

SOUTHWEST TIMNATH METRO DISTRICTS

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

HELD: Tuesday, November 09, 2021, at 5:31 p.m. at 6000 Summerfields Parkway, Timnath, Colorado 80547.

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:

Directors in Attendance:

Dino A. DiTullio
Jennifer DiTullio
Mike DiTullio (via teleconference)
Kara DiTullio (via teleconference)

Directors Absent:

Ron Mullenbach

Also in Attendance:

David O'Leary, of Spencer Fane
Guy Johnson, Jackie Johnson, from District Management
Several Homeowner at meeting, please see sign in sheet

CALL TO ORDER:

Director Dino DiTullio called the meeting to order at 5:31p.m.

QUALIFICATION OF BOARD MEMBERS/OATHS OF OFFICE COMBINES MEETING AND NOTICES:

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 private property within the Districts. Mr. O'Leary stated that all the Board members had been administered the Oaths of Office. Also, welcoming new board member Ron Mullenbach to the board. The Districts are meeting in a combined board meeting. Unless otherwise noted, the matters set forth below shall be deemed to be the actions of the Southwest Timnath Metro District No. 1, with concurrence by the Southwest Timnath Metro District No. 2, 3, & 4. Mr. Johnson stated that the notice of the meeting was properly posted in 3 public places in District No. 1, 2, 3 & 4 boundaries at least 72 hours prior to this meeting. Notice of meeting and agenda were sent to the Larimer County Clerk and Recorder for posting as required by law.

DISCLOSURE OF POTENTIAL CONFLICT OF INTEREST:

Mr. 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.

APPROVAL OF AGENDA:

The Board reviewed the agenda,

Upon motion was made by Director Dino DiTullio, seconded by Director Jennifer DiTullio, and unanimously carried to approve the agenda with the noted change.

APPROVAL OF MINUTES:

The meeting Minutes of March 09, 2021, meeting was presented and discussed.

Upon motion was made by Director Dino DiTullio, seconded by Director Mike DiTullio, and unanimously carried to approve the meeting minutes of the March 09, 2021, Meeting.

DESIGNATION OF OFFICIAL POSTING LOCATIONS:

Mr. Johnson presented the annual posting locations with some slight changes to the Board.

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

CONSIDER APPROVAL AND RATIFICATION OF TRACT M AND THE DISTRICT IGA'S: INCLUDING THE COMMUNITY CENTER & POOL OPERATIONS/COST WITH STMD:

Mr. Johnson present to the board the IGA that covers all the cost of Tract M which includes the Community Center and Pool budget, which is to be split per lot cost between SWTMD and STMD, After further discussion,

Upon motion duly made by Director Dino DiTullio, seconded by Director Kara DiTullio, and unanimously carried to approve the Resolution of the Split all the cost in Tract M, which includes the Community Center and Pool.

RESOLUTION CONCERNING ANNUAL ADMINISTRATIVE MATTERS 2021:

Mr. O'Leary presented a Resolution Concerning Annual Administrative Matters for 2021 for the Districts.

Upon motion was made by Director Dino DiTullio, seconded by Director Kara DiTullio, and unanimously carried, the Board approved the Resolution Concerning Annual Administrative Matters for 2022, 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, 2022. These notices will also be provided to the Division of Local Government and appropriate state agencies as required by law.

Upon motion duly made by Director Dino DiTullio, seconded by Director Mike DiTullio, and unanimously carried to approve the 2022 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.

Upon motion duly made by Director Dino DiTullio, seconded by Director Mike DiTullio, and unanimously carried to approve 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.

APPROVAL OF 2022 DISTRICT SERVICE AGREEMENTS:

Mr. Johnson presented and discussed engagement letters and/or proposals for service agreements for District Management, Landscape Maintenance Agreements, Pool Management agreement with STMD, 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. After further discussion on the matters and

Upon motion duly made by Director Dino DiTullio, seconded by Director Jennifer DiTullio, and unanimously carried to approve the District service agreements and make changes if needed for District Management, Landscape/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 service agreements for 2021.

AUDIT AND AUDIT EXEMPTION:

Mr. O'Leary reviewed with the Board preparing for the 2021 audits and/or exemptions. It was noted that if revenues or expenditures for a district are less than \$750,000 in 2021, the District may file application for Exemption from Audit on or before March 31st.

Upon motion duly made by Director Dino DiTullio, seconded by Director Mike DiTullio, and unanimously carried to authorize Mr. Johnson to prepare for 2021 audits and or fill out application for exemptions from audits as appropriate and to take such further action as necessary to complete and file these documents with the necessary state agencies.

