

# RECORD OF PROCEEDINGS

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## MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

## HERITAGE TODD CREEK METROPOLITAN DISTRICT

Held: Monday, January 28, 2019 at 1:00 p.m., 8455 Heritage  
Drive, Thornton, CO 80602

### Attendance

The regular 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:

Rod Stone, President  
Phil Anderson, Vice President  
Dan Kettle, Treasurer  
Paul Ozanich, Assistant Secretary

Absent: William Gomer (absence excused).

Also present were Barbara T. Vander Wall and Cameron J. Richards, Seter & Vander Wall, P.C.; Diane Wheeler, Simmons & Wheeler, P.C.; and Ross Dudley CCMC, District Manager.

### Call to Order

Director Stone noted a quorum of the Board was present and called the regular meeting of the Board of Directors of the Heritage Todd Creek Metropolitan District to order at 1:00 p.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 Agenda

The Board reviewed the agenda. The agenda was approved upon motion duly made, seconded and unanimously carried.

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- Approval of Minutes                      The Board reviewed the minutes of the November 26, 2018 regular meeting. A minor change was requested to page 6 of the minutes. Upon motion duly made, seconded and unanimously carried, the minutes were approved as modified.
- Public Comment                              No public comment was offered at this time.
- Annual Administrative Matters                      Ms. Vander Wall discussed a number of administrative matters with the Board, which are generally addressed at the Board's first meeting of the year, in accordance with Colorado laws.
- Director Qualification Affidavit                      Ms. Vander Wall asked the Directors to complete an affidavit which she distributed to each Director, confirming the Directors' qualifications to serve on the Board.
  
  - Disclosure and Conflicts of Interest                      Ms. Vander Wall asked the Directors to review the information provided to each Director by her firm, describing how to identify a conflict of interest, and the requirements under Colorado law for disclosure of such conflicts of interest by each Director. Ms. Vander Wall asked each Director to review the contents of the letter, and to identify all existing and potential conflicts of interest each Director may have in connection with serving as a member of the Board of the District, and to complete the attached disclosure forms to be returned to her office.
  
  - Annual Administrative Resolution                      Ms. Vander Wall presented the annual administrative resolution for discussion.  
  
The Board reviewed and determined to continue to use its existing newspaper publication designated for publication of legal notices, identified as the *Northglenn-Thornton Sentinel*.  
  
Next, the Board determined to use its 24-hour posting place as the clubhouse at 8455 Heritage Drive in Thornton, Colorado.  
  
The Board determined that its meeting schedule will be the fourth Monday of the odd numbered months starting in January. The meetings will be held at 1:00 p.m. at the clubhouse located at 8455 Heritage Drive, Thornton, Colorado. Meeting notice posting locations at (1) the clubhouse; (2) the Quebec gate; and (3) the Yosemite gate.  
  
The Board confirmed the existing officers of the Board:

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Rod Stone, President/Chair  
Phil Anderson, Vice President  
Dan Kettle, Treasurer  
William Gomer, Secretary  
Paul Ozanich, Asst. Secretary

The Board reviewed the engagement of its consultants, Seter & Vander Wall, P.C. serving as the District's legal counsel, Simmons & Wheeler P.C., serving as the District's accountant, IDES, serving as the District's engineer, and CCMC, serving as the District's administrator, and determined to renew its consultants for 2019.

Finally, the Board reviewed the proposed form of resolution presented by Ms. Vander Wall which memorializes the above determinations in addition to certain other administrative actions providing direction from the Board regarding actions to be taken by its consultants on the Board's behalf. Upon motion made by Director Ozanich, and second by Director Kettle, the Board unanimously approved the Resolution.

## Financial Matters Financial Reports and Payment of Claims

Ms. Wheeler presented draft financial statements for the period ending December 31, 2018, and a schedule of claims for payment.

Claims for November and December totaled \$61,349.47 and included final payment for the District's road repair project as well as insurance premiums. January's current claims were \$3,059.25, including checks for accounting, legal and the bond trustee payments. Upon motion made, seconded and unanimously carried, the presented claims were approved.

Ms. Wheeler reviewed the District's fund balances and schedule of cash positions. Some expenses had come in over budget, such as landscaping, and repairs and maintenance, while others were under budget. Interest income is above budget. While some builder fees remain outstanding, developer reimbursements are current. The District made its debt service principal and interest payments on December 1, 2018.

