



SOUTH TIMNATH
METRO DISTRICT

**RECORD OF PROCEEDINGS
MINUTES OF THE JOINT ORGANIZATIONAL MEETING
OF THE BOARDS OF DIRECTORS OF
SOUTH TIMNATH METROPOLITAN DISTRICT No's. 1 & 2**

HELD: March 09, 2021 at 6:30 p.m. via Zoom

ATTENDANCE:

The joint organizational meeting of the Boards of Directors of the South Timnath Metropolitan District Nos. 1 & 2 (collectively, the "Board") was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting:

Michael J. DiTullio	Dino A. DiTullio	Kara DiTullio
Jennifer DiTullio	Luke Wagner	Ben Palmer

David S. O'Leary of Spencer & Fane, Guy Johnson and Jackie Johnson from the District, homeowners present were John Cloudman of 6772 Silver Dollard Court, Samuel & Dwayna Rogers of 5866 Calgary Street, Lance & Christy Dismang of 6795 Rainier Road, Jennifer Machado of 6448 Cloudburst Ave, Brinton Taylor of 5788 Banner Street, Robert Chaffee of 6866 Grainery Court, James & Michelle Legoza of 6338 Richland Ave, Randle & Marian Hope of 5816 Quarry Street, and Robert Gorges of 5752 Banner Street, and Rafael Righes of 6737 Rock River Rd.

CALL TO ORDER:

Director Dino DiTullio called the meeting to order at 6:33 p.m.

QUALIFICATION OF BOARD MEMBERS/OATHS OF OFFICE:

Mr. O'Leary reported that all of the Board members are registered to vote in Colorado and are residents and/or owners of taxable real or personal property within the Districts. Mr. O'Leary informed the Board that the official bonds had been obtained and that all of the Board members had been administered the Oaths of Office. Thereupon, the directors assumed their duties as members of the Board of Directors.

DISCLOSURE OF POTENTIAL CONFLICT OF INTEREST:

Guy Johnson discussed the state law requirements for disclosure of potential conflicts of interest with the directors, noting that completed disclosure statements must be filed for each of the Directors with the Secretary of State and with the District at least 72 hours prior to a meeting in which a potential conflict may arise. In addition, each director is to verbally reveal his potential conflicts of interest to the Board at the start of the meeting in which the conflict may arise.

DISCUSSION OF OPEN MEETING REQUIREMENTS/POSTING REQUIREMENTS:

Guy Johnson discussed the open meeting requirements and the posting requirements for the Districts, noting that any non-social meeting of three or more of the directors constituted an official meeting, and that notice of a meeting for the Districts is to be (1) provided to each Board member, and (2) posted in at least three public places within the Districts at least 72 hours in advance of the meeting, and (3) at the same time, a copy of such notice is to be posted at the office of the County Clerk and Recorder. If possible, the posting should include specific agenda information. Mr. Johnson further noted that notice of this joint organizational meeting had been so posted.

APPROVAL OF AGENDA:

The Board reviewed the agenda, Director Mike DiTullio asked that the agenda be changed to have the Public Comment section at the end of the meeting, he had a conflict and would need to leave as soon as District business was handled.

Upon motion was made by Director Dino DiTullio and seconded by Director Mike DiTullio and unanimously carried to approve the agenda with the above changes.

APPROVAL OF MINUTES:

The meeting minutes of November 10, 2020 meeting was presented and discussed,

Upon motion made by Director Luke Wagner and seconded by Director Jennifer DiTullio and unanimously carried to approve the meeting minutes of November 10, 2020.

APPROVAL & RATIFICATION OF POSTING LOCATIONS INCLUDING THE WEBSITE:

Mr. Guy Johnson presented the board with the posting locations which also includes the website, with no further discussion or changes,

Upon motion duly made by Director Mike DiTullio, seconded by Director Ben Palmer and unanimously carried; the approval of the posting locations including the website.

ATHORIZATOIN TO PREPARE THE 2020 AUDITS AND AUDIT EXEMPTIONS:

Mr. Guy Johnson stated the District was required to have Audits and no Audit Exemptions; therefore, District No. 1 & No. 2 would require Audits, with no further discussion

Upon motion duly made by Director Mike DiTullio, seconded by Director Luke Wagner and unanimously carried; to approve the District to prepare for the 2020 Audits as presented.

