

**RECORD OF PROCEEDINGS  
MINUTES OF THE JOINT ORGANIZATIONAL MEETING  
OF THE BOARDS OF DIRECTORS OF  
WINDSOR HIGHLANDS METROPOLITAN DISTRICT No's. 1-10**

**HELD:** Tuesday, December 05, 2019, at 9:00 a.m. at 6795 Crystal Downs Drive, Fort Collins, Colorado 80550

**ATTENDANCE:**

The joint organizational meeting of the Boards of Directors of the Windsor Highlands Metropolitan District Nos. 1 -10 (collectively, the "Board") was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting: Dino A. DiTullio, Jennifer DiTullio, Jon Turner, Martha Turner, Pat Miller, Ed Ryan, Shareen Baker. Andy Krill was present via conference call David S. O'Leary of Spencer Fane LLP, Guy Johnson, Jackie Johnson from the District and numerous homeowners, please see attendance sheet in the Meeting Notebook as to homeowners that were present. Chris Frye and Mike DiTullio was absent and excused.

**CALL TO ORDER:**

Jon Turner called the meeting to order at 9:00 a.m.

**QUALIFICATION OF BOARD MEMBERS/OATHS OF OFFICE:**

Mr. O'Leary reported that all of the Board members are registered to vote in Colorado and are residents and/or owners of taxable real or personal property within the Districts. Mr. Johnson informed the Board that the official bonds had been obtained with our insurance and that all of the Board members had been administered the Oaths of Office. Thereupon, the directors assumed their duties as members of the Board of Directors.

**DISCLOSURE OF POTENTIAL CONFLICT OF INTEREST:**

Mr. O'Leary discussed the state law requirements for disclosure of potential conflicts of interest with the directors, noting that completed disclosure statements must be filed for each of the Directors with the Secretary of State and with the District at least 72 hours prior to a meeting in which a potential conflict may arise. In addition, each director is to verbally reveal his potential conflicts of interest to the Board at the start of the meeting in which the conflict may arise.

**APPROVAL OF AGENDA:**

The Board reviewed the agenda, with review of the agenda Jon Turner made a motion to approve the agenda:

Upon motion was made by Jon Turner and seconded by Martha Turner, Dino DiTullio and Shareen Baker and unanimously carried to approve the agenda.

**APPROVAL OF MINUTES:**

The meeting minutes of March 26, 2019 meeting was presented and discussed,

Upon motion made by Dino DiTullio and seconded by Jon Turner, Martha Turner, Dino DiTullio and Ed Ryan and unanimously carried to approve the meeting minutes of March 26, 2019.

**PUBLIC COMMENTS:** At this time Jon Turner, opened and acknowledged Public Comment portion of the meeting, The Board recognized resident Mr. George Mayes of 6136 Bay Meadows Drive, Mr. Mayes stated he received a letter from Fort Collins Loveland Water District in reference to an increase on usage above 5000 gallons a month, he stated that he would not be watering his yard by house water this next year and hoped that the non-potable water would come in early on so that the yards would not turn brown. Dino DiTullio stated that residents should rally and go to the water board to protest the surcharges.

The Board recognized resident Larry Roche of 6301 Crooked Stick Drive, Mr. Roche asked what the mill levy was going to be for the 2020 year, Mr. Johnson stated it would be certified for WHMD #1 30 mills gallagherized, 2-5 35 mills gallagherized 6-10 39 mills gallagherized.

Mr. Roche felt the District should lower its taxes like the county did. Mr. DiTullio pointed the taxes had to stay the same or be gallagherized when required as per the Districts agreements with the Bond companies. Mr. Roche asked would there be a middle school built in the area and what school district would it be to the west of Fairgrounds Parkway? Mr. Turner stated no there was a Poudre Valley Elementary Scholl scheduled to open fall 2022 west of CR 5/Fairgrounds. Mr. Turner was not sure about any Middle school, but suggest Mr. Roche look on the school web sites.

The Board recognized resident Dan Ballard of 6174 Southern Hills Drive; Mr. Ballard wanted an update on the open space behind his home, Mr. Johnson stated the developer is working in the detention areas east of Mr. Ballard's home. Mr. Johnson stated there was still work to be completed by the developer on some drainage issues on the south side of the detention area and the east side of the detention area in 2020. Mr. Johnson stated after all drainage work was completed that any disturbed areas would be re-seeded with native grasses and maintenance as a native area would continue for the native grasses to thrive.

