

# RECORD OF PROCEEDINGS

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## MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF THE

HERITAGE TODD CREEK METROPOLITAN DISTRICT

Held: Thursday, September 19, 2019 at 10:00 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:

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

Also present were Cameron J. Richards, Seter & Vander Wall, P.C.; Diane Wheeler\*\*, Simmons & Wheeler, P.C.; Michael Sullivan\*, D.A. Davidson & Co.; and Leslie Freeman, Karen Matthew, Nancy Meier, Ann Sack, and Ian Widom, residents of the District.

[\* Departed where indicated.]

[\*\*Participated by telephone where indicated.]

### Call to Order

Director Stone 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 10:00 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.

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- Approval of Agenda                      The Board reviewed and approved the agenda as presented.
- Approval of Minutes                      The Board reviewed the draft minutes of the September 6, 2019 special meeting. Upon motion duly made, seconded and unanimously carried, the minutes were approved as presented.
- Public Comment
- Ivan Widom, a resident of the District asked about sidewalk maintenance responsibilities and reported several cracks near his home. Director Stone reported some sidewalks are District responsibilities and others remain the developer's responsibility, and requested Mr. Widom's address. The subject area appears to be coming up for preliminary acceptance. The sidewalk cracks will be looked at as part of the preliminary acceptance punch list.
- A resident reported that certain landscaping located off of Quince Court and Rosemary Street needs some work. Director Stone advised that he will be walking the area later today as part of a final acceptance check list.
- Leslie Freeman asked what the District is doing regarding the planned widening of Quebec and possible impacts on houses along Quebec. The Board reported that Quebec is under City of Thornton jurisdiction and the District will be monitoring future development plans for impact on the District.
- 2019 Bond Refinance
- Discussion of Refinance Options
- Mr. Sullivan of D.A. Davidson presented a summary sheet showing different scenarios for the proposed refinancing of the District's Series 2007 A and Series 2007 B bonds. The District is considering a refinance to achieve lower interest rates and decrease its debt payments. The Series 2007 B bonds are held by the developer. The developer also holds unsecured rights to payment under other District obligations memorialized in agreements with the District. The Board discussed the goal of decreasing or eliminating the developer obligations, as part of the refinance of the District's Series 2007 B bonds. Otherwise, these debts may not be paid off until the senior debt is retired. Initial conversations with the developer are favorable on this topic, but no agreement has been reached yet.
- The Board discussed the options presented and reviewed its current debt payment obligations. It was noted that regardless of which refunding scenario is pursued, the District should be able

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to lower its mill for tax collections in 2021 once the senior debt reserve is fully funded. If the Board chose to maximize the mill levy decrease, the debt repayment time will be extended. Alternatively, smaller decreases in the mill levy would allow the debt to be repaid more quickly. Mr. Sullivan stated the presented scenarios represent the minimum mill levy the District must set, and if financial conditions allowed, a higher mill levy could be used to retire debt faster. Mr. Richards noted that the Board does not have to decide on the financial terms at this time, only approve moving forward and engaging consultants to facilitate the transaction.

Upon motion made, seconded and unanimously carried the Board approved the engagement of D.A. Davidson for investment banking services for a bond issuance to occur in 2019 or 2020.

Upon motion made, seconded and unanimously carried, the Board approved engaging Kim Reed, Ballard Spahr, to serve as the District's bond counsel to assist with a possible bond issuance to occur in 2019 or 2020.

[\*Mr. Sullivan departed at this time.]

[\*\*Ms. Wheeler terminated the call at this time.]

## Other Business

Director Stone reviewed the landscaping walk-through scheduled for the afternoon. He and Director Gomer will be covering all areas under preliminary acceptance. Director Stone also reviewed the final acceptance and close-out process. The developer is open to the idea of resolving other outstanding issues in exchange for the District issuing early final acceptance of some tracts. Director Kettle has nearly completed accounting for the outstanding back charge issues.

Preliminary and final acceptance issues concerning the roads were discussed. There is confusion on whether roads, sidewalks and handicapped ramps have been finally accepted by the City of Thornton. Legal counsel and Brandon Collins of IDES will follow up. The Board wants to ensure the developer, District and the City are all working together.

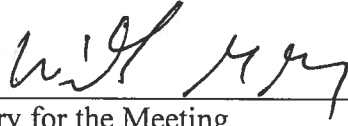
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Adjournment

The next meeting of the Board of Directors is scheduled for Monday, November 25, 2019, at 1:00 p.m.

The meeting was adjourned at approximately 11:45 a.m.



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Secretary for the Meeting