FINANCIALS:

Mr. Johnson reviewed with the Board the expenditures for November 2020 through February 2021 totaling \$521,563.88,

Upon motion duly made by Director Dino DiTullio, seconded by Director Jennifer DiTullio and unanimously carried; the Board approved the payable for November 2020 through February 2021 totaling \$521,563.88.

Mr. Johnson reviewed with the Board the actual expenditures to date and the budgeted amount. The budget is in balance at this time. After no further discussion needed this portion of the meeting was closed.

APPROVAL & RATIFICATION OF THE PROMISSORY NOTE:

Mr. Johnson stated the Promissory note required renewal yearly, Mr. Johnson noted the only changes to the note was interest at this time,

Upon motion duly made by Director Dino DiTullio, seconded by Director Jennifer DiTullio and unanimously carried, the Board approved the Promissory Note.

DISTRICT LEGAL COUNSEL REPORT:

Mr. O’Leary stated he nothing to add at this time. He stated he would continue to update the district to any COVID Rules and mandates.

DISTRICT MANAGERS REPORT:

Mr. Johnson stated:

- 1. General District items:**
 - a. Re-stain Tallgrass for the first time (In budget) and as much of Meritage Homes area as we can afford.
 - b. Stain and fence repair plan, is staining an area every year, budget at least \$55,000.00 per year.
 - c. Keep in mind most of Summerfield’s and The Preserves fence was built in 2008. Fence life span around 22 years. Maybe stretch to 25 years. The District has over 43,400 feet of fence. 2030 need over \$1,600.000.00.
 - d. Ash trees. Bore ash is coming, will need to remove trees and replace. If Treatment is started it has to on through the life of the tree. Starting at \$120.00 per tree. Treatment twice a year.
 - e. Changing out 5 areas that are mulch and replacing with cobble stone, in 2021.
 - f. Irrigation water fees are going up almost 6% 2021.
 - g. Board member survey in the works.
 - h. Will check for dead trees this spring (Second week of June) and arrange for R and R, when budget allows.

- i. Issue on site drainage: We have been cleaning detention ponds, inlets, outlets, drain pans and regrading areas for water issues.
- j. Working on goose deterrent. Some homeowners up set, stated I was harassing wild life. Asked to stop.
- k. This year pond edges frozen could not put in Swan decoys which were vandalized and coyote decoy. Received several calls leave geese alone and ask not to tun off aerators, concerns on fish populations.
- l. Detention ponds working as designed. Have products put in every 3 or 4 weeks and Detention ponds: Aquatron and sludge remover are now being added to the detention ponds, as part of the maintenance program. Seems to work, very expensive. Also, a licensed company sprays Detention ponds every 4 to 6 weeks for several kinds of grasses and algae.
- m. Get a lot of trash in detention ponds. Clean out every two weeks. Trash cans in area blow over and a lot of trash ends up in detention ponds.
- n. Play grounds on site, will be inspected and repairs made if needed.

Web Site:

- a. Keeping site up.

1. Community Center & Pool:

- a. 2020 Rough year with COVID – 19 rules. **Talk on 2021 Covid rules for rental room and Pool?**
- b. Homeowners up-set, some could not get into to pool area enough. Only allowed 50 people at a time. The math of roughly 850 homes X 4 people per home = 3,400 people then letting 250 people a day which is 1750 people a week use the pool in time slots of 1.5 hours, makes it tough.
- c. Re-surface pool, looking at around \$100,000.00. Pool last 7 to 10 years in CO, only got 7 years and less.
- d. Some folks want blinds for fitness area, 30 days in late Aug. and Sept. sun setting issues.
- e. Power wash community center once a month.
- f. Power wash parks once a month.
- g. Pool hours are the same 10:30 am to 8:00 pm, until school starts in August, then moves to open at 4:30 pm to 7:30 pm weekdays and normal time on the weekends. Schools changed start times. (Must have lifeguards)
- h. Need to add money yearly to reserves for maintenance and replacement cost at Community Center.
- i. Parking lot will need to be sealed soon. Paint parking spots.
- j. Add cameras to pool area on poles? Roughly \$5,000.00.
- k. Change out grass to Astro -turf or fill in one section and place concrete? \$14,000.00.
- l. Carpets set up to be cleaned 4 times a year. Have re-place carpet in high traffic areas.
- m. Carpets need to be replaced.
- n. This spring working on playground in pool area, fixing minor items. Every year have inspected.
- o. Set up paint inside of clubhouse, roughly \$9,500.00.

