



SOUTH TIMNATH
METRO DISTRICT

**RECORD OF PROCEEDINGS
MINUTES OF THE JOINT ORGANIZATIONAL MEETING
OF THE BOARDS OF DIRECTORS OF
SOUTH TIMNATH METROPOLITAN DISTRICT No's. 1 & 2**

HELD: February 15, 2019 at 10:00 a.m. at 6000 Summerfields Parkway, Timnath, CO 80547.

ATTENDANCE:

The joint organizational meeting of the Boards of Directors of the South Timnath Metropolitan District Nos. 1 & 2 (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 Kevin Walker Jennifer DiTullio Kara DiTullio

David S. O'Leary of Spencer & Fane, Guy Johnson and Jackie Johnson from the District, and several homeowners, were present, please see sign in sheet for detail, some homeowners came in and out without signing in. Also, in attendance via phone in was Anne Bensard and Kim Reed of Ballard Spahr.

CALL TO ORDER:

Director Dino DiTullio called the meeting to order at 10:02 a.m.

QUALIFICATION OF BOARD MEMBERS/OATHS OF OFFICE:

Mr. O'Leary reported that all of 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 of 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 with 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 (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,

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

APPROVAL OF MINUTES:

The meeting minutes of November 08, 2018 meeting was presented and discussed,

Upon motion made by Director Mike DiTullio and seconded by Director Jennifer DiTullio and unanimously carried to approve the meeting minutes of November 08, 2018.

PUBLIC COMMENTS:

Board member Director Dino DiTullio opened the Public Comment portion of the meeting, there were a few residents present, however, they made no comments.

With no further Public comment this portion of the meeting was closed.

PUBLIC HEARING ON THE PETITION FOR INCLUSION OF PROPERTY INTO No. 1:

Director Dino DiTullio made the motion to Open the Public hearing, Director Mike DiTullio second, and unanimously carried,

With No public present, and no discussion,

Director Dino DiTullio made the motion to Close the Public hearing, Director Mike DiTullio second, and unanimously carried.

Director Dino DiTullio made the motion to except the Inclusion of property into STMD No. 1, Director Jennifer DiTullio second, and unanimously carried.

APPROVAL & RATIFICATION OF THE UPDATED SERVICE PLAN FOR STMD No. 1 & No. 2:

Mr. O’Leary presented the approved Updated Service Plan with the Town of Timnath, with no further discuss

Upon motion duly made by Director Dino DiTullio and seconded Director Jennifer DiTullio, and unanimously carried, the Board approved the Updated Service Plan for South Timnath Metropolitan District No.1 & No. 2.

APPROVAL & RATIFICATION OF THE EXECUTION OF CERTAIN DOCUMENTS FOR BOND:

Mrs. Kim Reed discussed with the Board,

- a. District No. 1 consideration of a Resolution Authorizing the Issuance of General Obligation Debt consisting of its Limited Tax General Obligation Bonds, Series 2019A and Subordinate Limited Tax General Obligation Bonds Series 2019B in the estimated aggregate principal amount of up to \$41,000,000.00 (collectively, the “2019 Bonds”) pursuant to an Indenture of Trust (Senior) and an Indenture of Trust (Subordinate) requiring the imposition of ad valorem property taxes for the payment of such 2019 Bonds and including execution, issuance, and delivery of documents necessary to complete 2019 Bond transaction, including such Indentures of Trust, a Bond Purchase Agreement, a Continuing Disclosure Agreement, and related documents; making determinations and findings as to matters related to such transactions; authorizing incidental actions; and repealing prior inconsistent actions.

Upon motion duly made by Director Dino DiTullio and seconded by Director Mike DiTullio and unanimously carried, the Board Authorized the actions stated 8a.

- b. District No. 2 consideration of a Resolution Authorizing General Obligation Indebtedness comprised of the Execution and Delivery of a Capital Pledge Agreement with District No. 1, pursuant to which District No. 2 will be obligated to impose ad valorem property taxes for the payment of District No. 1’s 2019 Bonds

Upon motion duly made by Director Dino DiTullio and seconded by Director Jennifer DiTullio and unanimously carried, the Board Authorized the actions stated in 8b.

- c. Consider Approval of Amendments to the Developer Funding and Reimbursement Agreement for Operations & Maintenance Costs, Advance and Reimbursement Agreement for Capital Costs, Improvement Acquisition Agreement and updates related to the 2019 Bonds and related Promissory Notes.

Upon motion duly made by Director Mike DiTullio and seconded by Director Kara DiTullio and unanimously carried, the Board Authorized the actions stated in 8c.

- d. Consider Approval of Amended and Restated Intergovernmental Agreement(s) with the Town of Timnath.

Upon motion duly made by Director Mike DiTullio and seconded by Director Kara DiTullio and unanimously carried, the Board Authorized the actions stated in 8d.

- e. Consider Approval of updates and amendments to the Master Intergovernmental Agreement between the Districts due to Service Plan Amendments and related to 2019 Bonds.

