

RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF THE

HERITAGE TODD CREEK METROPOLITAN DISTRICT

Held: Tuesday, February 14, 2017, at 11:00 a.m., 8455
Heritage Drive, Thornton, CO 80602

Attendance

The special meeting of the Board of Directors of the Heritage Todd Creek Metropolitan District was called and held as shown above in accordance with the statutes of the State of Colorado. The following Directors, having confirmed their qualifications to serve on the Board, were in attendance:

Phil Anderson, Vice President
Dan Kettle, Treasurer
Rod Stone, Asst. Secretary
William Gomer

Also present were Barbara T. Vander Wall, Esq. and Cameron J. Richards, Esq., Seter & Vander Wall, P.C.; Diane Wheeler, Simmons & Wheeler, P.C.; Denise Hogenes and Ross Dudley of CCMC, District Manager; and Paul Ozanich, and Cindy Kettle, members of the public.

Call to Order

Serving as acting Chair, Director Anderson noted a quorum of the Board was present and called the special meeting of the Board of Directors of the Heritage Todd Creek Metropolitan District to order at 11:00 a.m.

Conflict of Interest / Disclosure Matters

The Board had been previously advised that pursuant to Colorado law, certain disclosures by the Board members might be required prior to taking official action at the meeting. Legal counsel advised that written disclosures of the conflicts of interest for each Director had been filed with the Secretary of State prior to the meeting.

No additional conflict disclosures were announced.

Approval of Minutes

The Board reviewed the minutes of the January 10, 2017, special meeting. Upon motion duly made, seconded, and unanimously

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carried, the minutes of the January 10, 2017, special meeting were approved as presented.

Following the approval of the minutes, there was additional discussion among the Directors regarding outstanding District matters referenced in the minutes.

Director Stone stated that an estimate for spring mulch and landscaping work was being prepared for discussion at the March meeting.

Director Stone inquired about the status of paperless billing; Mr. Dudley advised that a letter had been signed by former Board member Byron Raynie prior to his resignation which authorized CCMC to engage in paperless billing.

Director Stone requested a brief status update regarding the District's fee resolution. Ms. Vander Wall advised that an updated fee resolution is being prepared for discussion at the March meeting.

Director Stone asked whether Lennar has made progress on the issues with the construction gate. Mr. Dudley reported there is no update at this time.

Director Gomer inquired as to the status of acceptance of property referenced in the minutes from January 10, 2017. Director Stone reviewed the history of the acceptance of public improvements, and the ownership issues attributable to various parcels of land that has held up the process. Director Anderson noted the District needed clear title of any land to be accepted before the process could move forward. Ms. Vander Wall reported that Lennar's real estate attorney contacted her about accepting title from the various owners, and that she has informed the attorney the District needs to accept clear title from Lennar only. The Board affirmed their position.

Director Gomer asked if the draft minutes could be circulated for review earlier. Ms. Vander Wall agreed.

Director Gomer stated that he would like the District to track ongoing matters. The Board discussed a process for doing this, and agreed that Director Gomer may track the items for discussion at Board meetings in the future.

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Public Comments

There were no public comments offered at this time.

Director Matters

- Board Vacancy

The Board acknowledged the recent resignation of Byron Rayne, and the subsequent vacancy to be filled. Ms. Vander Wall reported that her office worked with CCMC on the publication of a notice of vacancy and solicitation of letters of interest from members of the community. Two letters of interest were received, and the interview committee has conducted interviews with the candidates. Director Anderson reported that following the interviews the committee recommended the appointment of Mr. Ozanich to fill the vacancy.

Mr. Richards distributed anonymous ballots. By unanimous vote Mr. Ozanich was selected to fill the vacant seat. Following the vote, Director Anderson, serving as acting chair, administered the oath of office to Director Ozanich. Ms. Vander Wall distributed the certificate of appointment, affidavit of qualification, and disclosure forms for signature. Upon signing, Director Ozanich joined the Board. Director Anderson expressed appreciation to the second candidate, Mr. Frederick Spoor, for his application and noted the Board would appreciate his knowledge and experience if needed.

- Election of Officers

The Board reviewed the officer positions, and noted the recently vacated offices of president and secretary. The Board agreed to review each office to be filled.

