

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

HERITAGE TODD CREEK METROPOLITAN DISTRICT

Held: Monday, March 26, 2018 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
William Gomer, Secretary
Paul Ozanich, Asst. Secretary

[* Participating by telephone]

Also present were Cameron J. Richards, Esq., Seter & Vander Wall, P.C.; Georgia Harland*, Simmons & Wheeler, P.C.; Ross Dudley, CCMC, District Manager; Brandon Collins*, IDES; and David Kuntz*, Martin / Martin, Inc.

[*Departed where indicated.]

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.

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- Approval of Agenda Upon motion duly made, seconded, and by unanimous vote the agenda was approved.
- Approval of Minutes The Board reviewed the minutes of the January 22, 2018 regular meeting. Upon motion duly made, seconded and unanimously carried, the minutes were approved with one correction of a typo.
- Public Comment No public comment was offered at this time
- Financial Matters
- Financial Reports and Payment of Claims Ms. Harland presented financial statements for the period ending February 28, 2018, and a schedule of claims to be approved for payment.

Total claims for approval were \$27,555.93 and included checks for accounting, legal, Special District Association membership dues, and trustee fees to UMB Bank. Upon motion duly made, seconded and unanimously carried, the Board approved the claims presented for payment.

The District's financial statement dated February 28, 2018 was reviewed. Property tax collection has commenced. The District's general fund, debt service fund, and cash positions were reviewed. The District's next debt service payment is due in June. Upon motion duly made, seconded, and unanimously carried, the financial statements were accepted as presented.

 - Other Ms. Harland reported the draft 2017 audit and related comments has been received by her firm from the auditor, for review. Ms. Wheeler is reviewing and working on finalizing the audit.

[*Ms. Harland departed at this time]
- Committee Reports
- Engineering Committee Directors Kettle and Anderson presented the engineering committee report.

Director Kettle reported that a walk-through of roads scheduled for final acceptance will be conducted after April 16, 2018. Scheduling is being worked out with Lennar and the District's engineer.

Director Anderson reported on the 2018 road projects. The committee is expecting to mill and overlay Xenia Court, to perform crack fill in all areas, continue concrete rehabilitation of

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curb/gutter/sidewalk areas, and pursue reclamite treatment or seal coating on all roads finally accepted by the District except streets west of Uinta Street.

The committee and IDES are working to prequalify contractors for bidding. Director Anderson noted that bids for reclamite, seal coating, and slurry seal treatments will all be obtained, and the decision to be made will be based on what offers the most value to the District. Cost estimates are expected to be prepared shortly.

Mr. Collins confirmed that IDES is moving forward with prequalification paperwork and presented task order 19 totaling \$20,400 for approval by the Board. The task order consists of \$15,000 in engineering costs associated with the 2018 pavement rehabilitation program and \$5,400 in engineering costs associated with the District taking on the Martin/Martin, Inc., design contract for the Yosemite pedestrian bridge. The Board requested that Mr. Collins split the work into two separate task orders so that all costs associated with the pedestrian bridge project could be separately accounted for and reimbursement from Lennar could be requested. Mr. Collins stated he would create task order 19, for \$15,000, and task order 20, for \$5,400.

Upon motion duly made, seconded, and unanimously carried, the Board approved IDES task orders 19 and 20 totaling \$20,400.

- Yosemite Pedestrian
Bridge Project &
Martin/Martin
Contract

Director Stone reviewed the status of the Yosemite Street pedestrian bridge repairs. The bridge was originally constructed and financed through the District. In 2017 repair work was determined to be needed. Lennar agreed to assume the project, and engaged Martin/Martin to perform investigation and design work to address erosion and deterioration concerns. However, contractual issues arose that stalled the project. Upon consultation with IDES, Lennar, Martin/Martin, and legal counsel a possible solution has been proposed to transition the contract from Lennar to the District for Martin/Martin's service, to be funded in advance by Lennar.

