

# RECORD OF PROCEEDINGS

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## MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

### HERITAGE TODD CREEK METROPOLITAN DISTRICT

Held: Monday, November 25, 2019 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  
Paul Ozanich, Assistant Secretary  
William Gomer, Secretary

Also present were Cameron J. Richards, Seter & Vander Wall, P.C.; Diane Wheeler\*, Simmons & Wheeler, P.C.; Ross Dudley, CCMC, District Manager; and John Bales, Leslie Freeman, Mary Loretta, Theodore Ott, Robert Tade, and Marty Williams, residents of the District.

[\* Departed where indicated.]

[\*\*Participated by telephone 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 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.

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## Approval of Agenda

The Board reviewed and approved the agenda as presented.

## Approval of Minutes

The Board reviewed the draft minutes of the September 19, 2019 special meeting. Upon motion duly made, seconded and unanimously carried, the minutes were approved as presented.

## Public Comment

Leslie Freeman, a resident of the District, provided an update on her research of adjacent development activities surrounding the District, particularly the developments known as the Talon and Parterre. In conjunction with future development plans, the City of Thornton will reportedly require the widening of Quebec Street to a reported 6 lanes. Open space to the south of Ehler is planned for mixed use development and, while there were no immediate plans to widen Ehler, the volume of traffic is expected to increase. Adjacent developments will reportedly include perimeter walls. Residents that live on the perimeter of the District are concerned about future impacts. A non-board resident group has been formed to track these issues.

Other residents commented that the community may experience other impacts, such as increased traffic through the District, increased use of the golf course, trails, and other elements.

The District Board thanked Ms. Freeman for her work and noted that there were a number of issues, such as costs, community consistency of appearance, and confusion as to what the ultimate development plan on the part of the City will be. The Board asked that Ms. Freeman provide future updates.

A resident inquired about open space that is currently near the 16<sup>th</sup> hole green and whether the golf course was planning on installing restrooms at that location. Director Stone noted the property in question is separately-owned golf property and those questions should be directed to the owners of the golf course.

Ms. Loretta inquired about converting some of the District open space to a dog park, noting there are many dogs in the community. The Board reported there are no plans to do so at this time.

Mr. Bales commented that it might be nice to have a shelter or lights around the mailboxes in the District. During the winter months, many residents were not able to collect mail until after dark, and a shelter would protect the boxes, as some have

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noticed water intrusion. Director Stone noted the mail boxes are owned by the United States Postal Service. There are no current plans to construct shelters or install lighting, but if proposals are assembled, the District may consider it in future years if budgets permit.

A resident commented that during snow removal operations he saw pickup trucks plowing the sidewalks. This creates safety and sidewalk damage concerns. Director Stone reported the District has spoken to the contractor about this already and will continue to monitor to prevent this from occurring.

Director Gomer presented an update on traffic speeding concerns. Complaints about speeding contractors and residents continue to be received. The District has installed a four-way stop sign at Uinta and Heritage as well as speed signs with flashing lights to try to combat the issue. Director Gomer has discussed other options with various contractors. Martin Marietta has suggested that speed humps or undulators could be installed in select locations. These would be asphalt humps that are sufficiently graded to allow for passage of traffic and snow plowing, but would provide a bump to speeding cars. The District's snow removal contractor has indicated he can work with these types of installations.

Members of the community encouraged the District to reach out to City first responders about the plan, noting that these installations have impact on fire and ambulance services. Other possibilities were discussed, including requesting police presence and additional signage. Director Gomer and Director Kettle will continue to investigate and bring proposals to the Board.

## Financial Matters

- Financial Reports and Payment of Claims

Ms. Wheeler presented the District financials through October 31, 2019 and a list of claims for payment. Total claims for payment were \$168,978.81. Claims included a large portion of the Martin Marietta street work for 2019. Upon motion made, seconded and unanimously carried, the Board approved paying the submitted claims.

