RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF THE

HERITAGE TODD CREEK METROPOLITAN DISTRICT

Held: Monday, June 8, 2020 at 1:00 p.m., 8455 Heritage Drive, Thornton, CO 80602

Attendance

The special 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
Karl Wilmes, Assistant Secretary

Also present were Barbara T. Vander Wall* and Cameron J. Richards, Seter & Vander Wall, P.C.; John Simmons* and Georgia Harland*, Simmons & Wheeler, P.C.; Janell Henderson, CCMC, District Manager; Brandon Collins*, IDES, District Engineer.

[* Attended via remote connection.]

Call to Order

Director Stone noted a quorum of the Board was present and called the special meeting of the Board of Directors of the Heritage Todd Creek Metropolitan District to order at 1:10 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.

Approval of Agenda

The Board reviewed the agenda. Director Anderson noted the

date for meeting minutes on the agenda should be corrected to read March 4, 2020. Director Ozanich noted a correction from a reference to the "finance" committee, which should read "budget" committee in connection with the 2020 bonds. The agenda was approved as modified upon motion duly made, seconded and unanimously carried.

Welcome New Director and Manager

Director Stone announced that Karl Wilmes was elected to the Board at the May election and welcomed Mr. Wilmes to the Board.

Director Stone also welcomed Janell Henderson, the new District Manager.

Approval of Minutes

The Board reviewed the draft minutes of the March 4, 2020 special meeting. The Board requested a change to page 2, changing finance committee to budget committee, and page 3, to correct the name of a member of public to Mr. Laatsch. Upon motion duly made, seconded and unanimously carried, the minutes were approved as modified.

Public Comment

No public comment was offered.

Financial Matters

Mr. Simmons and Ms. Harland presented the District's financial reports and claims for payment through April 30, 2020.

The Board reviewed the financial statements. The remaining budget for snow removal was discussed. The District pays a monthly amount for snow removal during winter months. The current budget accounts for November and December. The Developer reimburses the District for certain areas that are still a Developer responsibility. The debt service fund shows balances before the June bond payments were made.

Claims for payment totaled $30,457.09 for legal, engineering and accounting costs. Legal services attributed to the proposed bond issuance are billed separately as those costs are eligible for reimbursement from the bond issuance.

Following motion, second and unanimous approval, the Board accepted the April 30, 2020 financials as presented.

Director Kettle asked about having the District Accountant pay

CCMC's fees as opposed to CCMC paying itself. This will be further evaluated.

Appointment of Secretary

Director Stone noted the Board secretary, Bill Gomer, had left the Board and the office of secretary is vacant. The current assistant secretary is Director Ozanich. Upon motion duly made, seconded and unanimously carried, the Board appointed Director Ozanich as secretary and Director Wilmes as assistant secretary.

Committee Reports

- Engineering Committee

Directors Anderson and Kettle presented the engineering committee report. In addition to the items listed on the agenda, Director Stone asked for discussion on installation of chase drains, construction traffic, speed control devices and snow ramps.

The bid package for the 2020 street and sidewalk repair project has been assembled and disseminated. Bids are expected back by June 11, 2020. Engineering estimates for the work are approximately $175,000. Installation of City approved specification speed cushions has been included as an alternate line item. Work is scheduled to occur in August and September.

Director Kettle reported that street sweeping has been performed by CAM Services. CAM Services will perform two dates of service, the second in late September after road work is completed. The total cost of the services is $4,190. Upon motion, second and unanimous vote, the Board ratified the expenditure for the services performed by CAM Services.

Director Anderson reported on the investigation into the installation of speed cushions in the District. Legal counsel has discussed the matter with the City of Thornton and confirmed the District may install them on the roads so long as they are constructed to Thornton-approved specifications. The Board has identified 6 possible locations. The Board discussed the history of District traffic control activities, including the installation of additional stop signs, speed limit signs, and golf cart crossing signs. Director Stone noted that there will be approximately 4 more years of construction activities, and that speeding motorists are made up of residents, construction workers and golfers. Traffic may increase in the future due to surrounding development. Director Wilmes noted that the sounds of cars hitting the cushions may generate additional complaints. The

Board agreed they need more information before making a decision. Director Wilmes suggested a traffic study could be performed to obtain traffic counts and speed information. Upon motion duly made, seconded and unanimously carried, the Board approved Director Wilmes to obtain a traffic study for an amount not to exceed $7,000.

Director Stone reviewed that there are not many places in the District to store snow in the winter. The cul-de-sacs can only hold so much, and those residents should not be overly inconvenienced. Director Stone has met with the snowplow contractor to discuss additional locations. If appropriate locations can be identified, ramps over the sidewalk to allow snow to be pushed off the roadway will be necessary. Any storage locations will require the permission of the golf course.

Director Stone reported that residents have contacted him about installing chase drains at the residents' cost. This is an issue particularly around the townhomes in Amendment 9. Director Kettle reported on a procedure and specifications used by the City of Arvada for homeowner installed chase drains. The Board directed legal counsel and the District engineer to look into the procedure and see if a similar process may make sense for the District.

Director Stone reported the County has waived the 7000-pound weight limit on Yosemite Street. This will allow construction traffic, including heavy trucks, to utilize the two construction entrances created to facilitate construction in the north east portion of the District. Director Stone thanked Adams County Commissioner Pinter and Lennar for working with the District to make this possible.

- Landscaping Committee

Director Stone presented the Landscaping Committee report.

Director Stone reviewed two work orders with BrightView for additional work. One work order is for the amount of $6,715 for the cleanup and planting of native grasses for Tract 2Y. Upon motion, second and unanimous vote, the Board ratified this work order.

