

RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF THE

HERITAGE TODD CREEK METROPOLITAN DISTRICT

Held: Wednesday, June 5, 2019 at 1:00 p.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

Absent: William Gomer (absence excused).

Also present were Barbra T. Vander Wall and Cameron J. Richards, Seter & Vander Wall, P.C.; Diane Wheeler*, Simmons & Wheeler, P.C.; Ross Dudley, CCMC, District Manager; Brandon Collins**, IDES, District Engineer; and Mary Anne Gaheen, Angelo Celeste, Charles Conselyer, Marty Williams, Henry Edmiston, Barbara Morgan, and Eileen Peters, members of the public.

[*Participating by telephone where indicated.]

[**Departed 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 1:05 p.m. Ms. Wheeler was acknowledged as present via telephone.

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

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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. Discussion of financial matters was moved ahead of public comment. The agenda as revised was approved upon motion duly made, seconded and unanimously carried.

Approval of Minutes

The Board reviewed the minutes of the March 25, 2019 regular meeting. Upon motion duly made, seconded and unanimously carried, the minutes were approved as presented.

Financial Matters

- Financial Reports and Payment of Claims

Ms. Wheeler discussed the draft financial statements for the period ending April 30, 2019, and a schedule of claims for payment.

New claims payable totaled \$10,070.22. Interim claims for ratification totaled \$15,635.22. Upon motion duly made, seconded and unanimously carried the Board approved the payment of the presented claims and ratified the interim payments.

Ms. Wheeler reviewed the District's financial reports and fund balances with the Board. Ms. Wheeler noted that the District has made its June 2019 debt service payment due on June 1st. The Board discussed total District debt outstanding and repayment schedules. The Board continues to review refinancing options and will engage in more discussion if a refinancing makes economic sense. Outstanding builder fees and other amounts will be received as charge back from Lennar, such as snow removal, were reviewed. Upon motion, seconded and unanimously carried, the April 30, 2019 financials were accepted.

[*Ms. Wheeler terminated her phone call at this time.]

Public Comment

A member of the public inquired about landscaping on an open space tract off of Heritage Circle. The member of the public would like to see open space tracts consistently landscaped throughout the District. Director Stone reported the tract had been discussed with Lennar. Lennar believes it is owned by the

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City of Thornton and may be a right of way tract; county records show the tract as owned by Lennar. Mr. Richards noted the tract may be an access easement with restrictions on landscaping. The Board will continue to investigate.

Ms. Williams, a resident of the District, inquired about another undefined area north of the 16th hole green and whether anything will be done with that tract. Director Stone noted the area is owned by HTC Golf Acquisitions, and will eventually be a native grass area. Director Stone noted this area, and some other areas in the District that are owned and maintained by the golf course, likely won't be finished until Lennar's construction activities near the tracts are complete.

Mr. Conselyer, a resident of the District, reported that construction traffic is a concern. Traffic is being forced to enter off of Quebec and drive through the entire community due to Adams County weight restrictions on use of Yosemite Street. Director Stone reported that this issue continues to be discussed with the developer. Mr. Conselyer reiterated traffic should follow the speed signs and adhere to stop signs. He suggested that the developer post someone at the gate or in the District to monitor traffic. Director Stone will pass the suggestion along.

Mr. Conselyer inquired if the developer is making the payments required of it to meet debt service obligations. The Board confirmed that the developer has made all required payments.

A member of the public asked where parking will be located for the new model homes being constructed along Heritage Drive. When models were located on Wabash, a designated parking area was provided. The Board did not know, but will raise the matter with the developer.

A member of the public asked if additional chase drains are going to be installed. Director Stone reported the installation of drains in the Amendment 9 area is a developer project and that the first phase has been completed. The effectiveness will be studied before further steps are taken, though the developer has indicated further installations are unlikely. There are numerous reasons water may accumulate on sidewalks, including over watering, improper sump pump outlets, or golf course watering. Director Stone will inquire about a possible phase 2 with the developer.

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A member of the public presented a summary of a recent neighborhood meeting. The consensus from the meeting is that the Board should be observant of community safety, particularly related to traffic and considering the resident population is older. Director Stone reaffirmed the Board's commitment to community safety and that traffic and safety issues are frequently discussed with the developer.

A member of the public suggested arrows should be added to golf cart crossings to indicate which directions carts come from. Director Anderson noted the carts often come from both directions, and it would be good if the Golf Course would add stop signs at crossings for golf carts.

Mr. Celeste, a resident of the District, reported his home backs on to Ehler Parkway and there are frequent speeders along that roadway. He has communicated with the City of Thornton about the issue and wants to know if the District could do anything to help monitor this. The Board noted Ehler Parkway is owned and maintained by the City of Thornton and encouraged Mr. Celeste to continue working with the City to increase enforcement along the roadway; the Board supports his efforts.