Mr. Kuntz from Martin/Martin, Inc., presented the current status of the investigation and design work on the Yosemite Street pedestrian bridge. Initial investigation has been completed and the proposed design changes have been submitted to Adams County. The County has requested the designs be revised to

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account for 100 year flood events. Mr. Kuntz noted that responding to the County and meeting the additional design requirements will require significant revision to plans and the costs of the design contract will increase the originally proposed contract amount from \$34,500 to \$46,500. Construction costs are also expected to be increased in order to meet the 100 year flood event requirements when that phase of the project is reached.

Mr. Richards stated that a proposed contract has been provided to Martin/Martin. Mr. Kuntz stated the proposed agreement was acceptable to Martin/Martin if the District wants to move ahead. Mr. Richards noted a funding/reimbursement agreement will be presented to Lennar to ensure the funding arrangement is formalized.

The Board asked Mr. Kuntz to clarify how long the project is expected to take, as District management has received frequent questions regarding the bridge. Mr. Kuntz stated, given the time for the County to review, comment and ultimately approve any design, he does not expect design approval to be concluded until the end of 2018, with construction to be performed in 2019.

Upon motion duly made, seconded, and by unanimous vote, the Board approved entering into an agreement with Martin/Martin for the Yosemite Street pedestrian bridge project subject to execution of the funding/reimbursement agreement with Lennar as discussed.

The Board discussed the goal of acceptance of the completed project by Adams County. Mr. Richards noted that the historical documents indicated that preliminary acceptance of the "Yosemite Street Improvements" was granted by the County in 2008, but no final acceptance was granted. The County owns the northbound lanes and Yosemite Street bridge. The work necessary to repair the pedestrian bridge and street light is recommended to be completed to allow the County to proceed with acceptance of the southbound lanes and bridge. Once work is complete, final acceptance will be discussed with the County. Mr. Kuntz stated his design proposal submissions to Adams County are with the goal of having the County accept the finished project.

[*Mr. Collins and Mr. Kuntz departed at this time]

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- Landscape Committee Director Stone reported the 2018 landscape season will begin soon. Brightview has requested an addendum for renewal of the contract for 2018, with no changes to the cost or scope of service. Mr. Richards informed the Board the contract with Brightview automatically renews each year upon the appropriation of funds unless otherwise modified, and if there is to be no change in cost or scope of work, no additional documents are required. Mr. Dudley stated this had been communicated to Brightview and Brightview may provide a renewal document for review by legal counsel if necessary.

- Budget committee No report was presented at this time.

- Special Committee (Park Bench) Director Stone reported Lennar has agreed to purchase six benches and have them installed at locations to be designated by the District. The District will assume ownership and maintenance responsibilities once installation is complete. A bill of sale will be necessary to transfer ownership.

The Board noted that committee members have previously put in a lot of work to identify possible locations and types of benches to be installed. It was agreed that Director Ozanich and Director Gomer will obtain the recommendations and data from the committee, proceed with selecting locations, and ensure the appropriate benches are ordered. They will consider whether the District wants to install all six in the currently developed areas of the District or hold some for installation at other locations.

Director Stone recommended that before any bench is installed, the residents living in the immediate area should be consulted.

Upon motion duly made, seconded, and by unanimous vote the District agreed to accept the proposal regarding the purchase and installation at locations recommended by the committee, of six benches from Lennar.

District Manager Report

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

The gates are operating properly. There have been reports of malfunctions, but these have not been confirmed through investigation. Amazing Gates continues to work on the Quebec and Uinta gates. There has not been recent communication with

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Western Access Controls.

The Board inquired about bringing all gates under one agreement. Mr. Richards was directed to follow up with Lennar regarding acceptance of the gates and a related maintenance agreement.

The holiday lights have been stored and the storage site added to the District's insurance coverage.

The City of Thornton has inspected and approved the District retention ponds.

