

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

HERITAGE TODD CREEK METROPOLITAN DISTRICT

Held: Monday, November 22, 2021 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
Paul Ozanich, Secretary
Dan Kettle, Treasurer
Karl Wilmes, Assistant Secretary
Phil Anderson*, Vice President

Absent: None.

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; Andrew Gaittens, IDES; and the following residents and members of the public: Cheryl Dronkers, John Decker, and Cheryl Evenson.

[*Participating via Zoom.]

Call to Order

Director Stone noted a quorum of the Board was in attendance and called the regular meeting of the Board of Directors of the Heritage Todd Creek Metropolitan District to order at 1:07 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 the agenda. The agenda was approved as presented.

Approval of Minutes

The Board reviewed the draft minutes of the September 20, 2021 special meeting. Upon motion duly made, seconded and unanimously carried, the September 30, 2021 minutes were approved with corrections as discussed: revise ownership of property reference on page 5; revise “committee” to “District” related to budgetary recommendations on page 5; and change reference from “trailer” to “siding cage” on page 8.

Public Comment

Ms. Cheryl Dronkers introduced herself and Mr. Decker and Ms. Evenson as three- year residents in the community. She has a young dog, and would like to have a dog park. She suggested three sites which appear suitable for a dog park, including Xenia Court, half-way down Ulster Way, and on Willow Way. Director Stone noted that he has had some discussion with Ms. Dronkers on this topic, and invited other Board members to share input. Director Stone noted that the District Board has not formally addressed the issue of a dog park previously.

The Board asked questions of Ms. Dronkers and discussed details of a potential dog park, including whether other dog owners want a dog park, resident input on dog park locations, maintenance of the dog park, property ownership issues, public versus private operations of the dog park, land use approvals, public health issues, rules and enforcement of a dog park, liability issues related to dog park usage, smell issues, and other unintended consequences. Ms. Evenson asked about potential next steps to proceed with the dog park, such as a survey and other community input. Director Stone advised that the District is charged to maintain, operate and repair specific public facilities, including streets, sidewalks and open areas, which are funded through the District. The Board acknowledged that it was not interested in pursuing the installation, maintenance and operation of a dog park at this time.

No further public comment was offered.

[*Ms. Dronkers, Mr. Decker and Ms. Evenson departed at this time.]

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Financial Matters

- Financial Report and Payment of Claims

Ms. Wheeler reviewed the Financial Statement with the Board dated September 30, 2021, and presented the engineering, accounting and legal claims payable through November 1, 2021, totaling \$30,065.00. Upon motion, second and unanimous vote, the Board approved the financial report and claims payable as presented.

Ms. Wheeler noted that it does not appear that the District will need to amend its 2021 budget.

Public Hearing on 2022 Budget

Director Stone opened the public hearing on the 2022 budget. There being no members of the public present, the public hearing was closed.

Ms. Wheeler presented the 2022 budget to the Board, developed with input from the Board and the budget committee members. The District's assessed valuation has increased from \$41,798,450 to \$46,867,520. The proposed 2022 budget maintains the District's debt service mill levy at 55.024, and general fund mill levy at 10.000, for a total of 65.024 mills. The budget also reflects an increase in the maintenance and management fees.

Ms. Vander Wall advised that a fee increase requires a legislative act of the Board regarding the specific fee amount, which will be included on the agenda for the next Board meeting for adoption by resolution. After discussion, the Board proposed a \$15.00 monthly increase for consideration at the January meeting, to take effect at the second quarter of 2022. Ms. Wheeler suggested the fee revenues line item for the budget be increased to reflect this amount, totaling \$804,825.

The Board discussed the snow removal costs and developer reimbursement revenues. The draft budget needs to be modified to reflect the increased snow removal area, and related reimbursements by Lennar pursuant to the snow removal and reimbursement agreement with BrightView and Lennar. The snow removal amount will be increased to \$250,000 and the reimbursement amount will be increased to \$84,000.

