

SOUTHWEST TIMNATH METRO DISTRICT'S

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

HELD: Tuesday, March 9, 2021, at 5:30 p.m. Via Zoom

ATTENDANCE:

The joint special 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 Kara DiTullio Ron Mullenbach
Dino A. DiTullio Jennifer DiTullio

David O'Leary of Spencer Fane, Guy Johnson and Jackie Johnson from the District Homeowners present included:

Patricia & David Brown of 5710 Riverbluff Dr., Kaitlin & Thomas Boileau of 5687 Glendive Lane, John & Marie Barkley of 6090 Pryor Road, Ali Akbar of 5918 Connor Street, Holly West of 6083 Gannet Drive, Dave Peters of 5837 River bluff Drive,

There were several other homeowners present, however, they only provided phone numbers so they could not be identified. There is a list of those numbers are in the master meeting notebook. All participants were present via Zoom.

CALL TO ORDER:

Dino DiTullio called the meeting to order at 5:30 p.m.

QUALIFICATION OF BOARD MEMBERS/OATHS OF OFFICE:

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 informed the Board that the official bonds had been obtained and that all the Board members had been administered the Oaths of Office. Thereupon, the directors assumed their duties as members of the Board of Directors.

DISCLOSURE OF POTENTIAL CONFLICT OF INTEREST:

Guy 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.

DISCUSSION OF OPEN MEETING REQUIREMENTS/POSTING REQUIREMENTS:

Guy Johnson discussed the open meeting requirements and the posting requirements for the Districts, noting that any non-social meeting of three or more of the directors constituted an official meeting, and that notice of a meeting for the Districts is to be (1) provided to each Board member, and (2) posted in at least three public places within the Districts at least 72 hours in advance of the meeting, and on SWTMD web site and (3) at the same time, a copy of such notice is to be posted at the office of the County Clerk and Recorder. If possible, the posting should include specific agenda information. Mr. Johnson further noted that notice of this joint organizational meeting had been so posted.

APPROVAL OF AGENDA:

The Board reviewed the agenda, Guy Johnson stated the Public Comment section be moved to towards the end of the meeting, Director Ron Mullenbach had a previous commitment and would need to leave the Zoom call by 6:15, so to address all board items first.

Upon motion made by Director Dino DiTullio and seconded by Director Jennifer DiTullio, Director Ron Mullenbach and unanimously carried to approve the agenda with the above-mentioned change.

APPROVAL OF MINUTES:

The meeting minutes of November 11, 2020 meeting was presented and discussed,

Upon motion made by Director Dino DiTullio and seconded by Director Ron Mullenbach and unanimously carried to approve the meeting minutes of November 11, 2020.

APPROVAL & RATIFICATION OF POSTING LOCATIONS SITE AND WEBSITE:

Mr. Johnson presented the annual posting locations on site and on the website with no changes to the Board.

Upon motion was made by Director Ron Mullenbach and seconded by Director Jennifer DiTullio and unanimously carried to approve the annual posting locations for Southwest Timnath Metropolitan Districts 1-4.

ATHORIZATION FOR PREPARATION OF 2020 AUIDTS AND AUDIT EXEMPTIONS:

Mr. Johnson stated the District would be preparing for the 2020 Audit and Audit Exemptions that are required by the State, audits are required on any District with a Budget of more than \$750,000, therefore, the District would need an audit on District #1 and #4 and exemptions on District #2 and #3. With no further discussion

Upon motion was made by Director Kara DiTullio and seconded by Director Jennifer DiTullio and unanimously carried to authorize the District to Prepare the 2020 Audit and Audit Exemptions as needed for Southwest Timnath Metropolitan Districts 1-4.

FINANCIALS:

Mr. Guy Johnson reviewed with the Board the expenditures for November 2020 through February 2021 totaling 255,592.70.

Upon motion duly made by Director Dino DiTullio, seconded by Director Mike DiTullio, and unanimously carried; the Board approved the payable for November 2020 through February 2021 totaling 255,592.70.

APPROVAL & RATIFICATION OF THE PROMISSORY NOTE:

Mr. Guy Johnson presented the Promissory note to board and stated that it required renewal yearly, after further discussion,

Upon motion duly made by Director Mike DiTullio, seconded by Director Dino DiTullio, Director Ron Mullenbach and unanimously carried, the Board approved the Promissory Note.

