



SOUTH TIMNATH
METRO DISTRICT

RECORD OF PROCEEDINGS
MINUTES OF THE JOINT SPECIAL MEETING
OF THE BOARDS OF DIRECTORS OF
SOUTH TIMNATH METROPOLITAN DISTRICT NOS. 1 & 2

HELD: Thursday, November 09, 2023, at 6:30 p.m. at 6000 Summerfields Parkway, Timnath, CO 80547.

ATTENDANCE:

The joint special 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:

<u>Directors in Attendance:</u>	<u>Absent & Excused:</u>
Dino DiTullio	Ron Mullenbach
Michael DiTullio	Michael Harrington
Jennifer DiTullio	
John Cloudman	
Ben Palmer	
Luke Wagner	

Also in Attendance:

David O'Leary, of Spencer Fane

Guy Johnson, Jackie Johnson, from District Management.

One homeowner was present, please see attendance sheet in the Meeting Notebook as to homeowners that were present.

CALL TO ORDER:

Director John Cloudman called the meeting to order at 6:33 p.m.

QUALIFICATION OF BOARD MEMBERS/OATHS OF OFFICE:

Mr. O'Leary reported that all 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. Johnson informed the Board that the official bonds for the board members had been obtained through a bonding company and/or through the special district insurance pool and that all 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:

Mr. O'Leary 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:

Mr. O'Leary discussed the open meeting requirements and the posting requirements for the Districts, noting that any non-social meetings 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 one public place within the District boundaries or posted on the District website at least 24 hours in advance of the meeting. If possible, the posting should include specific agenda information. Mr. Johnson further noted that notice of this joint special meeting had been so posted. The notice requirement is to post 24 hours in advance of the meeting either at one physical location in the District or online at the District website. (Conflicts are filed 72 hours in advance). Mr. Johnson further noted that notice of this joint special meeting had been so posted.

APPROVAL OF AGENDA:

Mr. Johnson presented the agenda for November 09, 2023, meeting,

Upon motion duly made by Director John Cloudman, seconded by Director Ben Palmer, Director Luke Wagner, and Director Dino DiTullio, and unanimously carried to approve the agenda as presented.

APPROVAL OF MINUTES:

The meeting minutes of March 09, 2023, meeting was presented and discussed,

Upon motion duly made by Director John Cloudman, seconded by Director Ben Palmer, Director Luke Wagner, and Director Dino DiTullio, and unanimously carried to approve the meeting minutes of March 09, 2023.

APPROVAL OF POOL OPERATIONS/COST WITH SWTMD:

Mr. Johnson presented the cost detail for the operations and maintenance of the Community Center & Pool within and including all of Tract M. Director John Cloudman stated he understood the need that the SWTMD Board was in and their need to add additional revenue to offset the cost of the pool by selling Out of District Memberships, however he felt that SWTMD approving the sale of Out of District Memberships with out having a discussion with or joint agreement with the STMD board was inconsiderate to STMD, and would like to see the IGA between the district address the sale of Out of Poo Memberships for the future years.

Upon motion duly made Director John Cloudman, seconded by Director Ben Palmer, Director Luke Wagner, and Director Dino DiTullio, and unanimously carried; the Board approved the resolution for the cost split for the Community Center & Pool and including all of Tract M for STMD with SWTMD. David O'Leary will produce an IGA to address Out of District Pool Memberships sales.

RESOLUTION CONCERNING ANNUAL ADMINISTRATIVE MATTERS 2023:

Mr. Johnson presented a Resolution Concerning Annual Administrative Matters for 2024 for the Districts.

Upon motion duly made by Director John Cloudman, seconded by Director Ben Palmer, Director Luke Wagner, and Director Dino DiTullio, and unanimously carried, the Board approved the Resolution Concerning Annual Administrative Matters for 2024, including: the contact person (s) for the District; the designated posting location (s) for the District; and the location for meetings of the Board of Directors.