PAYABLES:

Mr. Johnson presented the Schedule of Payables for March 2021 through October 2021 with a total of \$441,837.54. After further review:

Upon motion duly made by Director Dino DiTullio, seconded by Director Kara DiTullio, and unanimously carried to approve and ratify payables for March 2021 through October 2021 with a total of \$441,837.54.

APPROVAL OF RESOLUTION OF O and M FEES:

Mr. Johnson stated the Fee needed to be increased due to current fees did not cover all expenses and to cover the higher cost of current services, along with stating a long-term plan. Mr. Johnson noted the O and M fees need to be around \$1,500.00 per year and future increases were needed. Director Dino DiTullio wanted to make sure the district gave the residents plenty of notice of increase, with no further discussion.

Upon motion duly made by Director Dino DiTullio, seconded by Director Mike DiTullio, and unanimously carried, the Board Resolved to increase the District Fee.

2021 AMENDED BUDGET HEARING:

Mr. Johnson stated that a budget amendment was not needed for SWTMD at this time. In agenda as a place holder.

2022 BUDGET HEARING:

Upon motion by Director Dino DiTullio, seconded by Director Mike DiTullio and unanimously carried, the Boards opened the Public Hearing of the 2022 Budget. Mr. Johnson presented the Board with the proposed 2022 Budget, the board stated they had reviewed the budget prior to the meeting and had no

changes to be made. With no further discussion of the 2022 Budget Director Dino DiTullio closed the Public Hearing and Director Mike DiTullio seconded and unanimously carried.

Upon motion duly made by Director Dino DiTullio, seconded by Director Mike DiTullio, and unanimously carried, the Board: (1) Approved and 2022 budget 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, 2022.

APPROVAL OF PROMISSORY NOTES:

Mr. O’Leary stated the Promissory notes required renewal yearly renewals and updates, Mr. Johnson noted the changes were just interest accruals, after further discussion,

Upon motion duly made by Director Dino DiTullio, seconded by Director Mike DiTullio, and unanimously carried, the Board Resolved to approve the updated Promissory Note for 2021 as discussed.

LEGAL COUNSEL REPORT:

Mr. O’Leary presented to the board the Resolution Calling the May 03, 2022, Elections, with no further discussion

Upon motion duly made by Director Dino DiTullio, seconded by Director Mike DiTullio, and unanimously carried, the Board Resolved to approve the Resolution Calling the May 03, 2022, Election

Mr. O’Leary presented to the board the Resolution regarding Social Media, with no further discussion

Upon motion duly made by Director Dino DiTullio, seconded by Director Jennifer DiTullio, and unanimously carried, the Board Resolved to approve the Resolution Regarding Social Media

MANAGERS REPORT:

1. General District items:

- a. Must have replacement cost for District property in budgets and long term-reserves.
- b. Last section of district fence set up for stain in 2022. Note fence stain shortage.
- c. Then start in 2023 staining 25% of the project each year. (Stain fence every 4 years)
- d. Talk on O and M fees to cover actual cost of O and M, needs to be around \$1,500.00.
- e. Needs operating funds for Maintenance and up-grades, in the districts.
- f. Keep in mind the community fence was built in 2017/18. Fence life span around 22 years.
- g. Irrigation water fees are going up 3% 2022.

2. Site Work:

- a. Cleaning drains, pans, and detention ponds, monthly. D R Horton helped 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. Monument lights have been put in place, Thanks to D R Horton.

3. Web Site:

- a. Setting up.

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.

- c. Power wash parks once a month. On hold.
- d. 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)
- e. **Might have issues with guards in 2022, not as many guards around. Currently 30/35 to 1 coverage. Redcross is 50 to 1.**
- f. Need to add money yearly to reserves for maintenance and replacement cost at Community Center. Need on site reserves and Community Center reserves.
- g. Parking lot will need to be sealed soon. Paint parking lot stripes.
- h. Add cameras to pool area on poles?
- i. Change out grass to Astroturf or fill in one section and place concrete?
- j. Carpets set up to be replaced.
- k. Set up paint inside of clubhouse.

Next meeting 3/8/2022 at 5:30 pm. Or as needed.

PUBLIC COMMENTS:

ADJOURNMENT:

Following discussion and upon motion duly made by Director Dino DiTullio, seconded by Director Mike DiTullio, and unanimously carried, the Board adjourned the joint special meeting of the Board of Directors of the Southwest Timnath Metropolitan District Nos. 1-4 at 6:10 p.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 Southwest Timnath Metropolitan District Nos. 1-4.



Guy D. Johnson