Ms. Wheeler reviewed the October 31, 2019 financial statements. The District has \$1.1 million in the general fund with about \$100,000 in amounts receivable. Landscaping maintenance was a little over budget, with some invoices

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remaining outstanding. In terms of overall expenditures, the District is on track with the general fund budget though some line items were over budget. The debt service fund balance is \$3.9 million. On December 1, 2019 a \$1.1 million debt service payment will be made. Some property tax revenue remains outstanding. Director Anderson noted the developer continues to pay some of the District's debt service obligations, and will pay an additional \$769,000 in 2020.

Upon motion made, seconded and unanimously carried the Board approved the October 31, 2019 financials as presented.

## Public Hearing 2019 Budget Amendment

Ms. Wheeler discussed the need for a 2019 budget amendment due to increased expenditures from the debt service fund. These expenses are related to the prospective 2020 bond issuance and legal and accounting expenses are being paid out of that fund which had not been anticipated at the start of 2019. Ms. Wheeler recommended increasing 2019 expenditures of the debt service fund to \$2,175,000 to account for the additional costs through the end of the year.

Mr. Richards advised that notice of a public hearing on a 2019 budget amendment has been published as required by law.

Director Stone opened the public hearing at 2:14 p.m. No public comment was offered on the 2019 budget amendment. Director Stone closed the public hearing at 2:15 p.m.

The Board approved the 2019 budget amendment resolution, amended the budget and appropriated the funds for expenditure upon motion made, seconded and unanimously carried.

## Public Hearing 2020 Budget Adoption

Ms. Wheeler presented the 2020 budget that has been developed based on input from the Board. The numbers incorporated expected landscaping and snowplowing expenditures. The final notice of assessed valuation has not been received from the County yet. The budgeted line item for the City of Thornton's Storm Water Utility Fee could be decreased from \$60,000 to \$6,000. Director Anderson would like to see money allocated for an updated reserve study. Ms. Wheeler noted the District can spend more or less on a particular line item or other expense so long as it does not exceed the total budgeted fund expenditure.

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The District's debts service mill levy is Gallagherized to 54.622 mills, and 10 mills were being levied for operations and maintenance. District general fund expenditures for 2020 are expected to total \$2,126,791.

Mr. Richards advised the Board that notice of the public hearing and 2020 budget adoption have been published in accordance with law.

Director Stone opened the public hearing at 2:30 p.m. No public comment on the 2020 budget was offered. Director Stone closed the public hearing at 2:31 p.m.

The Board approved the budget resolution, certified the mill levy, adopted the 2020 budget as presented and appropriated the funds for expenditure upon motion made, seconded and unanimously carried.

## Update Regarding 2019 Bond Refinance

Mr. Richards reported the District's efforts to refinance its 2007 Series A and B bonds at a lower interest rate continue. The transaction is in the due diligence phase, with legal counsel for both the District and the bond issuers, the underwriters and bankers preparing the paperwork. Legal counsel will continue working with Director Anderson and Ozanich as the transaction continues. Director Anderson reported he has communicated with Mr. Sullivan at D.A. Davidson, and the projected closing date for the bonds is January, 2020.

As part of the transaction, the District retained Meyers-Metrostudy Research to perform a market study to verify the District's ability to finance the bonds. A contract has been prepared. Upon motion made, seconded and unanimously carried, the Board ratified the contract and engagement of Meyers-Metrostudy Research.

[\*Ms. Wheeler departed at this time]

## Committee Reports

- Engineering Committee

Director Kettle presented the Engineering Committee report. The 2019 road work has been completed. The total project was completed approximately \$39,000 under budget. Some cracking was reported on Wabash, and Martin Marietta has been out to perform repairs. Mr. Dudley noted some additional areas may

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need to be reviewed as well. Director Kettle asked that any reports be passed along to the committee and they will coordinate inspection and repairs. The road work comes with a one-year warranty.