Upon motion made by Director Ozanich, seconded by Director Wilmes, and unanimously carried, the Board approved the 2022 budget, appropriated the budgeted funds and certified the mill

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levy. The Board further approved the budget resolution as presented.

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

Committee Reports

- Budget Committee Director Anderson reviewed the committee discussions held for budget preparations.

- Engineering Committee Mr. Andrew Gaittens presented Task Order No. 22 from IDES regarding the authorization of funds for engineering services through December 31, 2021. He noted that a new one will be presented for 2022. Upon motion by Director Kettle, second by Director Anderson, and unanimous vote, the Board approved the Task Order as presented.

Mr. Gaittens reported that ABC Asphalt is working in coordination with the contractor Reconstruction Experts, and will be moving their materials and equipment off-site. Director Kettle noted that the stuff will be gone by Wednesday.

Mr. Gaittens reported on the walk-through which occurred on Quince Court, Amendment 13, on October 29, 2021, with Directors Kettle and Anderson, plus himself and Andy Laycock on behalf of Lennar. The mill and overlay work still needs to occur, and then the street will be ready for initial acceptance. There was some discussion regarding a gap between the homeowner's driveway and the sidewalk, which was identified as an expansion joint.

Landscape Committee:

Director Stone reported that he has communicated with Lennar regarding Quince Court landscape issues; they have agreed to apply spray on the native area to kill the weeds, and then re-seed. This will take place in the Spring.

Special Committees:

- Community Landscaping Advisory Committee

Director Stone reported that the advisory committee is currently working on landscaping plans for the Heritage / Uinta corridors and the gate entrances, and BrightView is preparing proposals for the landscape plans. He has asked the committee members to tour all the areas of the District, and to provide feedback. There was one committee member resignation due to a member moving out of the community.

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The next landscaping advisory committee meeting is November 29, 2021.

- Entrance Gate
Committee

Director Kettle reported that the committee is trying to implement the new gate resolution, but has had complaints with the 6pm closing time due to extended hours by the golf course and the restaurant. They will now have to look at revised scheduling, and need to accommodate winter hours. For the December 1 through December 31, the restaurant hours are 11am through 8pm, on Wednesday through Saturday, and 8am through 1pm on Sunday; the restaurant is closed on Mondays and Tuesdays. Currently, the gates are open between 6am and 8pm. The Board discussed a modification to the gate policy to accommodate such miscellaneous issues, as well as resident requests to accommodate the milk delivery vendor, and Sysco food delivery trucks for the restaurant. The Board recognized that the policy also needs to meet bond counsel criteria related to the District's tax-exempt bond financing.

Ms. Henderson noted that staff is having difficulties closing the gate, and is working with Western Access to fix the problems. She is working on new homeowner paperwork for the gate procedures.

- Traffic Calming
Committee

Director Wilmes reported that he and Director Ozanich received applications and held interviews, and have selected five homeowners to serve on the committee. The committee will meet on December 10, 2021.

- Other:

There were no other committee items presented at this time.

Manager's Report

Ms. Henderson presented the manager's report. She noted that the City of Thornton is requiring the District to replace 8 trees that were removed, based on City plans; however, the City has not been able to find the plan to identify the requirements. Ms. Henderson is working with the City on this issue; the Board discussed that it should be able to determine the landscaping needs for the community, independent of the City.

Ms. Henderson presented a proposal from Rocky Mountain Tree for the installation and removal of holiday lights around the community for the amount of \$11,600. She stated that the District may need to purchase additional lights, which are

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estimated at \$300. The Board discussed the number and location of trees for the light installation, and the potential for a decrease in the number of trees in order to reduce the costs. Ms. Henderson stated that she would follow up with the vendor for a potential reduction. Following further discussion, and upon motion, second and unanimous vote, the Board approved entering into an agreement with Rocky Mountain Tree for the holiday light services, for a cost not to exceed \$11,600.