Director Rod Stone was nominated for president, Director Bill Gomer was nominated for secretary, and Director Paul Ozanich was nominated for assistant secretary; the nominations were accepted. Following motion made, seconded and unanimously carried, the Board elected the Directors to the offices as nominated. Directors Anderson and Kettle agreed to remain vice president and treasurer, respectively. Ms. Vander Wall advised that the action of the Board would supersede the election of officers previously identified in the annual administrative resolution.

- Committee Appointments

Next, the Board reviewed the District's standing committees and committee members. Director Stone advised that due to recent Board member changes, there is one open spot on both the landscape and budget committees to be filled, or the Board members may transition to different committees if desired. A

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short overview of each committee was given by Director Stone. Ms. Vander Wall noted that each committee should be limited to two directors, or the committee meeting would be subject to additional legal requirements.

The Board members stated their preferences regarding committee appointments. Following further discussion, and upon motion, second and unanimous vote, the Board approved the following committees and members:

Landscape Committee – Directors Stone and Gomer
Budget Committee – Directors Anderson and Ozanich
Engineering/Streets Committee – Directors Anderson and Kettle.

Financial Matters /
Payment of Claims

Ms. Diane Wheeler, Simmons & Wheeler, presented three checks for approval: UMB Bank as bond trustee, Seter & Vander Wall for legal services, and Simmons & Wheeler for accounting services. Upon motion duly made, seconded, and unanimously carried, the checks were approved.

Ms. Wheeler noted that additional District expenses were managed and paid through the District's management company. These expenses are considered and approved by the Board through the financial statements which are separately prepared. Director Kettle requested details of the amounts paid be included as part of the financial statements. Mr. Dudley agreed to provide this information.

Ms. Wheeler presented financial statements through December 31, 2016. She reviewed the District's debt service fund and general fund amounts. She discussed the District's accounts receivable and noted that they are relatively low. Following further discussion, and upon motion, second and unanimous vote, the financials were accepted as presented.

Ms. Wheeler presented an engagement letter from Watson Coon & Associates to prepare the District's audit for 2016 for the amount of \$4,800. Upon motion duly made, seconded, and carried unanimously, the Board approved the engagement letter agreement with Watson Coon to prepare the 2016 audit.

Ms. Wheeler presented continuing quarterly disclosure statements for execution. These documents are required as part

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of the bond covenants related to the District's debt.

District Overview / Board Member Orientation

Ms. Vander Wall provided a short orientation for the two new Board members. Binders containing relevant information about the District had been assembled in conjunction with CCMC. Ms. Vander Wall reviewed the contents of the binders, drawing the Board's attention to relevant District documents. The Board thanked Ms. Vander Wall and Mr. Dudley for preparing the binders.

Legal Status Report

Ms. Vander Wall directed the Board members to her written legal report included in the meeting materials.

Manager's Report

Mr. Dudley presented the manager's report. A written report was distributed.

The Yosemite gate has been installed and is waiting on paint. Weather has delayed the completion of the project.

CCMC is working with the City of Thornton to become compliant with the landscaping plan previously submitted by Lennar. This plan included some projects that were larger in scope than anticipated or budgeted for. Mr. Hubbell at CCMC is working with the City and Brightview, the District's landscaping contractor, on the issues.

Matching signs have been ordered for all gates in / out of the District to ensure a consistency of appearance. No soliciting signs are being posted in appropriate locations.

Snow removal has been minimal lately. Lennar has been helpful with identifying locations where snow could be pushed to as well as providing a location for Brightview's storage trailer. As more homes are built these options may dwindle. Solutions will continue to be pursued.

Public Comment

There was no additional public comment at this time.

Executive Session

There were no items presented for executive session at this time.

Other Business

Director Anderson reported that the Engineering and Street Committee is working on a proposal for street work to be

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performed in the coming summer. In order to obtain accurate bids, some engineering work will be required. Specifically, on Heritage Drive, the crown of the road needs to be measured to confirm that it has stayed within required slope limits. Director Anderson requested authority to direct IDES to perform the spot surveying on Heritage Drive, needed so that an accurate scope of work may be prepared for bidding. After further discussion, the Board agreed that due to timing constraints, the spot surveying work needs to be accomplished in advance in order that the Board can make strategic decisions at the March meeting. The Board agreed to authorize the engineering committee to work with IDES to perform the requested services, in an amount not to exceed \$5,000. Upon motion, second and unanimous vote, the Board approved the proposal as discussed.

Adjournment

There being no further business to come before the Board, and upon motion duly made, seconded and unanimously carried, the meeting was adjourned at 1:00 p.m.



Secretary for the Meeting