

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE WESTOWN METROPOLITAN DISTRICT (THE “DISTRICT”) HELD OCTOBER 23, 2019

A regular meeting of the Board of Directors of the Westown Metropolitan District (referred to hereafter as the “Board”) was convened on Wednesday, October 23, 2019, at 6:00 p.m., at the West Woods Community Police Station, 6644 Kendrick Drive, Arvada, Colorado 80007. The meeting was open to the public.

Directors in Attendance Were:

Cindy Baldwin
Debra McCartan
Hunter Owen

Following discussion, upon motion duly made by Director Baldwin seconded by Director McCartan and, upon vote, unanimously carried, the absence of Chris Keddie was excused.

Also, In Attendance Were:

Lisa A. Johnson and Peggy Ripko; Special District Management Services, Inc. (“SDMS”)

Elisabeth A. Cortese, Esq.; McGeady Becher P.C.

Diane Wheeler; Simmons & Wheeler, P.C.

Brenda Owings, Century Communities

See attached list for other attendees

**DISCLOSURE OF
POTENTIAL
CONFLICTS OF
INTEREST**

Attorney Cortese noted a quorum was present and discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting and incorporated for the record those applicable disclosures made by the Board members prior to this

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meeting in accordance with statute. It was noted by Attorney Cortese that disclosures of potential conflicts of interest were filed with the Secretary of State for all Directors.

Attorney Cortese further explained the process for conflicts with the residents in attendance.

ADMINISTRATIVE MATTERS

Agenda: Ms. Johnson distributed for the Board's review and approval a proposed Agenda for the District's regular meeting.

Following discussion, upon motion duly made by Director Baldwin seconded by Director McCartan and, upon vote, unanimously carried, the Agenda was approved, as presented.

Approval of Meeting Location: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. Following discussion, upon motion duly made by Director Baldwin seconded by Director McCartan and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within the District's boundaries to conduct this meeting, it was determined to conduct the meeting at the above-stated location. The Board further noted that notice of this location was duly posted and that it had not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within the District's boundaries.

Resignation of Rob Simpson: The Board acknowledged the resignation of Rob Simpson, effective August 1, 2019 and consider appointment of eligible elector to fill vacancy on the Board. There were no interested parties at this time.

Appointment of Officers: The Board determined that this discussion was not necessary.

Minutes: The Board reviewed the Minutes of the July 25, 2019 Special Meeting.

Following discussion, upon motion duly made by Director Baldwin, seconded by Director Owen and, upon vote, unanimously carried, the Minutes of the July 25, 2019 Special Meeting were approved.

Termination of Management Agreement between the District and Centennial Consulting Group, LLC ("CCG"): The Board reviewed a Termination of Management Agreement between the District and CCG, effective October 13, 2019.

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Following review, upon motion duly made by Director Owen, seconded by Director McCartan and, upon vote, unanimously carried, the Board ratified approval of the Termination of Management Agreement between the District and CCG, effective October 13, 2019.

Management Agreement between the District and SDMS: The Board reviewed a Management Agreement between the District and SDMS.

Following review, upon motion duly made by Director Baldwin, seconded by Director Owen and, upon vote, unanimously carried, the Board ratified approval of the Management Agreement between the District and SDMS.

Eligible Governmental Entity Agreement (“EGE”) between the District and The Statewide Internet Portal Authority (“SIPA”) of the State of Colorado and Westown Metropolitan District for the Establishment of a District Website: The Board discussed an EGE between the District and SIPA and Westown Metropolitan District for the establishment of a District website.

Following discussion, upon motion duly made by Director Baldwin, seconded by Director Owen and, upon vote, unanimously carried, the Board approved the EGE between the District and SIPA and Westown Metropolitan District for the establishment of a District Website.

Resolution No. 2019-10-01; Establishing 2020 Regular Meeting Dates, Time and Location, and Designating Primary Location, Alternate Location, and Posting of 24-Hour Notices and Establishing District Website: The Board discussed Resolution No. 2019-10-01; Establishing 2020 Regular Meeting Dates, Time and Location, and Designating Primary Location, Alternate Location, and Posting of 24-Hour Notices and Establishing District Website.

