

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 8, 2022, at 5:30 p.m.

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:

Ron Mullenbach
Dino A. DiTullio

Brinden Desmond of Spencer Fane, Guy Johnson and Jackie Johnson from the District were present, director Mike DiTullio, director Kara DiTullio, and Shasta Johnson from the District were present via teleconference.

Homeowners present included: Jill Willey

CALL TO ORDER:

Dino DiTullio called the meeting to order at 5:35 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

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

APPROVAL OF MINUTES:

The meeting minutes of November 08, 2021, 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.

PUBLIC COMMENT:

Jill Willey asked the board about paying down the Bond principal. Director Dino DiTullio clarified that this was a 2017 Bond and at this time only interest is being made with collected mill levy tax dollars. She asked about the portion of the bond document that states a mill levy cannot be higher than 50 mills, and she noted that the mill levy was certified at 55.664 and thought that we could only certify at 50 mills per the service plan. She also stated that Gallagher had been repealed in the 2020 election. District Management clarified that the District has been grandfathered in with Gallagher, and will continuing Gallagherizing the mil levy for the budget purposes

Jill Willey also asked about number of guests allowed at the pool or a one-time only guest pass. District Manager, Guy Johnson, stated that with the 197 homes/ 652 homes in South Timnath it is a balancing act to make sure the pool is not overcrowded and that homeowners are the first priority of using the community center and pool. The district manager stated that it would be too costly to manage a one-time only guest system. Also, with the number of residents that abused the guest passes in the past, the Board choose to go with the current guest fee policy.

Jill Willey also asked if the pool bucket will be functional this next pool season. The District manager, Guy Johnson, said that the parts have been ordered, but back on ordered, and should be here in the spring.

FINANCIALS:

Mr. Guy Johnson reviewed with the Board the expenditures for November 2021 through February 2022 totaling \$345,903.31

Upon motion duly made by Director Dino DiTullio, seconded by Director Mike DiTullio, and unanimously carried; the Board approved the payable for November 2021 through February 2022 totaling \$345,903.31

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 Dino DiTullio, seconded by Director Ron Mullenbach, and unanimously carried, the Board approved the Promissory Note.

DISTRICT LEGAL COUNSEL REPORT:

Mr. Desmond stated he had nothing to add at this time.

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. We walk site for dead trees in June.
- c. Talk on O and M fees to cover actual cost of O and M.
- d. Need to raise above \$1,200.00, which has been approved.
- e. \$1,400.00. is needed to cover today's cost and long-term cost and replacements.
- f. Needs funds for Maintenance and some up-grades.
- g. Stain and fence repair plan is staining an area every year, budget at least \$30,000.00 per year.
- h. Keep in mind most of the fence was built in 2017/18. Fence life span around 22 years. Maybe stretch to
- i. 25 years. The District has over 23,500 feet of fence. 2038/40 need over \$780,000.00 for fence replacement.
- j. Irrigation water fees are going up almost 3% 2022. All increases take form reserves.

2. Site Work:

- a. Cleaning drains, pans, and detention ponds, monthly.
- b. Working on playground areas, will have inspected this spring.

- c. Playground and tables, Power wash once a month. Will be on hold.
- d. 2022 will stain south side of project if funds are available.

3. Web Site: no issue.

4. Community Center & Pool: With STMD.

- a. Some folks want blinds for fitness area, 30 days in late Aug. and Sept. sun setting issues.
- b. Power wash community center once a month and Power wash parks once a month.
- c. Pool hours are the same 10:30 am to 8:00 pm, The on July 4th closing at 5:00 pm. Guards will not serve food. Then hours change when 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)
- d. Need to add money yearly to reserves for maintenance and replacement cost at Community Center.
- e. Parking lot will need to be sealed and Paint parking spots this summer.
- f. Add cameras to pool area on poles? Roughly \$5,000.00.
- g. Change out grass to Astroturf or fill in one section and place concrete? \$14,000.00.
- h. Carpets need to be replaced in 2022.
- i. This spring working on playground in pool area, fixing minor items. Every year have inspected.
- j. Set up paint inside of clubhouse, roughly \$9,500.00. If funds allow.

Rough Idea on Fence cost: Phase 1 & Phase 2:

14,801 feet of fence. X \$40.00/ft = \$465,134.00

Built in 2016 as an average. (22 years of life) R and R project projected date: 1/1/2038

Phase 3 & Phase 4:

8,722 feet of fence. X \$40.00/ft = \$312,220.00 Built in 2018 as an average. (22 years of life)

R and R project projected date: 1/1/2040

Total fence: 23,523 feet Total in 2038/40: \$777,354.00

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 Ron Mullenbach 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 6:00 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