Roads in Amendments 8 and 9 and Block H have been going through the process of final acceptance. A few remaining punch list items are yet to be completed by the developer. Reportedly, the items were completed over the weekend, but they have not been verified by the District Engineer. Once the District Engineer verifies the punch list is complete, a recommendation for final acceptance will be made. If all conditions are met, the Board may accept the improvements at its January 2020 meeting.

Roads in Amendment 11 are also ready for preliminary acceptance. However, none of the documents necessary to facilitate preliminary acceptance have been provided. When the documents are provided the District will proceed with preliminary acceptance.

- Landscaping  
Committee

Director Stone presented the Landscaping Committee report.

The District is proposing to issue final acceptance on all landscaping currently under preliminary acceptance. This will have the benefit of being more efficient and cost effective to manage under a single contract. At this time, the District is waiting to reach final agreement with the developer on the cost sharing for repairs and replacements of planting and irrigation installations under the warranty agreement. Once this is agreed upon, final acceptance will be granted and any repair or replacement work will be performed in the spring by the District's landscaping contractor. Director Stone will follow up with the developer on this.

Because the District will be taking over additional landscaping and snow plowing responsibilities, an amended contract with Brightview is necessary. Mr. Richards presented a revised agreement with updated compensation numbers and service maps. The Board requested a few modifications to the contract. Mr. Richards will make the changes. The Board approved the amended contract with the noted changes upon motion made, seconded and unanimously approved.

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- Budget Committee No additional report was made by the budget committee.

## Manager's Report

Mr. Dudley presented the manager's report. A written report was also provided.

Landscaping has largely wrapped up for the season, and the attention is turning to snowfall. Brightview provided a pallet of ice melt for the District to use. Winter tree maintenance is underway with Taddiken Tree.

Concerns and suggestions related to speeders have been received, including a request for additional signage, a crosswalk, and repair. These have all been passed on to the Board for consideration.

The Quebec gate has been repaired and the logic board replaced. A software issue is also being addressed.

## Legal Report

Mr. Richards presented the legal report. A written report was also provided.

Most topics have been previously addressed in the meeting. Mr. Richards noted the City of Thornton Storm Water Utility issue has been satisfactorily resolved with the charge applicable to District streets being reduced from \$5.00 per single family equivalent area per month to \$0.65 per single family equivalent per month. The revisions should be approved by Thornton City Council shortly and monthly invoices will be received for past periods and going forward.

## Old Business

- Yosemite  
Construction Traffic

Director Stone continues to work with the developer on this issue. Easements for construction access have been granted and are in the process of being prepared for traffic by tradesmen. The developer is working with the County to obtain permits for construction traffic on Yosemite Street.

- Ehler and Quebec  
Gate

Director Stone reviewed that repair and maintenance work has been performed at the Ehler and Quebec gates and there has been discussion about when these gates will be considered for turnover. The Ehler and Yosemite gates generally work well; the Quebec gate is experiencing frequent issues. Director Stone and Director Anderson discussed what bench marks should be achieved before preliminary acceptance is granted. Director

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Stone will contact the developer as part of these conversations.

- Invoices for back charging

Director Kettle presented the results of his review of invoices related to the payment and reimbursement for various charges in the District. The District has invoiced the developer for reimbursement of certain charges, and the developer has contested whether these are properly chargeable to them. These invoices include landscaping, water use, gate repairs and other miscellaneous charges over the past two to three years. Director Kettle explained how he reviewed the various charges to determine who was responsible. The results of this will be shared with the developer and with a proposed agreement to be reached on final disposition.

New Business

There were no matters of new business brought forward.

Public Comment

A member of the public inquired about repairs to the parking lot in front of the club house. The Board noted the parking lot is the responsibility of the co-tenancy between the master association and the golf course.

Adjournment

The next meeting of the Board of Directors is scheduled for Monday, January 27, 2020, at 1:00 p.m.

The meeting was adjourned at approximately 4:01 p.m.



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Secretary for the Meeting