3 – hour minimum and Out of District room rental fees of \$80.00 per hour with a minimum of 3 hours, and no charge of governmental agency room rentals. Governmental agencies are Federal Government, State, County, Cities, Towns, and Districts.

Rates and Schedule presented to the Board

1. \$550.00 Out of District Pool membership rate, for 2019 season (limit 40), with no guest pass.
2. In-District Pool Memberships are no charge for District members, but District member must be in good standing with the District, no outstanding O & M fees, taxes and/or any outstanding covenant violations.
3. District Resident receive a 20-guest punch pass with 20 free punches. (Subject to change)
4. District residents Guest Pass fee of \$4.00 per guest, after guest punch card is used up, per visit and must be accompanied by a District resident.
5. Nanny pass are \$50.00 per season.
6. Lost fob and replacement Fee are \$25.00 per occurrence.
7. Disconnection fee due to outstanding O and M fees or outstanding covenants violations is \$25.00 per occurrence.
8. Room rental rates for residents would remain the same at \$20.00 per hour with a minimum of 3-hours, which is \$60.00 including set up and clean up time.
9. Room rental rates for Out of Districts rentals would be \$80.00 per hour with a minimum of 3-hours, which is \$240.00 including set up and clean up time.
10. Room Rental rates for governmental agencies; no charge. (Governmental agencies are Federal Government, State, County, Cities, Towns, Districts)

RESOLUTION CONCERNING ANNUAL ADMINISTRATIVE MATTERS 2020:

Mr. O'Leary presented a Resolution Concerning Annual Administrative Matters for 2020 for the Districts.

Upon motion was made by Dino DiTullio and seconded by Michael J. DiTullio and unanimously carried, the Board approved the Resolution Concerning Annual Administrative Matters for 2020, including: the contact person(s) for the District; the designated posting location(s) for the District; and the location for meetings of the Board of Directors.

TRANSPARENCY NOTICES:

Mr. O'Leary presented the Transparency Notices and discussed that these will need to be posted on the District's website on or before January 15, 2020. These notices will also be provided to the Division of Local Government and appropriate state agencies as required by law.

Upon motion duly made by Dino DiTullio and seconded by Michael J. DiTullio and unanimously carried to approve the 2020 Transparency Notices for each of the Districts and to authorize District Management to post the notices and provide them to the Division of Local Government as required by statute in compliance with statutory requirements.

EXCLUSION OF WORKERS COMPENSATION INSURANCE:

Mr. O'Leary noted that it was time to renew the Resolution for the Board to be excluded from Worker's Compensation, if the Board elects to continue not having worker's compensation coverage for the board members.

Upon motion duly made by Dino DiTullio and seconded by Michael J. DiTullio and unanimously carried to approve the Resolution to Exclude the Board from Worker's Compensation Insurance and to file the Resolution along with the State of Colorado Worker's Compensation Exclusion form with the appropriate parties.

APPROVAL OF 2019 DISTRICT SERVICE AGREEMENTS:

Mr. Johnson presented and discussed engagement letters and/or proposals for service agreements for District Management, Landscape Maintenance Agreements, Pool Management agreement with STMD, Annual Audit and Exemption Agreements, Internet and Phone contracts and engagement of District

Counsel to the Board of Directors. Mr. Johnson discussed the renewal and/or engagement of service providers for the District and reviewed the proposed costs and expenditures related to these service agreements with the Board. After further discussion on the matters and

Upon motion duly made by Dino DiTullio and second by Michael J. DiTullio and unanimously carried to approve the District service agreements and make changes if needed for District Management, Landscape/Maintenance, Annual Audit and Exemption Agreement, Internet and Phone contracts and District Counsel. Also authorized Guy Johnson to finalize any negotiations and execution of the service agreements for 2020.

AUDIT AND AUDIT EXEMPTION:

Mr. O’Leary reviewed with the Board preparing for the 2019 audits and/or exemptions. It was noted that if revenues or expenditures for a district are less than \$750,000 in 2019 or in 2020, the district may file application for Exemption from Audit on or before March 31st.

Upon motion duly made by Dino DiTullio and seconded by Kara DiTullio and unanimously carried to authorize Mr. Johnson to prepare for 2019 audits and or fill out application for exemptions from audits as appropriate and to take such further action as necessary to complete and file these documents with the necessary state agencies.