TRANSPARENCY NOTICES:

Mr. Johnson presented the Transparency Notices and discussed that these will need to be posted on the District's website on or before January 15, 2024. These notices will also be provided to the Division of Local Government and appropriate state agencies as required by law. After further discussion on the matter

Upon motion duly made by Director John Cloudman, seconded by Director Ben Palmer, Director Luke Wagner, and Director Dino DiTullio, and unanimously carried, the Board approved the 2024 Transparency Notices for each of the Districts and to authorize District Management to post the notices and provide them to the Division of Local Government as required by statute in compliance with statutory requirements.

EXCLUSION OF WORKERS COMPENSATION INSURANCE:

Mr. Johnson noted that it was time to renew the Resolution for the Board to be excluded from Worker's Compensation, if the Board elects to continue not having worker's compensation coverage for the board members they must adopt a resolution and file updates with the State. After further discussion,

Upon motion duly made by Director John Cloudman, seconded by Director Ben Palmer, Director Luke Wagner and Director Dino DiTullio, and unanimously carried, the Board approved the Resolution to Exclude the Board from Worker's Compensation Insurance and to file the Resolution along with the State of Colorado Worker's Compensation Exclusion form with the appropriate parties, and unanimously carried.

APPROVAL OF 2024 DISTRICT SERVICE AGREEMENTS:

Mr. Johnson presented and discussed engagement letters and/or proposals for service agreements for District Management, Landscape Maintenance Agreements, Pool Management, Annual Audit and Exemption Agreements, Snack Shack agreement, and Engagement of District Counsel to the Board of Directors. Mr. Johnson discussed the renewal and/or engagement of service providers for the District and reviewed the proposed costs and expenditures related to these service agreements with the Board. With no further discussion,

Upon motion duly made by Director John Cloudman, seconded by Director Ben Palmer, Director Luke Wagner, and unanimously carried to approve the District service agreements for District Management, Pool Management, Maintenance, Snack Shack, Audit Engagement and District Counsel. The board has authorized Guy Johnson to finalize any negotiations and execution of the service agreements for 2024.

AUDIT AND AUDIT EXEMPTION:

Mr. Johnson reviewed with the Board preparing for the 2023 audits and/or exemptions. Mr. Johnson stated that both STMD #1 and STMD #2 would be audited due to #1 being the operating District and #2 holding the bond.

Upon motion duly made by Director John Cloudman, seconded by Director Ben Palmer, Director Luke Wagner, and Director Michael DiTullio, and unanimously carried to authorize Mr. Johnson to prepare for 2023 audits and to take such further action as necessary to complete and file these documents with the necessary state agencies.

PAYABLES:

Mr. Johnson reviewed with the Board the expenditures for March 2023 through October 2023 for a grand total of \$1,106,635.22, After further discussion on the matters, With no further discussion,

Upon motion duly made by Director John Cloudman, seconded by Director Ben Palmer, Director Luke Wagner, and Director Dino DiTullio, and unanimously carried; the Board approved the payable for March 2023 through October 2023 for a grand total of \$1,106,635.22.

PUBLIC HEARING FOR 2023 AMENDED BUDGET:

Mrs. Johnson stated an amendment was not needed at this time. Notice of this action was provided to ensure that at the time of the meeting the budget for 2023 could be amended if necessary.

2024 BUDGET HEARING:

Upon motion made by Director John Cloudman, seconded by Director Ben Palmer, Director Luke Wagner, Director Dino DiTullio, and unanimously carried, the public hearing was opened on the proposed budgets for fiscal year 2024 for South Timnath Metropolitan District Nos. 1 & 2. Mr. Johnson reported that notice of the public hearing had been published in accordance with statutory requirements. Mr. Johnson presented the proposed 2024 budget to the Board.

After further discussion regarding budget matters and questions, hearing no further comments, the public hearing was closed by motion by Director John Cloudman, seconded by Director Ben Palmer, Director Luke Wagner and unanimously carried.

Upon motion duly made by Director John Cloudman, seconded by Director Michael DiTullio, Director Ben Palmer, Director Luke Wagner and unanimously carried, the Board: resolved (1) to approve and adopt the 2024 budgets as presented with mill levies Gallagherized with any changes discussed; (2) to authorize the appropriation of funds for the expenditures set out in the budgets; (3) to authorize the President and the Secretary to sign the necessary documentation; and (4) directed the District Manager to finalize and file the budgets with the Division of Local Government prior to January 31, 2024 upon final confirmation of assessed valuations from the County.