**DISCUSSION OF POSTING REQUIREMENTS:**

Mr. Johnson discussed the open meeting requirements and the posting requirements for the Districts, noting that any non-social meeting of three or more of the directors constituted an official meeting, and that notice of a meeting for the Districts is to be (1) provided to each Board member, and (2) posted in at least three public places within the Districts at least 72 hours in advance of the meeting, and (3) at the same time, a copy of such notice is to be posted at the office of the County Clerk and Recorder. If possible, the posting should include specific agenda information. Mr. Johnson further noted that notice of this joint organizational meeting had been so posted.

Following discussion and upon motion duly made by Jon Turner, seconded by Dino DiTullio and unanimously carried, the Board approved the Resolution 2020 Posting Locations as presented.

**APPROVAL OF ON-LINE POSTING OF PUBLIC MEETING:**

Mr. Johnson discussed the need to post the meeting on-line (District website) along with the physical posting on site,

Following discussion and upon motion duly made by Jon Turner, seconded by Martha Turner, Dino DiTullio and Shareen Baker and unanimously carried, the Board approved the Resolution 2020 On-Line Posting of Public Meetings as presented.

**RESOLUTION CONCERNING ANNUAL ADMINISTRATIVE MATTERS 2020:**

Mr. O'Leary presented a Resolution Concerning Annual Administrative Matters for 2020 for the Districts.

Following discussion and upon motion duly made by Jon Turner, seconded by Dino DiTullio, Andy Krill, Martha Turner and Ed Ryan and unanimously carried, the Board approved the Resolution Concerning Annual Administrative Matters for 2020, including: the contact person (s) for the District; the designated posting location (s) for the District; and the location for meetings of the Board of Directors.

**TRANSPARENCY NOTICES:**

Mr. O'Leary presented the Transparency Notices and discussed that these will need to be posted on the District's website on or before January 15, 2020. These notices will also be provided to the Division of Local Government and appropriate state agencies as required by law. After further discussion on the matters and;

Upon motion duly made by Jon Turner, seconded by Martha Turner, Andy Krill, Jennifer DiTullio and Ed Ryan and unanimously carried, the Board approved the Transparency Notices.

**EXCLUSION OF WORKERS COMPENSATION INSURANCE:**

Mr. O'Leary noted that it was time to renew the Resolution for the Board to be excluded from Worker's Compensation, if the Board elects to continue not having worker's compensation coverage for the board members. After further discussion on the matters and;

Following discussion and Upon motion duly made by Jon Turner, seconded by Martha Turner, Dino DiTullio and Ed Ryan and unanimously carried, the Board approved the Resolution to Exclude the Board from Worker's Compensation Insurance and to file the Resolution along with the State of Colorado Worker's Compensation Exclusion form with the appropriate parties.

**APPROVAL OF 2020 DISTRICT SERVICE AGREEMENTS:**

Mr. Johnson presented and discussed engagement letters and/or proposals for service agreements for District Management, Pool Management, Landscape Maintenance Agreements, Rental agreements, Annual Audit and Exemption Agreements, Internet and Phone contracts and Engagement of District Counsel to the Board of Directors. Mr. Johnson discussed the renewal and/or engagement of service providers for the District and reviewed the proposed costs and expenditures related to these service agreements with the Board. After further discussion on the matters and;

Upon motion duly made by Jon Turner and second by Jennifer DiTullio, Martha Turner, Shareen Baker and Andy Krill, and unanimously carried to approve the District 1-5 service agreements for District Management, Pool Management, Landscape/Maintenance, Rental agreements, Annual Audit and Exemption Agreement, Internet and Phone contracts and District Counsel. Also, authorized Guy Johnson to finalize any negotiations and execution of the service agreements.

Upon motion duly made by Jon Turner and second by Martha Turner and unanimously carried to approve the District No. 6 through District No. 10 Service agreements for District Management, Pool Management, Landscape/Maintenance, Rental agreements, Annual Audit and Exemption Agreement, Internet and Phone contracts and District Counsel. Also, authorized Guy Johnson to finalize any negotiations and execution of the service agreements.