Upon motion duly made, seconded and unanimously carried, the Board accepted the draft financials as presented

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- Audit Engagement Letter  
Ms. Wheeler presented an engagement letter from Watson Coon Ryan for performing the 2018 audit. The proposed engagement is for \$4,600, the same as last year. The Board reviewed the letter. Upon motion duly made, seconded and unanimously carried the Board approved the engagement of Watson Coon Ryan to perform the 2018 audit.

## Committee Reports:

- Engineering Committee  
Director Anderson presented the Engineering Committee report. The 2018 road work has been completed and is under budget. Projects for 2019 were considered during the budgeting process and included crack fill and concrete repair, slurry sealing, seal coating and mill & overlay projects. Total 2019 projects are estimated to be in the \$350,000 range. Planning for 2019 projects has commenced.

Streets and sidewalks in Amendments 8 and 9 and Block H had been walked in the fall for consideration of final acceptance. A punch list has been prepared. The City of Thornton has also been involved and submitted its own punch list items. Reportedly the punch list items are complete, however, a verification walk has not occurred. Director Stone inquired if the punch list items include the handicapped accessible pedestrian ramps. The District is concerned the ramps are not designed or built to ADA specifications. Director Anderson is not sure, but he and Director Kettle will work with the District's engineering consultant to ensure all necessary work has been performed.

- Landscape Committee  
Director Stone presented the Landscape Committee report. Prior to the Board meeting, he met with developer representatives Adam Coates and Katie Cooley to discuss ongoing projects in the District.

Lennar has obtained a Clean Water Act Section 404 wetlands permit to perform the work on the Yosemite pedestrian bridge. Plans are in the final comment stage and will be sent out for bid soon. Work may start as soon as May.

The dead trees by the lift station on Yosemite are being removed. Mr. Dudley is in communication with the contractor and replacements will be planted in the spring.

A number of handicapped crossing locations have reports of

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pooled water forming. The District is having ongoing discussions with Lennar to have the issue resolved.

Benches have all been installed at the selected locations. The Board has determined not to proceed with any park naming at this time. Any final irrigation adjustments will be made in the spring. The Board requested Mr. Dudley notify the community about the benches in the next e-blast sent out.

The District previously provided the developer with a second construction entrance off of Yosemite, however it is not being utilized at this time. Ms. Cooley has indicated Lennar expects to use that location for construction access beginning in 2020.

Drainage infrastructure in Amendment 14 has been identified as needing some corrective work, specifically structural repairs to the bridge, repairs to cracks in some concrete culverts, and exposed rip rap will need to be addressed. Lennar has agreed to perform the work, and this will be done in conjunction with construction in the area.

District residents have requested doggie stations be added in newly constructed areas, such as Amendment 10. Ms. Cooley has indicated Lennar would be willing to do so when the area is turned over. The Board would like to see this happen earlier and will consider locations where a dog station would be appropriate. The Board appointed Director Gomer to consider this, noting the bench placement process has been a success.

Director Stone noted that the District's contract with Brightview calls for various services to be provided periodically through the year. The District has been paying for these, but there has not been a good method of tracking performance. Brandon Ming, the new maintenance manager will monitor to ensure the District is receiving all services contracted for.

Mr. Ming has also proposed the District consider acquiring a new or used golf cart or similar utility vehicle to more efficiently perform the work around the District. Director Stone noted such a cost may be shared with the Master Association, which shares in the costs of Mr. Ming's time. Director Stone acknowledged that issues of storing, charging and maintaining a golf cart will need to be addressed. The Board directed Mr. Dudley to look into the costs associated with such a vehicle. The Board agreed to defer any sharing proposals in the Master Association until

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more information is known.

Director Kettle discussed the District's water meters and how ownership and chargebacks to Lennar are handled. He is working with Mr. Collins to identify locations of all meters and areas each meter serves.

Director Stone reviewed how snow removal in certain areas is charged back to Lennar. Once homes are completed, the billing should shift from Lennar to the District. The Board will review maps to ensure the District and Lennar are responsible for the appropriate areas.

- Budget Committee No report was made at this time.

Director Stone asked about District fees. Director Anderson noted fees were not been increased in the recent budget, but that District expenses for landscape, tree replacement and lighting were increasing. District fees will be reviewed periodically along with the budgetary requirements and assessed valuation to ensure the District could meet its financial obligations.

- Special Committee on Park Benches Benches have been installed and the purpose of the committee is complete. The Board thanked the Committee for its work.