Ms. Henderson updated the Board on the outstanding items pending with Lennar, including the snow removal reimbursement arrangement, re-seeding of certain areas, reviewing drainage patterns and impact, change in landscape plans from native to rock, grading and finish landscaping along the white fence, landscaping at the construction entrances, solar light alternatives on Willow, and reseeding of native grasses on Quince Court.

She reported on the status of the landscape services with BrightView, noting that the contractor is performing fall cleanup at this time.

Ms. Henderson noted that the trailer and fencing has been removed from Xenia Street by the Townhome contractor. The snow damage to the concrete in Xenia Court has not yet been scheduled for repairs at this time.

She is reviewing the water bills, and expects to provide BrightView with direction to investigate certain areas where the water use appears out of line.

The District's golf cart needs repair, for an estimated amount of \$2,400. These costs will be shared with the HOA pursuant to the agreement. Upon motion, second and unanimous vote, the Board approved the expenditure of \$1,200 for the repairs.

Ms. Henderson noted that the speed signs have been repaired.

Legal Status Report

Ms. Vander Wall presented the legal status report. She reported that the Yosemite Street bridge improvements have been completed and are finally accepted by Adams County for ownership. The Board discussed the street lights and the responsibilities for maintenance and repairs, which had been deferred pending the street improvements acceptance by the County.

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The District currently pays the for the electricity to the lights from United Power. The Board agreed to defer this issue to a later time.

Ms. Vander Wall reviewed the history of sump pump issues with the Board. She noted that these improvements are outside of the District's responsibilities. Damages caused due to slippery conditions resulting from the runoff directed onto the District's sidewalk has been problematic, and should be addressed by the homeowner. The District should continue to educate the community about how to address the water runoff issues without affecting District sidewalks. Ms. Henderson stated that she is working with the HOA on the role it has related to approval of design pursuant to covenants. She requested that a Board member meet with the representative of the Master HOA to share the District's issues, history and best means of educating the public for avoiding future problems. Directors Kettle and Stone agreed to assist.

Ms. Vander Wall reported on recent communications with the Thornton City attorney related to the perimeter trail responsibilities. She stated that Thornton maintains a "regional" trail system, and the parties need to distinguish the District's trails from the City's trail system.

The United Power right-of-way work is complete, and the damages to the District property have been repaired.

It was acknowledged that the Big Dry Creek sewer interceptor line project is completed within the community.

First Amendment to
BrightView Landscape and
Snow Removal Services
Agreement

Ms. Vander Wall presented a First Amendment to the Landscape and Snow Removal Services Agreement with BrightView; the amendment reflects additional area for snow removal services, and related costs. There was a discussion regarding corrections to the amounts after clarification of the base and new amounts. Upon motion, second and unanimous vote, the Board approved the First Amendment with the corrected amounts discussed.

Agreement with Lennar
Colorado re Reimbursement
of Snow Removal Expenses

Ms. Vander Wall presented an agreement regarding the reimbursement of snow removal expenses by Lennar to the District. The agreement memorializes the arrangement to allow the District to be compensated for BrightView snow removal

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services on areas that have not yet been accepted by the District. Upon motion, second and unanimous vote, the Board approved the Agreement with Lennar for Reimbursement of Snow Removal Expenses as presented.

May 3, 2022 Director Election

Ms. Vander Wall presented a resolution calling a regular election for directors on May 3, 2022. The resolution reflects that the term of two directors will expire and the Board will hold an election on the upcoming vacancies on May 3, 2022 (Directors Kettle and Stone). Notice of the call for nominations will be mailed to registered electors as well as published in the *Northglenn-Thornton Sentinel*. If there are no more people running for seats than there are vacancies by the February 25, 2022 deadline, the election may be cancelled. Following further discussion, and upon motion, second and unanimous vote, the Board approved the resolution as presented.

Old Business

There was no old business presented at this time.

New Business

There was no new business presented at this time.

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, January 24, 2022, at 1:00 p.m.

Adjournment

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



Secretary for the Meeting