

RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF THE

HERITAGE TODD CREEK METROPOLITAN DISTRICT

Held: Monday, September 20, 2021 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
Paul Ozanich, Secretary
Dan Kettle, Treasurer
Karl Wilmes, Assistant Secretary

Absent: Phil Anderson (absence excused).

Also in attendance were Barbara T. Vander Wall and Conor Kruger, Seter & Vander Wall, P.C.; Diane Wheeler, Simmons & Wheeler, P.C.; Janell Henderson, CCMC, District Manager; and the following residents and members of the public: Harlan Krusemark, Steve Patten, Cheryl & Mark Evenson, Deb McClenahan.

Call to Order

Director Stone noted a quorum of the Board was in attendance and called the special 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 may 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.

RECORD OF PROCEEDINGS

- Approval of Agenda The Board reviewed the agenda. The agenda was approved as presented.
- Approval of Minutes The Board reviewed the draft minutes of the August 2, 2021 special meeting. Upon motion duly made, seconded and unanimously carried, the August 2, 2021 minutes were approved with a correction on page 6 as identified by Director Kettle regarding the funds remaining available under the Taddiken tree contract.
- Public Comment
- Mr. Harlan Krusemark introduced himself as an elected delegate for District 10, in Amendment 14. He described two open areas created by the developer, one which is located behind his house, and which serves as a swale or drain, and a second which is on Xanthia Court, and which should have 70-80% landscaping coverage, but that it is not possible due to rocks and gravel. He stated that his neighbors think it would make a good pocket park for the community. Director Stone stated that the District is expected to take over ownership of the area below, but not in the near future.
- Mr. Steve Patton asked about mosquito control in the District. Ms. Henderson advised that the District does not take on this activity but CCMC has reported the issue to the City of Thornton, and the City has recently come in and sprayed the entire community.
- Ms. Cheryl Evenson introduced herself as being new to Colorado and asked what is a metro district? Director Stone and Ms. Vander Wall gave a brief description of metropolitan districts in Colorado.
- No further public comment was offered at this time.
- Financial Matters
- Financial Report and Payment of Claims Ms. Wheeler presented the engineering, accounting and legal claims payable through July, totaling \$14,063.79; noting that the August financial statements are not yet complete for distribution. Upon motion, second and unanimous vote, the Board approved and ratified the claims payable as presented.

RECORD OF PROCEEDINGS

- 2020 Audit
Ms. Wheeler reviewed the District's draft 2020 audit report, which is nearly complete and is under review by the auditor. She responded to questions from the Board regarding the report. After further discussion, and upon motion, second and unanimous vote, the board accepted the 2020 audit subject to legal review and a clean opinion by the auditor.

- Schedule 2022 Budget Hearing
The Board agreed to hold its public hearing on the District's 2022 proposed budget at its November 22, 2021 meeting.

- Other
There were no other financial matters brought forward at this time.

Committee Reports

- Budget Committee
Director Ozanich reported that the budget committee has been monitoring the bond rates, working with the underwriter Piper Sandler, and reviewing options for a refinance of the District's 2007B bonds. Based on the scenarios and project rates, the consensus of the committee is to defer any action toward a refinance at this time, as not being in the District's best interest.

On September 14, 2021, the budget committee met to discuss planning for the 2022 budget; a few line items have been added to the budget, including an increase in the landscape refurbishment, adding funds for traffic calming activities, and a potential increase in District fees and/or property taxes. It was noted that the District has not raised its fees for a long time.

Ms. Deb McClenahan suggested the District compare its fees to other entities, for comparison purposes. Ms. Wheeler noted that the District determines its fees based on financial need rather than competitive rates. It was suggested that it may be beneficial to do a comparison to reflect the District's level of fees relative to others, which may show they are lower.

- Engineering Committee
Director Kettle provided a summary of the status of current and upcoming projects. The roadway repairs are complete, and was done under budget, including the three change orders approved by the District at the last meeting. The budgeted amount for the work was \$200,000; the project was completed in the amount of \$125,102.75. Director Stone noted that the hole in the roadway has been fixed, and there is another area which will be fixed on September 24th; Director Kettle added that one of the areas was torn up by a front-end loader, which will need to be repaired.

RECORD OF PROCEEDINGS

Mr. Harlan Kruzemark asked about deficiencies caused by the developer; Director Stone provided a brief summary of the 12-step process required to be completed by the developer before any of the public improvements are turned over to the District for acceptance, including warranties and City approvals.