Mr. Dudley continues to back charge Lennar for reimbursable expenses, such as snowplowing. Due to processing and calculation time, reimbursement usually follows a month after invoicing.

There have been reports of uneven sidewalks in the District. CCMC is addressing and grinding uneven places where appropriate. Some areas may still settle back even as weather changes.

Legal Status Report

Mr. Richards presented the legal status report, including a written report that was presented to the Board.

Mr. Richards noted the 2018 election has been cancelled as there were not more self-nomination forms received than seats available. Director Kettle asked about the new law changing special district elections to odd-numbered years. Mr. Richards noted that expiring terms will be adjusted from four-year to three-year terms for two election cycles. This adjustment will commence in 2020.

Mr. Richards updated the Board on the proposed construction access easement on Quebec, north of Heritage Drive. Anadarko has a pipeline easement and buried pipe that will need to be crossed. In order to ensure that traffic can safely cross the pipeline, potholing will be done to determine depth, and additional engineering support may be required. If sufficient depth or other measures cannot assure safe crossing, other access will need to be considered. Lennar has indicated it will proceed with investigation, which will be addressed at future meetings. The other temporary construction easements are being utilized and the required escrow accounts opened. An access agreement

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for construction traffic to use the main gates at Quebec and Yosemite is being finalized.

Mr. Richards reviewed the status of conditional acceptance of the landscaping tracts. The replatting process is ongoing, and fence repairs in Tract 2E have not yet been complete. Director Stone asked Mr. Richards to look at the District's 12-step acceptance process and identify if the process could be simplified or streamlined.

Mr. Richards discussed the possible replatting and turnover of Tract 2F and B. There remains some uncertainty as to who has primary maintenance responsibility for the drainage channel and infrastructure running under Quebec from these tracts. Additionally, it is unclear as to what the extent of Urban Drainage and Flood Control District's jurisdiction is. It is possible that City of Thornton should have an easement and primary maintenance responsibilities, or this may lie with the District. Letters granting acceptance of the channel and infrastructure under Quebec Street were issued to the City in 2008, 2015 and 2016. Legal counsel will continue to follow up.

Mr. Richards reviewed the issue of underdrains in the District. The City is requiring Lennar to install these in certain areas of the District. However, it remains unclear if connection is required and who will be responsible for the underdrains. The District is continuing to discuss the matter with Lennar.

Review of March 20, 2018
meeting between District and
Lennar

Director Stone updated the Board on the meeting between District representatives and Lennar on March 20, 2018. An agenda from the meeting was reviewed. Many items have already been discussed by the Board and a short update on other topics was presented.

Lennar will follow up with DR Horton, the developer of the parcel north of the District, to ensure that fencing and excavation on that parcel does not impact District property.

Drainage in Amendment 9 is still being evaluated by Lennar. One solution is to install a limited number of chase drains, though this is not appropriate for every location. This will continue to be evaluated.

Lennar is considering installing some additional fencing along the north side of the District. Due to terrain and home site

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location it may not make sense for the fence to be installed along the entire District perimeter. Directors Stone and Gomer will continue to discuss this issue with Lennar.

Old Business

All old business items were addressed previously in the meeting.

New Business

Water trucks for an oil and gas company have been entering the District to fill their tanks. The water is being metered and sold by Todd Creek Village Metropolitan District, the District's water provider, to the oil companies. Todd Creek Village has been asked to ensure drivers follow safety rules in the District.

Public Comment

No public comment was offered at this time.

Other Business

The District's next regular meeting is set for Monday, May 28, 2018, Memorial Day. Due to several Directors being unable to attend, the Board agreed to tentatively set its next meeting for May 21, 2018, at 1:00 p.m., subject to room availability.

Adjournment

There being no further business to come before the Board, the meeting was adjourned at 3:45 p.m. The next regular meeting of the Board is tentatively scheduled for May 21, 2018 at 1:00 p.m.


Secretary for the Meeting