Mr. Edmiston, a new resident of the District, inquired about the condition of Roslyn Street, noting the road is in rough shape. Director Stone reported that street has not been turned over to the District and, prior to that occurring, it will be subject to an inspection and punch list process to bring the road up to City of Thornton right of way standards.

Mr. Edmiston also inquired about the water level in the drainage pond, noting it is refilling now, but there is no indication of when the level will fluctuate. Director Anderson noted the pond is owned and controlled by Todd Creek Village Metropolitan District, the District's water provider. Comments about the pond should be directed to that district's board.

There was no further public comment.

Committee Reports: Engineering Committee

Director Anderson, Director Kettle and Mr. Collins, of IDES, presented the engineering committee report. Director Anderson reviewed the scope of work that has been prepared and used to solicit bids. IDES has prequalified bidders. A bid from Martin

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Marietta has been received totaling \$348,377.70, which is within the budgeted allocation of \$351,500, and is recommended for award of the contract. Martin Marietta has performed District roadway work for the past two summers.

Street sweeping will be performed on June 6, 2019.

The Board inquired about handicap ramps that require repair. Mr. Collins noted that new ramps have been installed, but are still not properly draining water per Thornton specifications. He will continue to review and work with the developer to ensure the ramps meet specification.

Upon motion duly made, seconded, and unanimously approved, based upon the bid and recommendation, the Board approved entering into a contract with Martin Marietta for 2019 street and concrete repairs in an amount not to exceed \$351,500, subject to legal review of the form of contract to be used.

The Board inquired if the current IDES task order is sufficient to allow for proper supervision of the project. Mr. Collins noted a \$15,000 task order was approved a couple months ago and there should be sufficient amounts remaining to complete oversight of the upcoming work. This can be updated later if necessary.

The Board discussed whether a District policy for street excavation work should be considered follow recent circumstances involving a homeowner who had to dig up a private sewer service line. The job required a part of the District-owned and maintained roadway to be excavated. The repair work had failed resulting in a dangerous condition on the street and the need for repairs including the reinstallation of asphalt. Currently, the City of Thornton handles all permitting for right-of-way work even though the streets within Heritage Todd Creek are owned and maintained by the District. The District has two main concerns: 1) notification of any work to a District street; and, 2) the ability to require repairs to a street if the repair fails.

Mr. Richards reported he has held a preliminary discussion with the City of Thornton and with Mr. Collins on a possible District policy. The City has indicated that providing notice to the District of pending work is simple to do. The City requires a two-year warranty on street repair work but does not collect a bond or surety. The City may allow permitting to be handled by

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the District, depending on how involved the District wants to be in the permit review and approval process.

The Board discussed the issue. Once a policy is adopted, the Board would like to ensure that all residents are made aware as it may impact sewer work on private residences. The Board directed legal counsel to work with the City and begin preparing a policy to address the District's concerns in a way that makes sense with the City continuing to issue permits.

- Landscape Committee Director Stone presented the landscape committee report. Review of snow removal activities continues. The goal is to limit use of the cul de sacs, however, the District is running out of places to store snow. Storing snow on landscaping runs the risks of damaging the plants, and putting too much in the cul de sacs makes them difficult to access. Director Stone and Brightview Landscape continue to work on snow storage solutions for next year.

The landscaping season is just beginning, with sprinkler turn on and plantings. Director Stone has received community questions about certain areas that appear to be overgrown with weeds. These areas are owned and maintained by the golf course and consist of native seeding. A member of the public commented the turf had sunk below the level of the sidewalk in some locations and should be repaired. Director Stone requested the locations and will discuss with the golf course.

Director Stone reported communications with homeowners along the east side of Uinta Street concerning the strip of sod between the sidewalk and the roadway. The sod has been maintained and mowed by the homeowners as each home's irrigation system waters the area by each house. The developer has confirmed that the strip is to be maintained by the adjacent homeowners and that trees were installed in the strip at the homeowner request.

- Budget Committee No report was made at this time. Director Anderson noted work on the 2020 budget will begin in August.

- Dog Station Committee The Golf Course has allowed the installation of two dog stations off of Roslyn Street and Quince Street. This should conclude the committee's work for now.

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[*Mr. Collins departed at this time.]

District Manager's Report

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

Mr. Dudley reported that the draft golf cart agreement has been forwarded to the Master Association's attorney for review.

Mr. Dudley reported a number of landscaping issues are being addressed. These include eliminating or reducing overwatering and ensuring rain sensors are working properly. New trees have been installed at the pump station off Yosemite, and plantings at the Quebec entrance should begin shortly.