District Manager's Report Mr. Dudley presented the manager's report including a written report provided to the Board.

Exhibit B to CCMC's contract with the District is being reviewed and updated. A draft is expected to be available soon. The changes will allow for CCMC to manage a website and be reimbursed for direct costs by the District.

Mr. Dudley discussed how the maintenance managers' services are calculated and allocated between the Master Association and the District. He noted that, while the hourly rate is not specified in Exhibit B, it is billed as "additional services" under the contract and are accounted for in the budgeting process. The Board discussed how much detail and tracking they would like to see regarding the position.

Stop signs have been installed. There were additional charges of \$199.50 to replace posts that are unusable with the new signs. Residents have made suggestions regarding District road

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signage. One suggestion is to add a speed limit sign to the stop sign, the second is to relocate the flashing speed limit signs to areas in the community, not near the exits. The Board agreed to wait and gather more feedback before making any determinations about sign placement.

Upon motion, second and unanimously carried, the Board approved the expenditure of \$200 to replace the stop sign bases.

Mr. Dudley has communicated concern about the construction gate on Quebec and ensuring it is properly secured. Lennar has confirmed the gate should be secured unless being used or construction access.

## Attorney Report

Ms. Vander Wall and Mr. Richards presented the attorney report including a written report which was presented to the Board.

- Update re Acceptance of Improvements  
Mr. Richards noted there were no new areas being considered for preliminary acceptance at this time. The process by which the District has been granting conditional preliminary acceptance and allowing time for the completion of paperwork was reviewed. Two items related to previous conditional acceptances are being presented.
- Acceptance of Special Warranty Deed  
The area known as Filing No. 2, Amendment 1, Tract 1A, has been accepted for conditional preliminary acceptance at the District's September 2018 meeting. Since that time, the tract has been replatted and Lennar has presented a signed deed transferring ownership of the landscaped area to the District. The Board reviewed the deed. Upon motion, second, and unanimous vote the District accepted ownership of Filing 2, Amendment No. 1, Tract 1A. Mr. Richards will follow up with Lennar to ensure recording of the deed.
- Approval of Replatted Tracts  
Certain tracts in Amendments 8 and 9 were preliminarily accepted in November of 2017, but required replatting of tracts from larger golf course owned tracts. Replats of a number of tracts are complete. Mr. Richards reviewed the plats for Filing No. 1, Amendment 17, Filing No. 1, Amendment 18 and Filing No. 1, Amendment 19 with the Board and the language dedicating the new tracts to the District for ownership and maintenance. Upon motion made, seconded and unanimously approved, the Board approved the plat language, accepted the

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dedication of ownership and maintenance responsibilities, and authorized Director Stone to sign on behalf of the District.

- Big Dry Creek Sewer Interceptor Easements Mr. Richards reviewed the purchase and sale agreement for two easements for the Big Dry Creek Sewer Interceptor project approved by the District. The City has offered a total of \$651 for sewer easements across two District landscaping tracts. Mr. Richards reported that the City has provided closing paperwork and requested that the District execute the easement deeds. Legal counsel has reviewed the closing documents and approved the language contained. Upon motion made, seconded and unanimously carried, the Board approved the grant of two easement deeds and authorized the signing of all associated closing documents.

Director Kettle inquired about the gate maintenance agreement. Mr. Dudley noted the District has a few preferred vendors, but has not received any proposals for scheduled or regular maintenance or for on call repairs. Mr. Dudley will follow up.

Director Anderson inquired about the oil wells in the District. Great Western is reportedly plugging the wells. The Board inquired whether the District could landscape or beautify areas that were formerly the responsibility of the oil company. Mr. Richards noted he will review the District's Surface Use Agreement concerning responsibilities upon abandonment.

Old Business

No items of old business were discussed.

New Business

Director Anderson presented a document of Metropolitan District Accomplishments from 2018 he would like to include in the next resident e-blast. The Board reviewed the document and made a few suggested modifications. Upon motion, second and unanimously carried, the Board approved sending out the document as modified.

Public Comment

No additional public comment was offered.

Other Business

No other business was presented.

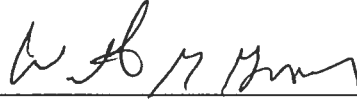


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Adjournment

There being no further business to come before the Board, the meeting was adjourned at 3:10 p.m. The next regular meeting of the Board is scheduled for March 25, 2019 at 1:00 p.m.



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Secretary for the Meeting