PAYABLES:

Mr. Johnson presented the Schedule of Payables for February 2019 through October 2019 with a total of \$139,1599.61. After further review:

Upon motion duly made by Michael J. DiTullio and seconded by Jennifer DiTullio and unanimously carried to approve and ratify payables for February 2019 through October 2019 with a total of \$139,1599.61.

2020 BUDGET HEARING:

Dino DiTullio opened the Public Hearing of the 2020 Amended Budget and Mike DiTullio second, Mr. Johnson again presented the Board with the proposed 2020 Budget, the board stated they had reviewed the budget prior to the meeting and had no changes to be made With no further discussion of the 2020 Budget Dino DiTullio closed the Public Hearing and Michael J. DiTullio seconded and unanimously carried.

Upon motion duly made by Dino DiTullio and seconded by Mike DiTullio and unanimously carried, the Board: (1) approved and 2020 budget as presented, with mill levies Gallagherized; (2) authorized the appropriation of funds for the expenditures set out in the budgets; (3) authorized the President and the Secretary to sign the necessary documentation; and (4) directed the District Manager to file the budgets with the Division of Local Government prior to January 31, 2020.

APPROVAL OF RESOLUTION OF UPDATED FINE POLICY & FEE SCHEDULE:

Mr. O’Leary stated the Fine Policy and Fee schedule needed to be updated with no further discussion

Upon motion duly made by Dino DiTullio and seconded by Mike DiTullio and unanimously carried, the Updated Fine Policy and Fee Schedule.

APPROVAL OF PROMISSORY NOTES:

Mr. O’Leary stated the Promissory notes required renewal yearly, Mr. Johnson noted the changes were just interest applied, After further discussion on the matters and;

Upon motion duly made by Dino DiTullio, seconded by Mike DiTullio and unanimously carried, the Board approved the Promissory Note for 2020.

LEGAL COUNSEL REPORT:

Mr. O’Leary stated the District was required to hold an election May 2020, there was new Data Privacy Policies and Colorado Open records Act statues, with no further discussion

Upon motion duly made by Dino DiTullio, seconded by Kara DiTullio and unanimously carried, to approve the Resolution for the May 202 Election, Resolution of Data Privacy Policies and Resolution CORA.

MANAGERS REPORT:

1. General District items:

- a. Must have replacement cost for District property in new budgets and reserves.
- b. Have been invoicing residents quarterly, online payment system is set up.
- c. Several calls to replace dead trees. We have 16 dead trees currently.
- d. Several calls to stain district fence. The District will stain a minimal amount of fence in Phase 1 and Phase 2 in 2020. Have pricing for Phase 2 and part of Phase 3 for 2020.

2. Site Work:

- a. Cleaning drains, pans and detention ponds, monthly. D R Horton helped add some site drains.
- b. D R Horton added a few trees in the ROW’s and added a few trees on site along with replacements.
- c. Working on playground areas, will be inspected this spring.
- d. Playground and tables, Power wash once a month. Will be on hold for winter.
- e. Front monument lights were vandalized and replaced.
- f. Summerfields and Three bell need to add a power meter when budgets allow. This is to add monument lights, along with 110 outlets for holiday lights. Current monuments wired with 2 wire low volt system.

3. Web Site:

- a. Is working and up-dated as needed.

4. Community Center & Pool:

- a. Fitness area equipment 5 years old now, need to look at replacements.
- b. Pool Hours change in fall opening at 4:30 pm. Due to late school times letting out.
- c. Talk on sale of pool memberships, will sale memberships in 2020.

5. 2020 Meeting Dates:

Tuesday, March 10, 2020 @9:00 am and Tuesday, November 10, 2020 @ 9:00 am

ADJOURNMENT:

Following discussion and upon motion duly made by Dino DiTullio seconded by Jennifer DiTullio and unanimously carried, the Board adjourned the joint organizational meeting of the Board of Directors of the Southwest Timnath Metropolitan District Nos. 1-4 at 9:46 a.m.

The foregoing minutes constitutes a true and correct copy of the minutes of the above-referenced meeting and was approved by the Board of Directors of Southwest Timnath Metropolitan District Nos. 1-



Guy D. Johnson