The developer has agreed to repair faulty wiring at the Quebec gate and to seal lines at both the Quebec and Ehler gates to prevent future malfunctioning.

Attorney Report

Mr. Richards presented the attorney report including a written report which was presented to the Board.

- Taddiken Tree Contract

Mr. Richards reviewed that the need to enter into a tree care contract for 2019 had arisen between the meetings. Due to the seasonal nature of certain treatments, it was necessary to execute a contract and proceed with work. Taddiken Tree had performed a comprehensive evaluation of all trees in the District and developed a maintenance regimen. The bid for 2019 services was \$59,465. Mr. Richards prepared a standard service contract. Upon motion made, seconded and unanimously approved, the Board ratified the contract with Taddiken Tree for an amount not to exceed \$59,465.

- Amendment 15 Plat

Mr. Richards reported that the final replat of tracts from Golf Course ownership to District ownership has been completed. A plat for Heritage Todd Creek Filing No. 1, Amendment No. 15 was presented for review and approval of plat dedication language.

Upon motion made, seconded and unanimously carried, the Board accepted the dedication language and authorized the District's signature on the plat. Legal counsel will prepare the warranty deed and bill of sale paperwork.

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- Final Acceptance of Roadways in Amendment 8, 9 and Block H
The roadways in Amendment 8, 9 and Block H were granted preliminary acceptance by the Board in April 2016. A walkthrough and punch list were developed in fall of 2018. However, to date, no request for final acceptance has been received from the developer. Director Stone noted the handicap ramps in two areas still need to be addressed. Legal counsel will follow up on the projected date of final acceptance.

- City Stormwater Utility
Mr. Richards reported that in November of 2018, the City of Thornton approved the creation of a stormwater utility fee. Landowners are billed based on the impermeable area of their property to pay for improvements to stormwater management systems in the City. The District has received bills for the streets it owns. Billing began in May, and legal counsel is still confirming the accuracy of all billing statements, but it is expected that the District's total liability is in the range of \$2,500 - \$3,500 per month. Legal counsel is discussing the issue with the City of Thornton to verify whether public improvements like streets were intended to be included in the billing and to ensure that any bills sent to the District are accurate and reflect actual District liability. Additional update will be provided in the future.

- Construction Access Issues
Adams County has placed a weight limit on traffic on Yosemite Street that effectively precludes use by construction vehicles. This means construction traffic accessing the new development area north of Heritage must enter via the Ehler or Quebec gate and drive through the entire District. The District has granted the developer two construction access easements off Yosemite, but the weight restrictions cause them to no longer be useful. The Board would like to see Yosemite used for construction access and agreed to begin approaching Adams County officials to determine if anything can be done.

- Abandoned Oil and Gas Wells
The oil and gas wells in the District have been abandoned. The Board had previously inquired about the possibility of installing landscaping in the areas to improve the appearance of the sites. Mr. Richards research indicates the well sites are actually owned by the Golf Course. No action was taken at this time.

- HB19-1087 Meeting posting requirements
Legal counsel reported on the recent legislation regarding modifications to meeting notice requirements. The new law allows public entities to post its meeting notices on its website,

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so long as the website meets certain criteria. It may then post 24-hours in advance. The Board discussed the laws and determined to continue physically posting in the District for the time being in addition to adding the meeting notice to its website.

Old Business

Director Anderson provided an update on the Yosemite Bridge project. Permits have been obtained, and final plans are being reviewed. The work is expected to commence in 6 weeks and will take approximately 2 months to complete. The Board will continue to monitor.

New Business

Lennar has provided information for what it contends is \$77,000 in back-charging that is improperly assigned to it. Some of this appears to be water bills related to landscaping under preliminary acceptance, others appear to relate to other maintenance expenses. The Board directed Mr. Dudley, legal counsel and the accountant to look into the back-charging calculations and try to reach an understanding concerning proper allocation of expenditures.

Public Comment

A member of the public suggested that the District post notice of board meetings at the Ehler gate entrance as well as the Yosemite and Quebec entrances for the sake of consistency. The Board noted this is a logical step to take.

A member of the public asked if Roslyn Street is under preliminary acceptance. The Board confirmed that the street has not been granted preliminary acceptance at this time.

A member of the public asked what the District's outstanding bond debt was. Director Anderson reported it is approximately \$31 million in bonds, with additional debt that is held in subordinate bonds.

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Adjournment

The next regular meeting of the Board is scheduled for July 22, 2019 at 1:00 p.m.

The meeting was adjourned at approximately 3:50 p.m.



Secretary for the Meeting