

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

HERITAGE TODD CREEK METROPOLITAN DISTRICT

Held: Monday, May 22, 2017, 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

Also present were Barbara Vander Wall, Esq., and Cameron J. Richards, Esq., Seter & Vander Wall, P.C.; Diane Wheeler, Simmons & Wheeler, P.C.; Ross Dudley, CCMC, District Manager; Guy Ford, IDES, District Engineer; and members of the public.

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.

Approval of Agenda

Director Stone proposed several changes to the agenda, which were approved by the Board.

RECORD OF PROCEEDINGS

Approval of Minutes

The Board reviewed the minutes of the March 27, 2017, regular meeting. Upon motion duly made, seconded, and unanimously carried, the minutes of the March 27, 2017, regular meeting were approved as presented.

Public Comments

A member of the public commented on the construction access and construction vehicles. The construction gate was open at 4 a.m. and a number of vehicles are using the main gate at Quebec and Heritage. Additional signage or other actions to limit impact of construction on District residents was requested. Director Stone noted the concerns and these topics have been raised with Lennar previously. He will continue to do so.

A member of the public commented that the District needs to try to control traffic speeds, particularly in the early morning and afternoon, and suggested that speed bumps might be installed or provide for police presence. Additionally, it was requested that common areas be mowed more frequently/shorter to facilitate bocce ball and other activities. Director Stone noted these issues would be addressed later in the meeting.

District/Lennar Communications

Director Stone reported he and Director Anderson have met with Lennar representative Adam Coates, Dirk Lashnits and Jason Nazaremus on May 10 to discuss some ongoing issues in the District.

- Street Warranty

Some streets in the District have been accepted by the District, others, particularly in the newer portions, such as West of Ulster, are still under warranty from Lennar, and still others remain to be constructed or completed. While the warranty is in place, Lennar is responsible for repairs. The District is working to fully understand what streets are under warranty, when the warranty expires, and bring streets into the cycle of maintenance and budgeting to ensure all are appropriately maintained.

- Build-out Schedule

A discussion on the duration of construction in the District was held. Lennar has commenced building on the front nine portion of the District. Construction is tentatively expected to last three years. An initial construction access has been opened at Hwy 7 and Yosemite; additional entrances may be opened in the future.

Construction will be ongoing near Rosemary until

RECORD OF PROCEEDINGS

approximately July 2018. The construction gate on Ehler will be closed in mid-June, and construction traffic will use the main gate. A new construction gate will be opened off of Quebec to access development near the 15th hole. A new cement washout will be part of this.

Regarding traffic management, Director Stone advised that both the District and Lennar want to hear about issues so they can be addressed. The public is encouraged to report issues or concerns. Landscaping vehicles, bobcats, etc., and landscaping material are now being stored off-site and will be dropped on location as necessary. This should reduce some traffic.

A homeowner raised the issue of speed and frequency of construction vehicles and the safety hazard they create. The homeowner feels Lennar is no longer taking the matter seriously. Director Stone responded that he takes the matter seriously and believes Lennar does as well. Director Stone invited the public to send comments to him and he would share them with Lennar.

- Entrance Lighting At the Quebec entrance, Lennar will be placing additional lighting on monuments so it looks similar to Heritage and Hwy 7.
- Landscape Vehicles Director Stone noted this had already been addressed.
- Construction Traffic Director Stone noted this had already been addressed.
- Entrance Plantings The Garden Club has volunteered to take on plantings to beautify the entrances. These areas are owned by Lennar and have not been accepted by the District. Lennar has granted permission for this use.
- Construction Access The Ehler construction gate will close, and construction traffic will use the main Ehler gate. This gate is still owned by Lennar. As discussed new construction access will be opened on Quebec. A new access has been opened at the north end of Yosemite. A second access for that portion of the development may be considered later to keep excessive construction traffic from using the main gate.

Committee Reports - Engineering

Director Anderson presented the engineering committee report. All gates now have signage regarding no soliciting. Pavement

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RECORD OF PROCEEDINGS

Committee

and maintenance planning is under way on District-owned streets. Based on the budget of \$280,000, Director Anderson noted the District was not able to get to all items, but will pursue crack seal and concrete repair in a number of areas. Seal coating will be done on Heritage Drive to Xenia Street Heritage Circle. Xenia Court will be milled and overlaid.

A request for proposals has been published, with no responses received. Martin Marietta is willing to do the work based on unit costs and a contract is being prepared. Mr. Ford expects a contract to be finalized around June 5, 2017, with work to commence soon thereafter.

- Landscaping Committee

Director Stone presented the landscaping committee report. Sprinkler systems have been energized. Lennar has committed \$30,000 to repair work required by the City of Thornton, which work is under way.

- Budget Committee

Director Anderson noted the budget process has not yet started. Assessed valuations have increased and, despite the assessment rate decrease, tax bills for residents could be expected to rise.

- Special Committee on Park Benches

A representative of the park bench committee presented an update on the survey that was sent out to the Heritage Todd Creek community, regarding the naming of common areas and placing park benches. The committee received 413 responses to four questions posed. Approximately 61% of respondents were interested in naming parks/open spaces; Colorado mountain names or wildflowers were the most popular categories. Approximately 71% of the respondents favored installing benches in open spaces. A total of 114 general comments were received on a variety of topics; 45 were generally supportive of benches and parks, and 19 of the comments were negative.

The committee's proposed plan is to: 1) develop a naming process for parks; 2) identify benches and signage and obtain quotes; 3) identify potential sources of funding, such as memorial benches or donations from public. The City of Thornton has requested to be notified of the proposed location of the benches. Mr. Ford suggested the District adopt a detail of bench locations and standards for benches, such as material, design, size, etc., and that the District's landscape contractor may be able to assist in obtaining the items at a discount.