PUBLIC COMMENTS:

Board member Director Dino DiTullio opened the Public Comment portion of the meeting, and recognized John Cloudman of 6772 Silver Dollard Court, Mr. Cloudman My name is John Cloudman and I have lived in STMD since 2011. STMD is attractive to those of us who live here for a variety of reasons. Family, newer houses, and good amenities to name a few. Many of us bought or built here because this is a nice, high end neighborhood. Most people do not want this to change.

The O&M fee increase enacted at the last board meeting comes out to 53 cents a day per house. Houses here are appreciating at 5% a year. On an average \$500,000 house that means our investment is increasing at nearly \$25,000 a year. In this context, to think that we should dramatically alter our neighborhood to avoid 53 cents a day in dues increase feels like being penny wise but pound foolish. Other neighborhoods in Fort Collins who have stopped watering are undoing this practice because it kills trees and hurts the value of a property.

I am all for looking for efficiencies, but I am certainly not in favor of dramatic changes. Moreover, some of the changes proposed in the survey are targeted at specific homeowners. Those of us who back to greenbelts bought our specific lots because of them and how they were maintained. These increase property values and the district should not consider any changes that affect specific homeowners more than others.

I also know the board members do not participate in the quite active discussions in our social media channels. There was a post last week in which someone advocated for change and the overwhelming response was negative. Here are the key quotes:

"I'm all for it in public areas but this also proposes "natural grasses" in green belts behind people's houses. That I disagree with because it is a specific impact to people who bought their homes with those expectations of maintenance. Also, the idea that natural grasses would be less expensive doesn't appear to have any data behind it."

"We bought our lot for the greenbelt and to be able to enjoy volleyball games with our neighbors it there and to kick the soccer ball with our kids."

"Many youth teams also utilize some of the green areas for practice. Kids also frequently use them to meet their friends and play sports. Removing the large green belts would be devastating to the youth of the neighborhood."

"Please keep our green space. It's what makes our neighborhood so beautiful. The flowers and landscaping really are impressive. Green space also improves our property values/investments. Perhaps we can get other quotes. Thanks for the great job you do."

"First, a great deal of water (money) could be saved if the current landscaping company worked on the timing of the irrigation. We live on one of the ponds, and the sprinklers went on last summer at least 6 times a day - perhaps more. Large areas were completely soggy and other areas brown because the watering heads were misaligned."

"If by "natural grasses" it means what is currently at the Community Park entrance then I definitely vote NO. Those areas are nothing but weeds and need to be removed not put into our green spaces."

"In my opinion the biggest problem with our current landscaping situation as other people said above is the overwatering... last year they overwatered our green space so much That it ended up flooding our backyard and part of our front yard the <district> had to pay for us to xeriscape part of our front yard because of the damage done. This is a huge mismanagement of funds and even though we complained several times and they had to pay for us to fix our yard they never decreased the number of times the green space was watered... it's really amazing that their resolution is to change the landscaping instead of properly watering the existing landscaping. We would save a ton of money and resources if done properly."

"Agree. I don't really want to see drastic changes; I like the look of our neighborhood and that does cost money to maintain. But we should be making sure to get good value. Review the watering times and make sure we are doing bids for landscaping companies. If there are some tweaks that can be done to the landscaping, fine, but having a lot of usable grass for activities is nice.

Some changes will have a noticeable impact on the look of the neighborhood (holiday lights, flowers, etc.) and not really make much of an impact in what we pay."

"Completely agree. I really didn't like that in the survey they are considering no longer doing holiday lights, decreasing flowers and planting smaller replacement trees. The purposed changes seem as though they will end up decreasing and cheapening the visual appeal of the community. Rather than evaluating what is currently happening (as you said)."

It's clear the community does not want drastic change. Moreover, the board has already increased the rates for 2021 so no changes should be made for this season.

Finally, I have not seen any evidence the proposed direction is cheaper. Native grasses, unless we want them to look like low level scrub grass as we see to the east of the neighborhood, still require significant water. Ripping out turf and reseeding will also be a very expensive proposition, plus the water to establish it will be even higher than maintaining existing grass. Perhaps the ongoing cost is not as much as bluegrass or rye, but certainly not the dramatic reduction implied by the change. Also, if we stop watering in green belts and other areas, the trees will all die, further degrading our neighborhood. The board should look at realistic costs, not just make assumptions that something is cheaper based on opinions and feelings.