DISTRICT LEGAL COUNSEL REPORT:

Mr. O’Leary stated he had nothing to add at this time. He would update the District Manager to any new COVID Rules and Mandates as they were received.

DISTRICT MANAGERS REPORT:

Mr. Guy Johnson stated:

1. General District items:

- a. Must have replacement cost for District property in new budgets and reserves.
- b. Several calls to replace dead trees. We have 10 dead trees currently.
- c. Several calls to stain district fence. Exceptionally low stain number in budget. Will stain a minimal amount of fence.
- d. Talk on O and M fees to cover actual cost of O and M. Need to raise above \$1,200.00 to \$1,400.00.
- e. Needs funds for Maintenance and some up-grades.
- f. Stain and fence repair plan is staining an area every year, budget at least \$25,000.00 per year, dividing area into 4 phases.

- g. Keep in mind most of the fence was built in 2017/18. Fence life span around 22 years. Maybe stretch to 25 years. The District has over 23,500 feet of fence. 2038/40 need over \$780,000.00 for fence replacement.
- h. Irrigation water fees are going up almost 6% 2021. All increases taken from reserves.
- i. Homeowner e-mailed about portable basketball hoops out in tree lawns or driveways. Homeowner feels they should be put away. Board stated OK to leave in place.

2. Site Work:

- a. Cleaning drains, pans, and detention ponds, monthly. D R Horton helping with drainage in detention pond.
- b. Working on playground areas, will have inspected this spring.
- c. Playground and tables, Power wash once a month. Will be on hold.
- d. 2021 will stain north side of project if funds are available.
- e. Monument lights on Greybull changing to 110 power and will try to get Summerfield Monument.

3. Web Site:

- a. Setting up.

4. Community Center & Pool: With STMD.

- a. Fitness area equipment has been replaced.
- a. 2020 Rough year with COVID – 19 rules. Talk 2021 rules and pool usage.
- b. Homeowners up-set, some could not get into to pool area enough. Only allowed 50 people at a time. The math of roughly 850 homes X 4 people per home = 3,400 people then letting 250 people a day which is 1,750 people a week use the pool in time slots of 1.5 hours, makes it tough. We were called a lot of names.
- c. Re-surface pool, looking at around \$100,000.00. Pool last 7 to 10 years in CO, only got 7 years.
- d. Some folks want blinds for fitness area, 30 days in late Aug. and Sept. sun setting issues.
- e. Power wash community center once a month.
- f. Power wash parks once a month.
- g. Pool hours are the same 10:30 am to 8:00 pm, until school starts in August, then moves to open at 4:30 pm to 7:30 pm weekdays and normal time on the weekends. Schools changed start times. (Must have lifeguards)
- h. Need to add money yearly to reserves for maintenance and replacement cost at Community Center.
- i. Parking lot will need to be sealed soon. Paint parking spots.
- j. Add cameras to pool area on poles? Roughly \$5,000.00.
- k. Change out grass to Astroturf or fill in one section and place concrete? \$14,000.00.
- l. Carpets set up to be cleaned 4 times a year. Have re-place carpet in high traffic areas.
- m. Carpets need to be replaced.
- n. This spring working on playground in pool area, fixing minor items. Every year have inspected.
- o. Set up paint inside of clubhouse, roughly \$9,500.00.
- p. Next meeting 11/9/2021 at 5:30 pm. Or as needed.

PUBLIC COMMENTS:

Director Dino DiTullio opened the Public Comment portion of the meeting recognizing John Barkley via ZOOM He question was on the Bond, Terms, and possibility of refinancing for a lower rate. Director Dino DiTullio, stated There is a lock – no call provision on the bonds for 5 years after issuance, only after 2022 can you refinance and if you do, you pay a penalty until December 1, 2025 if you refinance early as noted below.

Mrs. Willey sent in an e-mail asking, “please ask these questions and let me know the responses.”

1. As asked at the last meeting, has the board secured a lower interest rate on loans as other metro districts have done? Answer: No, the bonds are locked in (with that no call provision) for several more years. Board members and District counsel do not recall this being asked at the meeting, Dino DiTullio thought it was asked before the meeting started.

But here is the answer from the board and bond agreement.

There is a lock on refinancing – also referred to as a “no call provision” on the bonds for 5 years after the date of issuance. Only after 2022 can you refinance and if you do, you pay a penalty each year after the lock/no call provision, until December 1, 2025 if you refinance early as noted below.

