



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: Thursday, November 07, 2019, at 10:32 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, Kara DiTullio and Kevin Walker was absent. David S. O'Leary of Spencer Fane LLP, Guy Johnson, Jackie Johnson from the District and numerous homeowners, please see attendance sheet in the Meeting Notebook as to homeowners that were present.

CALL TO ORDER:

Dino DiTullio called the meeting to order at 10:32 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. Johnson informed the Board that the official bonds for the board members had been obtained through a bonding company and/or through our Insurance pool 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:

Mr. O'Leary 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:

Mr. O'Leary 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; 72 hours in advance of the meeting, not any sooner per County Clerk. 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 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 made by Dino DiTullio and seconded by Mike DiTullio and unanimously carried to approve the meeting minutes of March 08, 2018.

PUBLIC COMMENTS:

At this time Dino DiTullio, opened and acknowledged Public Comment portion of the meeting. Please note; Meeting minutes are taken as people talk about the subject and are in general of what was spoken.

The board acknowledge Linda Flanagan of 5764 Banner Street, she stated her concern was the number of geese and the goose poop that was around the detention pond No. 1 in the grass and/or on the trails and sidewalks. Ms. Flanagan stated the goose poop was ankle deep in the grass areas and that the trail and/or sidewalks were covered to where you could not walk on them without stepping on goose poop.

Ms. Flanagan felt it was a health hazard, and has asked other neighbors for in-put on a local social web site, but Ms. Flanagan stated web site post was hi-jacked and removed due to other people's comments and personal vendettas.

Ms. Flanagan asked the District what could be done to prevent or stop the goose population from increasing in and or around the detention ponds to prevent goose poop all over the area. Director Dino DiTullio asked who the geese belonged to and he was not aware of the issue, Mrs. Flanagan stated that if he (Dino DiTullio) was not aware of the problem, he was not doing his job. Mrs. Flanagan stated that the goose poop had been a problem for the past 2 or 3 years during the winter and would like to suggest a few solutions that she had researched on line. The first being placing a line or rope attached to stakes around the perimeter of the detention ponds at a height of 8 inches to 12 inches to act as a barrier. Guy Johnson brought up the stakes and rope maybe in the way of the people that fish or walk around the open space. Ms. Flanagan stated no one fished during the winter months.

Ms. Flanagan stated putting out a coyote decoy might help, but the coyote decoy would have to be moved around weekly, that the geese would get used to it presence and would not be afraid of it after a week or two. Another item she saw on line was spray chemicals in the grass that is made to be a deterrent to geese, which was not supposed be harmful to people.

Director Dino DiTullio stated he would help Guy Johnson the District Manager to research what some local Towns/Cities do or to get some ideas to try and minimize the geese in the area. Keeping in mind; this is wildlife that is not easily controlled of what flew in daily. It was talked about the possibility of having Mill Brothers come out with a power broom and clean the trail/walk and the possibilities of power raking the grass area to remove the goose poop. This and other options would be looked at as to what can easily be done, cost efficient and would not spread the goose poop all around creating more of a mess.

Ms. Flanagan also stated she would like to see evening District meetings so that other residents could attend in the evening, Ms. Flanagan also stated she thought the meeting signs could be larger. It was noted by Director Dino DiTullio noted that the signs were 18 inches by 24 inches with large writing noted on District Meeting.

The Board acknowledge Jennifer Machado of 6448 Cloudburst Ave, she asked who she could contact in reference to the Railroad crossing at Three Bell, it was left in bad repair after the recent work that was done, Mr. David O'Leary stated he represented the railroad and would each out to them to see who she should contact.

With no further Public comments Dino DiTullio closed this portion of the meeting.

APPROVAL & RATIFICATION OF THE RESOLUTION FOR POSTING LOCATIONS:

Mr. Johnson presented a Resolution for the Posting Location with no changes, following discussion and upon motion duly made by Dino DiTullio, seconded by Kara DiTullio and unanimously carried, the Board approved the Resolution of Posting Locations.

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 Jennifer DiTullio and unanimously carried to approve the Resolution for On-line Notifications of Public Meetings for South Timnath Metropolitan Districts 1-2.

COMMUNITY CENTER/POOL RATES AND SCHEDULE:

MR. O’LEARY PRESENTED THE COST SPLIT OF THE COMMUNITY CENTER/POOL, OUT OF DISTRICT POOL MEMBERSHIPS, THE NEED FOR THE LOST FOB AND FOB DISCONNECT AND RE-CONNECT FEE FOR OUTSTANDING O & M FEES, COVENANT VIOLATIONS, AND THE NEED FOR 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 SPLIT OF THE COMMUNITY CENTER/POOL WITH STMD, OUT OF DISTRICT POOL MEMBERSHIPS TO BE SOLD AT \$550.00 FOR THE POOL SEASON, FOB DISCONNECT AND 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 2020 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 WILL NO LONGER RECEIVE A 20-GUEST PUNCH PASS WITH 20 FREE PUNCHES.
4. DISTRICT RESIDENTS GUEST PASS FEE OF \$5.00 PER GUEST, 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 2019:

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

Upon motion duly made by Michael J. DiTullio and seconded by Kara 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. After further discussion on the matters

Upon motion duly made by Michael J. DiTullio and seconded by Kara DiTullio and unanimously carried, the Board approved 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. After further discussion on the matters and;

Upon motion duly made by Michael J. DiTullio and seconded by Kara DiTullio and unanimously carried, the Board approved 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, and unanimously carried.