In conclusion, I believe the majority of this neighborhood does not want significant change. For the board members concerned about costs - I applaud you and your energy for fiscal responsibility. But let's take that energy and look for efficiencies. Put your own effort into finding the problems and building a relationship with the community so they can help you identify things that are causing waste. Xeriscape landscaping beds, work on timing and watering strategies, work with the water district on residential vs commercial rates. But do not change the fundamental look of this community to save each home 53 cents a day.

Finally, I wanted to thank Guy for his commitment to improving things. When I see a sprinkler issue, I take a picture and send it to Guy and he fixes it in a week. It's amazing.

Thanks for the time and for listening to me.

The board recognized Board Member Luke Wagner, who asked if we had plans to upgrade the security camera, Mr. Johnson stated that if budget allowed maybe one this year, Mr. Wagner also there were only 83 residents that participated in the survey,

Survey Results:

1) **Use Native grasses to replace existing turf grass in certain areas?** Around the detention ponds and some smaller tracts behind the homes in the community. It is important to note that the Native grass will still be mowed a few times a year.

- Strongly Disagree: 17
- Somewhat Disagree: 6
- Neutral: 8
- Somewhat Agree: 20
- Strongly Agree: 32

2) **Replace some landscaped areas with xeriscape?** Which would include rock, and other natural plants that are already being used around the community in the current shrub beds.

- Strongly Disagree: 10
- Somewhat Disagree: 4
- Neutral: 6
- Somewhat Agree: 24
- Strongly Agree: 39

3) **Reduce the number of flowers planted by 50% at the entrance signs of our community.?**

- Strongly Disagree: 16
- Somewhat Disagree: 8
- Neutral: 11
- Somewhat Agree: 20
- Strongly Agree: 23

4) **Use younger/smaller trees around a 1-inch caliber, when replacing trees in the neighborhood?**

- Strongly Disagree: 12
- Somewhat Disagree: 16
- Neutral: 20
- Somewhat Agree: 17
- Strongly Agree: 18

5) **Cancel the cable TV service at the Community Center?** WIFI would still be on.

- Strongly Disagree: 0
- Somewhat Disagree: 5
- Neutral: 9
- Somewhat Agree: 6
- Strongly Agree: 63

6) **Do not install Holiday lights at the neighborhood entrances?**

- Strongly Disagree: 42
- Somewhat Disagree: 15
- Neutral: 7
- Somewhat Agree: 5
- Strongly Agree: 14

7) **Do you want to continue to raise O and M fees yearly to match water increases?** Keeping our neighborhood looking green as possible?

- **Strongly Disagree: 29**
- Somewhat Disagree: 20
- Neutral: 15
- Somewhat Agree: 15
- Strongly Agree: 4

There was lengthy discussion on if the survey should be considered with a limited number of responses, Brinton Taylor of 5788 Banner Street felt that the survey was vague and he felt the method of sending out the survey should have been better, he would like to see the survey go out again before any thing is changed.

Mr. Taylor stated that he knew it was a hard job and decision but appreciated the district manager quick response on issues in the area.

Rob Gorges of 5752 Banner Street, felt that changing the green spaces would decrease home values and he was not in favor of this.

The board also address the idea of changing the irrigation system to Non-potable water system, there was a lengthy discussion on the cost and process of this. Luke Wagner and Dino DiTullio are going to continue the discussion and look at the possibility.

With no further Public comment this portion of the meeting was closed.

OTHER MATTERS:

The Board noted Luke Wagner:

Proposed watering schedule with the reduction?

How does the schedule work, zones/times/duration?

Pool Opening?

What do we know so far? Still waiting for state and federal mandates for the pool season.

Will we have to place the same restrictions? We do not know at this time.

What worked last year? Reservation system did work once residents got use to the system

What didn't? At this time, we will probably limit residents to once a week

Seeing no other matters, this portion of the meeting was closed.

ADJOURNMENT:

Following no further discussion,

Upon motion duly made by Director Dino DiTullio, seconded Director Luke Wagner and unanimously carried, the Board adjourned the joint organizational meeting of the Board of Directors of the South Timnath Metropolitan District Nos. 1 & 2 at 7:51pm

The foregoing minutes constitutes a true and correct copy of the minutes of the above-referenced meeting and was approved by the Board of Directors of South Timnath Metropolitan District Nos. 1 & 2.



Guy D. Johnson, Secretary for the Meeting