CONSIDER APPROVAL OF INCREASE OF O & M Fees:

Mr. Johnson presented to the Board the need to increase the Operation & Maintenance fees from \$300.00 quarterly to \$315.00 (\$1,260.00 yearly), **this is a \$5.00 per month increase**. After further discussion on the matters and;

Upon motion duly made by Director John Cloudman, seconded, Director Michael DiTullio, by Director Ben Palmer, and unanimously carried; the Board approved the Resolution to increase the Operation & Maintenances fees to \$315.00 quarterly (\$1,260.00 yearly), this increase is to ensure that the district builds the long-term reserves, and get caught up on current maintenance issues, then these funds are to be for Board Directed expenses only.

CONSIDER APPROVAL OF UPDATES TO THE PROMISSORY NOTES & RESOLUTION:

Mr. Johnson presented the promissory note with updates to interest only,

Upon motion duly made by Director John Cloudman, seconded by Director Dino DiTullio Director Ben Palmer, and unanimously carried; the Board approved the Resolution and Updates to the Promissory Note.

PUBLIC COMMENTS:

Director John Cloudman noted that residents were present, all stated they had nothing to comment on at this time.

DISTRICT LEGAL COUNSEL REPORT:

Mr. O'Leary stated he had nothing to add at this time.

DISTRICT MANAGERS REPORT:

Mr. Johnson was asked to review some of the few points of the District Managers report.

General District items:

- A. Water rates increase, roughly 7%.
- B. Stain and fence repair plan, is staining an area every year, budget at least \$55,000.00 per year.
- C. Ash trees. Bore ash is coming, will need to remove trees and replace. Maybe order a truck load of 1-inch trees to plant in between ash trees, over several years, order several species of trees, work with Town.
- D. Changing out 5 areas that are mulch and replacing with cobble stone, in 2023.
- E. Will check for dead trees this spring (Second week of June) and arrange for R and R, when budget allows.

- F. Site drainage: We have been cleaning detention ponds, inlets, outlets, drain pans and regarding areas for water issues. Trees in east detention pond need pruned.
- G. Playgrounds on site will be inspected and repairs made if needed.

Web Site:

- A. Keeping site up.
- B. Will need to up-date with new ADA laws coming in 2025.

Community Center & Pool:

- A. Issues with young adults in Community Center, rule is 17 or under with guardian or parent.
- B. Power wash community center once a month.
- C. Power wash parks once a month. On hold.
- D. Need to add money yearly to reserves for maintenance and replacement cost at Community Center.
- E. Pool heater is getting old and stating to have issues.
- F. Pumps to pool slides are getting old and maintenance is going to be needed.
- G. Doors are starting to show age with looks and issues.
- H. Parking lot to be sealed and Paint parking spots.
- I. The carpets are set up to be replaced.
- J. Set up paint and stain inside of clubhouse.
- K. Exterior should be painted and stained.
- L. Fitness equipment replacement in 2026?

Top Items List

- A. Paint and stain interior of Community Center.
- B. Paint and stain exterior of Community Center.
- C. Change out carpets in Community Center.
- D. Seal Parking lot of Community Center and re-strip.
- E. Add 5 security Cameras and up-date security system in Community Center with newer cameras.
- F. Upgrade or replace older parts of playgrounds in the pool area and park.
- G. Astro turf south side of pool area at Community Center. Remove grass/fix drainage/wet from irrigation.
- H. Replace exterior doors of Community Center. Make ADA assessable.
- I. All season lighting on Community Center and pump house. Lighting in molding stays on all the time.
- J. Replace mulch and dead shrubs at Summerfield's and Threebell with new plants and cobble stone.
- K. Replace mulch and dead shrubs at Summerfield's and Sienna with new plants and cobble stone.

OTHER MATTERS BEFORE THE BOARAD:


Mr. Johnson presented to the board dates for the 2024 year:
March 6, 2024, at 6:30 pm and November 7, 2024, at 6:30pm

ADJOURNMENT:

Following no further discussion,

Upon motion duly made by Director John Cloudman, seconded by Director Ben Palmer, 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 7:03 p.m.

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



Guy D. Johnson, Secretary for the Meeting