The second work order is for landscaping bed refresh services along Heritage Drive and Uinta Street. The presented proposal is for the amount $16,988.54. Director Stone noted additional tree removal and replanting is necessary and the work order will

be amended. Upon motion, second and unanimous vote, the Board approved the work order subject to the additional scope of work in an amount not to exceed $27,000.

Landscape and irrigation repair work that was required to close out the warranty on landscaping in Amendment 8, Amendment 9 and Block H has been performed. The Developer funded the cost of the work performed by Brightview.

Quince Court landscaping is limited to a small tract. Director Stone noted that he has recommended it as ready for acceptance, but there has been additional work necessary. Brightview is looking at the additional work.

Areas around mailboxes need to be mowed. The District will look at areas that are District responsibility. Other areas may require the golf course owner to mow. Director Stone will continue to monitor.

Following the snow removal season, Director Stone met with the contractor to discuss practices for the following year. To minimize snow storage burden, some snow will be left in the streets to melt. This will take pressure off the cul-de-sacs. Additionally, ATV's will plow the sidewalks but will not plow all the way to the edge. This is expected to decrease complaints of property damage. Director Stone continues to work on a plan for dealing with heavy spring snows.

Taddiken Tree is performing tree care services in the District. The company is requesting additional compensation for work that was included in its contract but not bid appropriately. The Board did not take any action on this item.

The stucco wall at the Uinta gate needs to be re-painted and some repair work is necessary. Proposals are being solicited.

Budget Committee

Director Anderson presented the Budget Committee report. Work on the 2021 budget will begin soon. Committee members are encouraged to think about 2021 expenditures. The District needs to update its reserve study and implement the recommendations as part of the budget process. Director Anderson recommends the District consider working with the same contractor the Master HOA retains. The HOA is currently considering proposals. Upon further discussion and motion duly, seconded and unanimously carried the Board approved

entering into a reserve study contract with the same contractor as the Master HOA in an amount not to exceed $5,000.

Director Anderson presented an update on the proposed 2020 bond refinance. As a result of the COVID-19 pandemic, the bond market went through some turmoil and the transaction is currently stalled. Updated market numbers have been provided by D.A. Davidson. The 2007A bonds can be refunded and a lower interest rate obtained. However, the projected interest rate for a 2007B bond refunding is higher than the current rate. The Board asked Mr. Simmons a number of questions about how just refunding the 2007A bonds would impact the District's financial picture. Mr. Simmons will investigate and report back.

Legal Status Report

Mr. Richards presented the legal status report, as provided in the meeting materials.

Dedication and acceptance in multiple areas is moving forward. The Developer has provided a number of documents for acceptance of Amendment 10, 11, 13 and 14. Legal counsel and the District engineer are reviewing for compliance with the 12-step process and suitability for preliminary acceptance. Future updates will be provided as areas are ready for acceptance.

United Power is undertaking an upgrade to the power line that runs through the District. This will require boring and the replacement of two cabinets. All work will occur within the utility easement in the right-of-way and has been permitted by the City of Thornton. United Power is requesting permission to bore under Xenia Street and Willow Street. An easement will be needed for a new line in the Northeast corner of the District. The District engineer will review the plans and contact the United Power representative. Legal counsel will prepare documents to memorialize the consent and obligation to repair any District improvements damaged by the project. Upon motion duly made, seconded and unanimously carried, the Board consented to the boring under Xenia Street and Willow street and granted the required easement subject to preparation of the appropriate legal documents.

Mr. Richards reviewed recent communication concerning the perimeter trail of the District. The District has not been inspecting or repairing the trail, and believes the trail is the responsibility of the City of Thornton by virtue of plat notes. The City has previously agreed with this position. Just prior to

the meeting, the City sent an email stating the responsibility lies with the District. Mr. Richards will follow up as to why the City's position has changed, try to settle the issue and review the impacts of any change.

The District and Developer reached agreement on some disputed cost sharing amounts. Director Kettle has performed extensive review of the amounts claimed by both parties. In the end, the amounts owed to the other party were approximately equal. The District waived a right to reimbursement of $86,593.57 and the Developer waived a right to reimbursement of $77,617.53. An agreement memorializing this agreement had been executed. The Board ratified the agreement upon motion duly made, seconded and unanimously carried.

Director Kettle asked how the forgiven amounts will be documented in the District's financial records. The District Manager and CCMC will evaluate this.

Manager's Report

Ms. Henderson presented the manager's report. A written report was also provided.

Ms. Henderson reported a new maintenance supervisor has been hired and is working with BrightView to understand the various areas of responsibility.

Ms. Henderson reported that preliminary estimates to re-route the irrigation line at the corner of 149th and Uinta will cost approximately $10 - $13,000. The Board did not take action.

Old Business

Director Stone reported he has received additional comment about installing lighting at mailboxes. The Board reviewed the issue and determined not to take action.

A resident has requested relocation of the stop sign at Heritage Drive and Uinta. The Board reviewed the process by which the location was determined and determined not to take action.

Director Stone reported Adams County has agreed to accept the Yosemite bridge now that remedial work has been completed. Final paperwork is outstanding. Director Stone will continue to follow up.

Public Comment

No public comment was presented.

New Business

Director Stone reported that residents often request to use District property for various reasons. Installing a bocce ball court, hanging art work, and other items. The Board discussed that they do not want to police all uses of District property but want to ensure the public is aware of the proper uses for District property and do not damage District property.

The Board reviewed committee appointments. There is a vacancy on the Landscape Committee. The Board determined to keep the Engineering Committee and Budget Committee in place. Upon motion duly made, seconded and unanimously carried the Board appointed Director Wilmes to the Landscape Committee

Adjournment

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

The meeting was adjourned at approximately 4:50 p.m.

Secretary for the Meeting