Director Stone noted there appears to be popular support for

RECORD OF PROCEEDINGS

benches and parks, though he noted that when it comes time to place the benches, comments from those living near the locations may be less favorable. The Board discussed the issue of using public funds to operate and maintain benches designated with privately funded memorial plaques. It was agreed that legal counsel would research the issue and report to the Board at the next meeting.

Director Stone noted that the original concept was based on the project being at no cost to the District. The Board acknowledged that certain administrative costs are inevitable.

A motion was made and seconded to authorize legal counsel to research issues related to private purchase and signage of benches on District property for up to \$2,000. The motion was approved by vote of 4-1 (Director Ozanich opposed).

- Other Issues

Director Stone raised the issue of traffic control in the community. Members of the public raised the question of adding stop signs within the District. Director Stone requested Board input on this topic.

Director Ozanich stated he was not convinced stop signs would help or be an improvement. He questioned where they would be placed. Director Kettle opined the issue was larger than stop signs and the Board needs to consider the issue from a larger traffic management perspective. Mr. Ford referred to the issue as “traffic calming,” and noted that there is a field of engineering devoted to traffic flow, and that any changes to that would likely require approval of the City and formal study.

Ms. Gloria Brill, a member of the public, reported that she used to work on traffic issues. The Board agreed that Director Gomer should meet with Ms. Brill to further discuss the issues to see if additional steps could be taken, and report back to the Board.

Engineer’s Report

Mr. Ford presented the engineer’s report. There was no change on the issue of turnover/acceptance of certain tracts of land by the District. Director Stone noted that he was expecting a letter from Dirk Lashnits at Lennar about moving forward with turnover in the near future. Mr. Ford indicated he would respond once the letter was received.

Issues with the bridge on Yosemite Street have been identified

RECORD OF PROCEEDINGS

by Adams County. A proposal for work on the abutments has been requested from Martin & Martin. There are some issues concerning ownership and acceptance of the bridge, pedestrian bridge and walkway that are being addressed by the District's engineer and legal counsel.

Financial Report

Ms. Wheeler presented the financial report and District claims.

Checks for claims totaling approximately \$24,000 were presented for payment. Director Anderson inquired about payment to UMB bank. Ms. Wheeler clarified that payment was for trustee services related to the District bonds. Upon motion made, seconded, and by unanimous approval, the claims were approved.

Financial statements through the end of April were presented for review. The District is in good position overall. Upon motion made, seconded and with unanimous approval, the financial statements were accepted.

Ms. Wheeler advised that the District's preliminary assessed valuation will be distributed by the County in August, and that the 2018 budgeting process could start at that point. Preliminary numbers indicated assessed values will increase by approximately 25%, so an increase in taxes may be expected.

District Manager's Report

Mr. Dudley presented the manager's report. A written report was distributed. He noted that signage has been placed at entrances as directed by the Board. The gates at Quebec and Uinta have been working on a sporadic basis, which is being addressed. Issues with emergency access through the gates are also being addressed.

A notice of violation was received regarding weed control in Lennar-owned areas. The notice was sent to prior legal counsel's office; all issues were addressed by the time notice was forwarded to the District.

Director Kettle inquired about the source of approximately \$6,000 in fees outstanding. He requested Mr. Dudley pursue these accounts. Director Kettle also requested Mr. Dudley look into burying the fiber optic cable that has been lying on the ground for an extended period of time.

RECORD OF PROCEEDINGS

Use of Common Areas

Director Stone noted that the common areas of the District are open to all residents to use, and are not dedicated to any particular use. However, a number of people have requested certain modifications, such as shorter grass/more frequent mowing, etc. to accommodate specific uses, such as bocce ball. Director Stone stated that the District may not want to make modifications to common areas for the benefit of one group over another.

Ms. Vander Wall noted that the District could choose to adopt simple rules and regulations for District-owned common areas if desired.

Comments received from the community have requested that the area in front of the model homes may be a place where 50-60 people could gather to play bocce ball, but that this area needs to be mowed. The Board was unsure who owns that tract, it is believed to still be in Lennar's name. Director Stone reiterated that he doesn't believe the District should modify its landscaping/mowing practices to accommodate one group. If someone wants to follow up with Lennar, that would not involve the District at all.

Legal Report

Ms. Vander Wall presented the legal status report. The ongoing issue of street light billing/responsibility was updated, noting that it appears to be unlikely that the County will accept responsibility for the lights. Ms. Vander Wall noted that legal counsel will coordinate with Lennar for the closing of the current Ehler construction access point and release of escrow funds. There is likely a need for new agreements. Finally, Ms. Vander Wall noted the updated fee and collections policy was still being worked on.

Public Comment

Public comment was offered regarding the area east of the club house. Specifically requesting the area be seeded and watered to improve appearance. Director Stone noted ownership/responsibility of that area is complicated; some responsibility belongs to the District, some to Golf, and some to Lennar. Director Stone will follow up with Lennar.

Other Business

Director Kettle noted the recent explosion from oil and gas activity in Firestone, CO, and wanted to make sure the District is following up as necessary on safety issues.

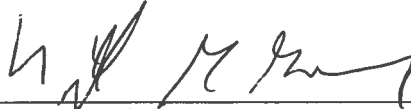
Directors Anderson, Kettle and Ozanich had attended a

RECORD OF PROCEEDINGS

reserve training put on by CCMC. It was helpful, but more directly aimed at HOAs as opposed to special districts.

Adjournment

There being no further business to come before the Board, the meeting was adjourned at 4:00 P.M. The next regular meeting of the Board is scheduled for July 24, 2017.



Secretary for the Meeting