



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: April 19, 2016, at 10:30 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

Jennifer DiTullio

Dino A. DiTullio

David S. O'Leary of Spencer Fane Britt & Browne LLP, Debra A. Landers with D.R. Horton and Guy Johnson from the District and several homeowners, please see attendance sheet for homeowners in the Meeting Notebook as to who was present.

CALL TO ORDER:

Director Dino DiTullio called the meeting to order at 10:32 a.m. Then introduce newly elected board member Kevin Walker that will be on the board starting 5/3/16, after Oath of Office.

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 Dino DiTullio and seconded by Director Mike DiTullio and unanimously carried to approve the agenda.

APPROVAL OF MINUTES:

The meeting minutes of November 12, 2015 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 12, 2015.

PUBLIC COMMENTS: This is normally open form/topic and the boards let residents interjected to all questions and we try very hard to get all questions and comments noted.

Board member Dino DiTullio opened up the floor for public comments.

Ms. Vesely asked if there were any more open seats on the Board that were open. Mr. Dino DiTullio stated the election had been cancelled due to only one person running for the seats that were up for election. Dino noted elections items were posted on the District web site. Next election would be in 2018. Ms. Vesely asked about snow removal at mail boxes? Stated a few times she had to clear snow around the mail box for the mail man. Guy Johnson answered the question that the snow removal crew starts snow removal 24 hours after the snow has stopped and that some mail boxes were on private walks in front of homes, but any mail boxes on District tracts would have the snow removed.

Ms. Machado asked about snow removal, she stated the snow removal crew had scraped up the sod in several areas? Guy Johnson stated the snow removal contractor would fix the areas in May after the irrigation was on. Ms. Machado commented on the fence stain contractor did a good job and the fence looked great.

Ms. Wedal asked about the issue with some of the sidewalks in the Park, seem to be under water and the grass around these areas were also. Mr. Johnson noted he has seen this and sent pictures to the board and was waiting approval to replace walks and or correct the area. The board instructed Guy to check out the area and try and correct by raising the walks and/or maybe adding a drain.

Ms. Wedal asked about having a block party and closing a street down for the block party, if she had a block party did she need to get with the Metro Districts on anything? Guy Johnson answered, the Districts would not be involved for any street closures, Ms. Wedal would have to contact the Town of Timnath and check for any needed permits, and check with the Police department, along with the local Fire District.

With no further Public comments this section of the meeting was closed.

APPROVAL & RATIFICATION FOR THE DISTRICT MANAGER TO PREPARE THE 2017 BUDGETS:

Mr. Johnson stated the Budgets were due to the Board of Directors by October 15 each year and would need the Boards direction to prepare said budgets.

Upon motion duly made by Director Dino DiTullio, seconded by Director Mike DiTullio and unanimously carried, the Board approved the District Manager to prepare the 2017 Budgets to be ready 10/15/16 for 2017.

APPROVAL & RATIFICATION FOR THE DISTRICT TO PREPARE FOR ANNUAL AUDIT/EXEMPTIONS:

Mr. Johnson stated the District needed to prepare the information for the Audit firm to file the Audits and Audit Exemptions.

Upon motion duly made by Director Dino DiTullio, seconded by Director Mike DiTullio and unanimously carried, the Board approved the District Manager to prepare the information needed to file the annual Audits and Audit Exemptions.

PAYABLE:

Mr. Johnson reviewed with the Board the expenditures for November 2015 through March 2016 totaling \$ 189,604.14,

Upon motion duly made by Director Dino DiTullio, seconded by Director Jennifer DiTullio and unanimously carried; the Board approved the payable for November 2015 through March 2016 for \$ 189,604.14.

FINANCIALS:

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 state the Promissory note required renewal yearly, Mr. Johnson noted the only change was the addition of interest for the prior year,

Upon motion duly made by Director Mike DiTullio, seconded by Director Dino DiTullio and unanimously carried, the Board approved the Promissory Note for 2016.

DISTRICT LEGAL COUNSEL REPORT:

Mr. O'Leary went over the 2016 election that was cancelled and the board members that kept their seats and the new board member that was un-opposed will take Oath of office in May.

DISTRICT MANAGERS REPORT:

Mr. Johnson stated:

1. General District items:

- a. All of the Fence stain is completed. Will set up other areas to be completed every year. District should stain fences about every 4 years. Should budget around \$40,000.00 per year as we bring on more fences.
- b. Will check for dead trees this spring, after May 20th and will arrange for R and R o some trees.
- c. Some new pine trees being planted, deal from nursery going out of business.
- d. Shrubs need to be replaced in 2016; cost around \$3,000.00 for 40 shrubs.
- e. Spray trees for insects in 2016 has been set up.
- f. Detention ponds working as designed.
- g. Detention ponds: Aquatron and sludge remover are now being added to the detention ponds, starting the third year of this maintenance program. Seems to work, very expensive.
- h. 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.
- i. Mosquito medication is part of the Town of Timnath responsibility; per our District service plan.
- j. Letters did go out on homeowner owned trees in tree lawns that need to replace. Sending letters again.
- k. Working with developer on new Filing for 107 homes. Building 22 lots at this time.
- l. Flower contractor did a great job in 2015. Have re-signed contractor for 2016.
- m. Look at Park drainage issue on the walks.

2. Web Site:

- a. Keeping site up.

3. Community Center & Pool:

- a. Community Center and Pool ownership has been transferred over. Need to add money yearly to reserves for maintenance and replacement cost.
- b. Pool hours are the same 10:30 am to 8:00 pm, until school starts fourth week of August, then moves to open at 3:00 pm to 8:00 pm weekdays and normal time on the weekends.
- c. Have had issue with Kids in pool area and issues inside Community Center. Issues on camera have been handled with parents. Will post children 17 and under must be accompanied by an adult in the Community Center. Fitness area has it posted, no one under 14 without an adult.

OTHER MATTERS:

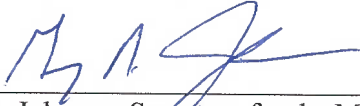
The Board noted there were no other matters at this time.

ADJOURNMENT:

Following no further discussion,

Upon motion duly made by Director Dino DiTullio, seconded Director Mike 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 11: 00 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