APPROVAL OF 2019 DISTRICT SERVICE AGREEMENTS:

Mr. Johnson presented and discussed engagement letters and/or proposals for service agreements for District Management, Pool Management, Landscape Maintenance Agreements, 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.

Upon motion duly made by Dino DiTullio and second by Kara DiTullio and unanimously carried to approve the District service agreements for District Management, Pool Management, 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 Maintenance service agreements for 2020.

AUDIT AND AUDIT EXEMPTION:

Mr. O’Leary reviewed with the Board preparing for the 2019 audits and/or exemptions. Mr. Johnson stated that both STMD #1 and STMD #2 would be audited due to #1 was the operating District and #2 held the bond.

Upon motion duly made by Dino DiTullio and seconded by Mike DiTullio and unanimously carried to authorize Mr. Johnson to prepare for 2019 audits and to take such further action as necessary to complete and file these documents with the necessary state agencies.

PAYABLE:

Mr. Johnson reviewed with the Board the expenditures for February 2019 through October 2019 for a grand total of \$689,008.05, After further discussion on the matters and;

Upon motion duly made by Dino DiTullio, seconded by Jennifer DiTullio and unanimously carried; the Board approved the payable for February 2019 through October 2019 for a grand total of \$689,008.05.

PUBLIC HEARING FOR 2019 AMENDED BUDGET:

Upon motion made by Dino DiTullio, seconded by Mike DiTullio and unanimously carried, the public hearing was opened on the proposed budgets for fiscal year 2019 for South Timnath Metropolitan District Nos. 1 & 2. Mr. Johnson reported that notice of the public hearing had been published in accordance with statutory requirements. Mr. Johnson presented the proposed 2019 budgets to the Board; Mr. Johnson stated an amendment was needed due to the Developer repayment of \$250,000 from the promissory note that was not budgeted. With no further discussion

Upon motion duly made by Dino DiTullio and by seconded Michael J. DiTullio and unanimously carried, the Board: (1) approved and adopted the 2019 budgets as presented (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.

2020 BUDGET HEARING:

Upon motion made by Dino DiTullio, seconded by Michael J. DiTullio and unanimously carried, the public hearing was opened on the proposed budgets for fiscal year 2020 for South Timnath Metropolitan District Nos. 1 & 2. Mr. Johnson reported that notice of the public hearing had been published in accordance with statutory requirements. Mr. Johnson presented the proposed 2020 budgets to the Board.

With no more discussion, the public hearing was closed by Dino DiTullio and seconded by Michael J. DiTullio and unanimously carried.

Upon motion duly made by Dino DiTullio and by seconded Michael J. DiTullio and unanimously carried, the Board: (1) approved and adopted the 2020 budgets 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 TO UPDATE FINE POLICY AND 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 Michael J. DiTullio and unanimously carried, the Updated Fine Policy and Fee Schedule.

APPROVAL & RATIFICATION OF THE PROMISSORY NOTE:

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

Upon motion duly made by Dino DiTullio and seconded by Michael J. DiTullio and unanimously carried, the Board approved the current Promissory Note.

DISTRICT LEGAL COUNSEL REPORT:

Mr. O'Leary stated the District was required to hold an election for STMD 1 & 2 in accordance to the bond documents on November 5, which did pass, and 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 Jennifer DiTullio and unanimously carried, to approve the Resolution for the November 5,2019, May 202 Election, Resolution of Data Privacy Policies and Resolution CORA.

DISTRICT MANAGERS REPORT:

Mr. Johnson was asked to just hit a few points of his report.

1. General District items:

- a. Completed re-stain of fence in Summerfields area. Next area to stain is Tallgrass or The Preserve. Will start stain plan, more than likely every 3 to 4-year fence.
- b. Changing out 5 areas that are mulch and replacing with cobble stone, in 2020.
- c. Will check for dead trees this spring and arrange for R and R, when budget allows.
- d. Issue on site drainage: We have been cleaning detention ponds, inlets, outlets, drain pans and regrading areas for water issues.
- e. 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.
- f. 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.
- g. Play grounds on site, will be inspected and repairs made if needed.
- h. Monument signs letter falling apart. Getting price for repairs.

Web Site:

- a. Keeping site up.

1. Community Center & Pool:

- a. Fitness equipment 5 years old, getting replacement pricing on a few items. Replace When? \$39,000.00.
- b. Power wash community center once a month in winter and twice a month in summer.
- c. Power wash parks once a month.
- d. 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)
- e. Need to add money yearly to reserves for maintenance and replacement cost at Community Center. Fitness equipment will need replacements soon.
- f. Parking lot will need to be sealed soon. Paint parking spots.
- g. Add cameras to pool area? Roughly \$11,000.00.
- h. Change out grass to Astro -turf or fill in one section and place concrete? \$14,000.00.
- i. Rule on large slide, kids wait on pool deck until person on slide starts to go down slide.
- j. Carpets set up to be cleaned 4 times a year. Have re-place carpet in high traffic areas.
- k. This spring working on playground in pool area, fixing minor items. Every year have inspected.
- l. Set up paint inside of clubhouse.

2020 Meeting Dates:

Tuesday, March 10, 2020 @ 10:30 am

Tuesday, November 10, 2020 @ 10:30 am

ADJOURNMENT:

Following no further discussion,
Upon motion duly made by Director Dino DiTullio, seconded Director Kara 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 11:19 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.

A handwritten signature in blue ink, appearing to read 'G. D. Johnson', with a long horizontal flourish extending to the right.

Guy D. Johnson, Secretary for the Meeting