Landscape Committee:

Director Stone presented the landscape committee report.

- 2021-22 Landscape / Snow Removal Proposals

He noted that the District received three proposals, in response to the District's RFP for landscape and snow removal services, from CoCal, TerraCare and BrightView. He described the landscape committee's proposal review and interview process regarding the contractors, and the committee's recommendation to enter into an agreement with BrightView. The Board members reviewed the pricing comparisons and discussed the contractor responses. The Board discussed the Amendment 13 area, noting that it needs a lot of work. Director Stone responded that the developer will continue to be involved in mitigating this area for a while, before it is turned over to the District. He noted that the contract will be for a three-year period, subject to annual budget and appropriations, with an increase in scope as the District accepts more landscaping areas from the developer over time. The Board also discussed reviewing the maps to confirm they reflect the current up to date parcels for which the District has responsibility. After further discussion, and a motion by Director Stone, second by Director Ozanich, the Board unanimously approved entering into the landscaping and snow removal services agreement with BrightView as discussed.

- Taddiken Tree Company Services Agreement

The Board reviewed the Taddiken Tree Company tree services proposal and agreement for 2022. The proposal is updated but similar to the scope used in 2021. Upon motion by Director Kettle, second by Director Wilmes, and unanimous vote, the 2022 Tree Services Agreement with Takkiden Tree Company was approved.

- Other Landscape Items

Director Stone reported on recent discussion regarding metal border property dividers on Rosemary. The metal dividers were originally installed by the developer some time ago, and divide the property belonging to the metro district. Apparently, a portion of the metal border sticks up by a few inches and is rusted, causing tripping and cutting complaints by neighbors. It is proposed that BrightView remove and replace the metal

RECORD OF PROCEEDINGS

border, for the cost of \$3,000. Director Stone noted that he has also contacted Autumn Landscaping for a bid. Ms. Henderson suggested that the CCMC maintenance staff may be able to do the work. The Board agreed to proceed with the work as proposed, with Ms. Henderson to identify the most efficient means to complete the project.

Director Stone reported on a request to convey District property to a homeowner, consisting of a small area adjacent to a gravel road, near hole #17. It was discussed that this property is owned by the District and financed with tax-exempt bonds, which restricts the District from conveying to non-public entities.

Director Stone noted that he is in discussions with the City of Thornton regarding the City's review of installed landscaping by the developer, to ensure it is being adequately monitored for consistency throughout the District.

There are no changes in the discussions regarding the potential transfer of Golf-owned property to the District at this time. Director Kettle discussed the distinction of maintenance responsibilities for property between hole #6 to hole #7, which includes District and Golf-owned property.

The Board also discussed the Willow Street Bridge improvements and the status of their acceptance by the City. It was noted that there are punch list items being addressed by Lennar as a condition to acceptance. The Board noted the issue of the cracked sidewalk and street repair issues at Heritage and Willow (Amendment 10), related to the Yosemite Bridge turnover; Director Stone noted that this item is still pending.

Director Wilmes asked about landscape damages caused by the United Power project; Ms. Henderson noted this would be discussed in the Manager's report later in the agenda.

- Special Committee /
Community

On behalf of the Community Landscape Advisory Committee, Ms. Deb McClenahan provided a presentation to the Board. She noted that the special committee's immediate task is to provide recommendations for 2022 enhancements so that the proposed projects can be included in the District's 2022 budget, with a focus on the three main gates and the Heritage and Uinta corridors. The District's recommendations are estimated to be \$150,000 for 2022. For the Heritage / Uinta corridors, the committee proposes tree wells which are consistent and round,

RECORD OF PROCEEDINGS

perennial beds, mulch dressing, and tree replacement. She also provided recommendations for the gate entrances, for consideration, which include refreshing mulch, plant replacement, and other landscape modifications. The Board thanked Ms. McClenahan and the special committee for all the work put into the project. Director Stone suggested that the committee be aware of snow piles and locations, when considering plant material and placement.

Director Ozanich stated that the budget committee is incorporating the proposed costs into the 2022 budget for Board consideration at the budget hearing.