Optional Redemption. The Series 2017A Senior Bonds are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$1,000, in any order of maturity, and in whole or partial maturities (and if in part in such order of maturities as the District is to determine and by lot within maturities), on December 1, 2022, and on any date thereafter, upon payment of par and, accrued interest thereon., and a redemption premium equal to a percentage of the principal amount so redeemed, as follows:

Date of Redemption Premium

December 1, 2022, to November 30, 2023 3.00%

December 1, 2023, to November 30, 2024 2.00%

December 1, 2024, to November 30, 2025 1.00%

December 1, 2025, and thereafter there is no longer a penalty and the redemption period is 0.00

2. This has lowered quarterly costs for homeowners in those neighborhoods and would be appreciated here. In this Metro District the bond payments are made through the mill levy, the mill levy has been pledged to the bonds, all monies from the mill levy go to the bond. If more money came in than the payment, a larger payment would be made, this would trim off time at the end of the bond maturity date.
3. When will board contact emails and/or phone numbers be available to homeowners here? Any e-mails or calls should go to the Metro District and then they will go out to the board for tracking purposes. No personal e-mails are given out.
4. Access and transparency are important. Therefore, e-mails should go to the Metro District and can be tracked.
5. When will Agendas and meeting minutes be available to homeowners on the metro district site or any other site? Agenda is ready now and on the web site. Normally agendas are ready about a week before the meetings and posted online and at the clubhouse. After a meeting, meeting minutes for the previous meeting must first be reviewed and approved, then they will be posted to the web site.
6. Can homeowners be assured that they will have access to the pool at least once or twice a month at the time and date they prefer? No, this all depends on State policy when the pool opens and if the person shows signs of COVID- 19 they are not allowed in. We hope limits on people in the pool area will be raised. At this time, the Board of directors said to keep same reservation system in place, if still needed for COVID – 19.

All limits on pool access were set in place by the governor’s executive orders, by no means did SWTMD put limits in place.

7. Will more time slots be opened? No, but this depends on State policy when the pool opens, if the Governors executive changes the limits of people gathering during this pandemic, the District will change the limits. The District wants to let as many people in as allowed.

8. Will homeowners be held to once per week so others can gain access? At this time weekly limit is two, if the board changes limits, pool access will change under board direction. But again, all depends on State policy. The board wants to wait until the first week or two of May before final decision is made, pending State guidelines.
9. Mrs. Willey stated: Last year slots were filled within 10 minutes of opening, and that is a problem? With State limits of 50 people having access at once and over 3,400 people (849 homes with families) using the pool, the board is not sure how much that will change.

Director Dino DiTullio recognized Mr. David Brown of 5710 Riverbluff Dr., his concerns about a portable basketball hoop in someone's tree lawn and feels it should be moved, and street parking.

Guy Johnson has been going by: if portable basketball hoop is in their tree lawn or driveway, they can keep it out. If portable basketball hoop is not in the street or on the sidewalk, the portable basketball hoop can stay out. Guidelines pasted below states temporally, but no timeline. Mr. Johnson asked the board if they wanted him to do anything different, please direct him to do so. As stated, portable hoops were allowed in the tree lawn and or driveway.

12.1 BASKETBALL HOOP/ PORTABLE (Or any portable sports equipment): May be temporally allowed on front driveways or placed in their yard or tree lawn. Portable sports equipment is not allowed on Town streets or walks. An Owner or resident is responsible for checking on and maintaining compliance with local Town codes.

As for the cars parking in the street Mr. Johnson stated that if they were legally licensed vehicles there was not anything the district could do, the streets are owned by the Town and are subject to Town jurisdiction.

10. Director Dino DiTullio recognized Ali Akbar of 5918 Connor Street, he asked if tennis courts, or any additional adult outdoor activity areas were to be built or added. Mr. Guy Johnson stated the neighborhood would not be adding additional amenities to the area.

Director Dino DiTullio asked if there were any other Public Comments, at which time seeing none, this portion of the meeting was closed.

OTHER MATTERS:

The Board noted there were no other matters at this time.

ADJOURNMENT:

Following no further discussion,

Upon motion duly made by Director Jennifer DiTullio, seconded Director Dino 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 6:01 p.m.

The foregoing minutes constitutes a true and correct copy of the minutes of the above-referenced meeting and were approved by the Board of Directors of Southwest Timnath Metropolitan District Nos. 1 – 4.



Guy D. Johnson, Secretary for the Meeting