Following discussion, upon motion duly made by Director Owen, seconded by Director McCartan and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-10-01; Establishing 2020 Regular Meeting Dates, Time and Location, and Designating Primary Location, Alternate Location, and Posting of 24-Hour Notices and Establishing District Website.

§32-1-809, C.R.S. (Transparency Notice) reporting requirements and mode of eligible elector notification for 2020: The Board discussed §32-1-809, C.R.S. (Transparency Notice) reporting requirements and mode of eligible elector notification for 2020. The Board directed SDMS to prepare and post on the Special District Association Website and the District Website.

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PUBLIC COMMENTS

- The public enquired about the difference between the Metropolitan District and the Homeowners Association (“HOA”).
- Director Baldwin and Attorney Cortese answered questions from the public regarding the difference between the HOA and the District.

FINANCIAL MATTERS

Claims: Ms. Wheeler reviewed with the Board the payment of claims represented by check nos. 1260 - 1269, in the amount of \$14,905.59.

Following discussion, upon motion duly made by Director McCartan, seconded by Director Baldwin and, upon vote, unanimously carried, the Board ratified approval of the payment of claims represented by check nos. 1260 - 1269, in the amount of \$14,905.59.

Claims: Ms. Wheeler discussed with the Board the payment of through the period ending October 23, 2019, represented by check nos. 1270 – 1284 and one (1) online payment, in the amount of \$49,628.91.

Following discussion, upon motion duly made by Director Owen, seconded by Director Baldwin and, upon vote, unanimously carried, the Board approved the payment of claims represented by check nos. 1270 - 1284, in the amount of \$49,628.91.

Unaudited Financial Statements and Schedule of Cash Position: Ms. Wheeler presented to the Board the Schedule of Cash Position only (Unaudited Financial Statements were not presented) for the period ending September 30, 2019.

Following discussion, upon motion duly made by Director Baldwin, seconded by Director Owen and, upon vote, unanimously carried, the Board accepted the Schedule of Cash Position for the period ending September 30, 2019.

Snow Removal Invoices with Metco Landscape, Inc.: The Board discussed Snow Removal Invoices with Metco Landscape, Inc. It was noted that \$12,000.00 was reduced from overall invoices.

2019 Audit: The Board reviewed the engagement letter from Crady, Puca & Associates to prepare the 2019 Audit.

Following discussion, upon motion duly made by Director Baldwin, seconded by Director Owen and, upon vote, unanimously carried, the Board approved the engagement of Crady, Puca & Associates to prepare the 2019 Audit, for an amount not to exceed \$4,350.00.

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2019 Budget Amendment Hearing: The President opened the public hearing to consider the Resolution to Amend the 2019 Budget and discuss related issues. It was noted that a publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2019 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. There were no comments from the public in attendance and the public hearing was closed.

After review, it was determined that a 2019 Budget Amendment was not necessary.

2020 Budget Hearing: The Board opened the public hearing to consider the proposed 2020 Budget and discuss related issues.

It was noted that Notice stating that the Board would consider adoption of the 2020 Budget and the date, time and place of the public hearing was published in a newspaper having general circulation within the District, in accordance with statutory requirements. No written objections were received prior to the public hearing. No public comments were received, and the public hearing was closed.

Ms. Wheeler reviewed the estimated 2019 expenditures and the proposed 2020 expenditures with the Board.

Following discussion, the Board considered the adoption of Resolution No. 2019-10-02; Resolution to Adopt the 2020 Budget and Appropriate Sums of Money and Resolution No. 2019-10-03; Resolution to Set Mill Levies (for the General Fund at 44.428 mills, the Debt Service Fund at 55.535 mills, and the Other Fund(s) at 0.000 mills, for a total mill levy of 99.963 mills). Upon motion duly made by Director Baldwin, seconded by Director McCartan and, upon vote, unanimously carried, the Resolutions were adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2019. Ms. Johnson was authorized to transmit the Certification of Mill Levy to the Board of County Commissioners of Jefferson County, not later than December 15, 2019. Ms. Johnson was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2020. Copies of the adopted Resolutions are attached hereto and incorporated herein by this reference.