Ms. McClenahan also noted that there is a sidewalk that stops on the south side at Quince, and suggested a potential installation of a sidewalk to tie-in, to address potential safety issues. She noted that the new adjacent development will have a nature area, and perhaps the District could tie-in the sidewalk at that location? She also asked about creating a good place for the community to get together on a lawn area for socialization, such as corn hole games, or social gatherings where neighbors can set up portable chairs for conversation.

- Entrance Gate Special Committee:

Director Kettle reported that the committee sent out 7 RFPs for the proposed maintenance, repair and evaluation services on the District's gates, and received two responses, from Precision Gate and Western Access Controls. The Board reviewed the proposal responses and discussed the scope of services. Director Kettle noted that the cost is a little less for WAC, and that WAC is DoorKing certified, whereas the other proposer is not. He also noted that WAC is amenable to modification of the terms of payment to a 30-day time frame. Legal counsel advised that the WAC contractor needs to provide documentation to reflect the relationship or trade name use, under the corporate filing of US Fence Solutions, Inc. which appears to be the parent company to WAC. Upon motion by Director Stone, second by Director Ozanich and unanimous vote, the Board approved entering into a contract for services with US Fence Solutions, based on the proposal received, and subject to the corrective documentation from WAC regarding its trade name.

RECORD OF PROCEEDINGS

- Traffic Calming
Special Committee

Director Wilmes discussed the proposed resolution establishing the traffic calming committee, prepared by legal counsel. The special committee is formed to investigate, gather information, advise, consult and report to the Board on issues arising from residents' concerns about the District's public roadways, and on appropriate and effective traffic calming options, with the goal of promoting public health and safety on the roadways within the District. Director Wilmes noted that the committee includes himself and Director Ozanich as the Board member representatives, as well as 3 to 5 members from the community. The Board acknowledged the resolution as reflecting the discussions from the prior meeting; upon motion, second and unanimous vote, the Board approved the resolution as presented.

Manager's Report

Ms. Henderson presented the manager's report. A written report was also provided. United Power's subcontractor caused damage to the District's irrigation line and sod located at Yosemite and Heritage Drive. The initial damage to the irrigation has been repaired, and further repairs are expected for the sod.

Golden Painting has completed the stucco wall painting project.

The District gate was damaged, but no insurance claim was filed due to the small amount of damages of \$605, which slightly exceeds the District's deductible of \$500.

Ms. Henderson is still looking for repairs to be made to the pedestrian gate; the project is being turned over to the maintenance manager for next steps. The traffic logic lights are in for the speed sign.

The District received a notice of weed violation from the City for overgrowth on Tract 2C, an area owned by the District but still under Lennar's responsibility. The weeds were addressed, although a portion of the corrective work was delayed, causing the City to charge the District for its efforts. The amount has been paid by the District with reimbursement to be made by Lennar.

Director Kettle asked about posting of the gate education policy on the District's website, following its approval by the Board at its August Board meeting. Ms. Henderson agreed to follow up regarding the posting. The Board discussed various options for educating its residents on the gate policy, including the website posting and coordinating an "E-Blast" with the HOA.

RECORD OF PROCEEDINGS

Legal Status Report

Ms. Vander Wall presented the legal status report. A written report was also provided. Director Kettle requested that the reference in the status report to the “mill and overlay” treatment be revised pending confirmation that this is a City requirement.

Ms. Vander Wall advised that the majority of items were previously discussed in the meeting. She noted that the District has not yet heard back from the City regarding its research involving the perimeter trail. The Board requested that Ms. Vander Wall follow up on this research to clear up the respective responsibilities for the parties.

Old Business

There was no old business presented at this time.

New Business

The Board discussed the trailer currently located on District property as part of the attached homes project. The project manager would like to move the siding / cage to a location closer to the project site. It was noted that the selected area is on a snow dump site, which would interfere with upcoming snow removal operations. The Board requested that steps be taken to have the siding cage moved from the existing site, as it has been there for an excessively long time, beyond what the District permitted. After further discussion, the Board agreed to deny the request to move the siding cage to the new site, and directed management to work with legal counsel on taking steps to have the siding cage removed from the existing site.

Public Comment

No other public comment was offered at this time.

Other Business

There was no other business presented at this time.

The next regular meeting of the Board of Directors is scheduled for Monday, November 22, 2021, at 1:00 p.m.

RECORD OF PROCEEDINGS

Adjournment

The meeting was adjourned at approximately 3:54 p.m.



Secretary for the Meeting