Upon motion duly made by Director Jennifer DiTullio and seconded by Director Kevin Walker and unanimously carried, the Board Authorized the actions stated in 8e.

f. Consider Approval and Ratification of Engagement of Bond Consultants and Financial Consultants for 2019 Bonds

Upon motion duly made by Director Dino DiTullio and seconded by Director Kara DiTullio and unanimously carried, the Board Authorized the actions stated in 8f.

DISCUSS AND CONSIDER FENCE STAIN AND COLOR:

Mr. Guy Johnson stated the previous approved fence stain was through Kwal Paint and they have been bought out by Sherwin Williams, therefore, the fence stain that is now the approved fence stain is the Sherwin Williams Super Deck Traditional Russet, which is a very close match. All fencing staining of the Districts will remain the same. District fences are re-stained every 3 to 5 years as budgets allow and the same recommendations for the homeowner fences in the Districts where fence is stained; Which should be stain fence every 3 to 5 years including all interior portions of any stained fencing in homeowner’s yard.

Upon motion duly made by Director Mike DiTullio and seconded by Director Kara DiTullio and unanimously carried, the Board authorized the Resolution of the fence stain to Sherwin Williams Super Deck Traditional Russet and using the same fence staining procedures, which is stain fence that is currently stained.

FINANCIALS:

Mr. Johnson reviewed with the Board the expenditures for November 2018 through January 2019 totaling \$ 95,682.44,

Upon motion duly made by Director Dino DiTullio, seconded by Director Mike DiTullio and unanimously carried; the Board approved the payable for November 2018 through January 2019 totaling \$ 95,682.44.

Mr. Johnson reviewed with the Board the actual expenditures to date and the budgeted amount. The budget is in balance at this time. After no further discussion needed this portion of the meeting was closed.

APPROVAL & RATIFICATION OF THE PROMISSORY NOTE:

Mr. Johnson stated the Promissory note required renewal yearly, Mr. Johnson noted that all debit on promissory notes would be transferred to District No.1. Then the other change was the addition of interest for the prior year,

Upon motion duly made by Director Mike DiTullio, seconded by Director Kara DiTullio and unanimously carried, the Board approved the Promissory Note amounts and transfers to District No. 1.

DISTRICT LEGAL COUNSEL REPORT:

David O’Leary stated he had nothing else to update.

DISTRICT MANAGERS REPORT:

Mr. Johnson stated:

1. General District items:

- a. Have taken on new area, “Tallgrass” this will be added to the budget for maintenance and long-range replacements. District brings on new areas every year and this adds on all the same cost and revenue as the other areas.
- b. Completed re-stain of fence in the Meritage homes area and Prairie View area. Will start Phase 1 of stain plan, more than likely every year fence will be stained in an area of STMD from now on.
- c. Changing out 6 areas that are mulch and replacing with cobble stone, in 2019.
- d. Will check for dead trees this spring and arrange for R and R, when budget allows.
- e. Issue on site drainage: We have been cleaning detention ponds, inlets, outlets, drain pans and regrading areas for water issues.
- f. Detention ponds working as designed. Have products put in every 3 or 4 weeks and Detention ponds: Aquatron and sludge remover are now being added to the detention ponds, as part of the maintenance program. Seems to work, very expensive. Also, a licensed company sprays Detention ponds every 4 to 6 weeks for several kinds of grasses and algae. Note; a lot of geese have been in pond, will have water tested and treated water when needed.
- g. Get a lot of trash in detention ponds. Clean out every two weeks. Trash cans in area blow over and a lot of trash ends up in detention ponds.

- h. Play grounds on site, will be inspected and repairs made if needed.

Web Site:

- a. Keeping site up.

1. Community Center & Pool:

- a. Fitness equipment 4 years old, getting replacement pricing on a few items.
- b. Homeowner asked about up grading bikes, to work apps on.
- c. Power wash community center once a month in winter and twice a month in summer.
- d. Power wash parks once a month.
- e. Pool hours are the same 10:30 am to 8:00 pm, until school starts fourth week of 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)
- f. Need to add money yearly to reserves for maintenance and replacement cost at Community Center. Fitness equipment will need replacements soon.
- g. Carpets set up to be cleaned 4 times a year. Have re-place carpet in high traffic areas.

This spring working on playground in pool area, fixing minor items. Every year have inspected.

Next meeting to be held on 11/7/2019 at 10:00 /10:30 am final time to be determined by the board.

OTHER MATTERS:

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

ADJOURNMENT:

Following no further discussion, and Executive Session was not necessary,

Upon motion duly made by Director Mike DiTullio, seconded Director Jennifer DiTullio and unanimously carried, the Board adjourned the joint organizational meeting of the Board of Directors of the South Timnath Metropolitan District Nos. 1 & 2 at 10:52 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 South Timnath Metropolitan District Nos. 1 & 2.



Guy D. Johnson, Secretary for the Meeting