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DLG-70 Mill Levy Certification Form: The Board considered authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

Following discussion, upon motion duly made by Director Owen, seconded by Director Baldwin and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

Preparation of 2021 Budget: The Board discussed appointment of the District Accountant to prepare 2021 Budget.

Following discussion, upon motion duly made by Director McCartan, seconded by Director Baldwin and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare 2021 budget, and directed that the 2021 Draft Budget be the same as the 2020 Adopted Budget unless a Board Member provides input to otherwise adjust those assumptions.

LEGAL MATTERS

Resolution to Call the May 5, 2020 Regular Election: The Board discussed the upcoming election and Resolution No. 2019-10-04 to Call the May 5, 2020 Election.

Following discussion, upon motion duly made by Director Baldwin, seconded by Director McCartan and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-10-04 to Call the May 5, 2020 Election and appointed Lisa A. Johnson as the Designated Election Official and authorized her to perform all tasks required for the May 5, 2020 Regular Election of the Board of Directors for the conduct of a polling place/mail ballot election. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

Infrastructure Acquisition Report from IDES and the District's Acquisition of Certain Public Improvements: The Board deferred action at this time.

Assignment and Assumption Agreement of Revocable Encroachment License from Park 5th Avenue Development Co., LLC to the District: The Board deferred discussion at this time.

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COVENANT ENFORCEMENT/ DESIGN REVIEW

Conveyance of Monument Sign and Bill of Sale: The Board deferred discussion and consideration of approval of conveyance of the monument sign and Bill of Sale pending the Infrastructure Report.

Landscape Warranty Replacements: Ms. Owings with Century Communities provided the Board with an update. The Board directed Legal Counsel to prepare the necessary documents to accept the Park Improvements.

Park Improvements: It was noted that work is in progress. Ms. Ripko will schedule punch list walk on concrete and streets.

OPERATION AND MAINTENANCE MATTERS

Operations and Maintenance Map: The Board deferred discussion at this time.

Pool Maintenance Matters for 2020 Season: The Board discussed pool and maintenance matters for 2020 season.

Proposal from Peak One Pool & Spa for Pool Maintenance: The Board discussed a proposal from Peak One Pool & Spa for pool maintenance. Ms. Ripko will draft a Request for Proposal and solicit proposals for review.

District Parking Rules and Regulations and Consider Adoption of Resolution No. 2019-10-05 Regarding Parking Rules and Regulations: Attorney Cortese presented to the Board the District Parking Rules and Regulations and consider adoption of Resolution No. 2019-10-05 Regarding Parking Rules and Regulations.

Following discussion, upon motion duly made by Director Owen, seconded by Director McCartan and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-10-05 Regarding District Parking Rules and Regulations, subject to final review by Altitude Community Law.

Proposals for Snow Removal Services from Metco Landscape, Inc., Keesen Enterprises, Inc., Emerald Isle Landscaping, Inc., and Arrowhead Landscaping Services, Inc.: The Board reviewed and discussed proposals for Snow Removal Services from Metco Landscape, Inc., Keesen Enterprises, Inc., Emerald Isle Landscaping, Inc., and Arrowhead Landscaping Services, Inc.

Following discussion, upon motion duly made by Director Baldwin, seconded by Director Owen and, upon vote, unanimously carried, the Board approved the Service Agreement with Keesen Enterprises, Inc. for Snow Removal Services.

Proposals for Xeriscape: The Board deferred discussion at this time. Ms. Ripko will do more research.

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Bulletin Board Installation at the Pool Facility: The Board reviewed and selected a bulletin board for installation at the pool facility.

Trash Services: The Board discussed trash services. Ms. Ripko will solicit proposals from other providers.

Exterior Water Use: The Board discussed water conservation tips for exterior water use.

COVENANT ENFORCEMENT MATTERS

Community Manager's Report: Ms. Ripko reviewed with the Board the Community Manager's Report. Ms. Ripko explained what will be included in future Community Management Reports.

Covenant Enforcement: Ms. Ripko provided the Board with an update on the transition from CCG.

OTHER BUSINESS

There was no other business for discussion by the Board.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made, seconded and upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By Signature on file
Secretary for the Meeting