**AUDIT AND AUDIT EXEMPTION:**

Mr. O'Leary reviewed with the Board preparing for the 2019 audits and/or exemptions. It was noted that if revenues or expenditures for a district are less than \$750,000.00 in 2020, the district may file application for Exemption from Audit on or before March 31st. After further discussion on the matters and;

Upon motion duly made by Jon Turner and seconded by Dino DiTullio, Martha Turner and Ed Ryan and unanimously carried to authorize Mr. Johnson to prepare for District 1-5's 2019 audits and or fill out application for exemptions from audits as appropriate and to take such further action as necessary to complete and file these documents with the necessary state agencies.

Upon motion duly made by Jon Turner and seconded by Martha Turner and unanimously carried to authorize Mr. Johnson to prepare for District 6-10's 2019 audits and or fill out application for exemptions from audits as appropriate and to take such further action as necessary to complete and file these documents with the necessary state agencies.

**PAYABLE:**

Mr. Johnson reviewed with the Board the expenditures for March 2019 through November 2019 for a grand total of \$934,966.52, After further discussion on the matters and;

Upon motion duly made by Jon Turner, seconded by Shareen Baker and Dino DiTullio and unanimously carried; the Board approved the payable of District 1-5 for March 2019 through November 2019 for a grand total of \$934,966.52.

Upon motion duly made by Jon Turner, seconded by Andy Krill and Dino DiTullio and unanimously carried; the Board approved the payable of District 6-10 for March 2019 through November 2019 for a grand total of \$1,496,838.89.

**PUBLIC HEARING FOR DISTRICT No.'s 1-5 2019 AMENDED BUDGET:**

Mr. Johnson stated this agenda item was not needed with nothing being out of budget.

**PUBLIC HEARING FOR DISTRICT NO. 6 through NO. 10 2019 AMENDED BUDGET:**

Upon motion made by Jon Turner, seconded by Andy Krill and unanimously carried, the public hearing was opened on the budget amendment for fiscal year 2019 for Windsor Highlands Metropolitan District Nos. 6 - 10.

Following discussion, the public hearing was closed by Jon Turner and seconded by Martha Turner and unanimously carried to closed the Public Hearing for Windsor Highlands Metro District 6-10.

Upon motion duly made by Jon Tuner and by seconded Martha Turner, and unanimously carried, the Board: (1) approved and adopted the 2019 Amended budgets as presented (2) authorized the appropriation of funds for the expenditures set out in the budgets; (3) authorized the President and the Secretary to sign the necessary documentation; and (4) directed the District Manager to file the budgets with the Division of Local Government prior to January 31, 2020.

**2020 1-5 BUDGET HEARING:**

Upon motion made by Jon Turner, seconded by Martha Turner, Jennifer DiTullio and Ed Ryan and unanimously carried, the public hearing was opened on the proposed budgets for fiscal year 2020 for Windsor Highlands Metropolitan District Nos. 1 - 5. Mr. Johnson reported that notice of the public hearing had been published in accordance with statutory requirements. Mr. Johnson presented the proposed 2020 budgets to the Board.

Following discussion, the public hearing was closed by Jon Turner and seconded by Dino DiTullio and unanimously carried.

Upon motion duly made by Jon Turner and by seconded Martha Turner, and Ed Ryan and unanimously carried, the Board: (1) approved and adopted the 2020 budgets as presented with mill levies Gallagherized; (2) authorized the appropriation of funds for the expenditures set out in the budgets; (3) authorized the President and the Secretary to sign the necessary documentation; and (4) directed the District Manager to file the budgets with the Division of Local Government prior to January 31, 2020.

**2020 6-10 BUDGET HEARING:**

Upon motion made by Jon Turner, seconded by Andy Krill and unanimously carried, the public hearing was opened on the proposed budgets for fiscal year 2020 for Windsor Highlands Metropolitan District Nos. 6 - 10. Mr. Johnson reported that notice of the public hearing had been published in accordance with statutory requirements. Mr. Johnson presented the proposed 2020 budgets to the Board.

Following discussion, the public hearing was closed by Jon Turner and seconded by Martha Turner and unanimously carried.

Upon motion duly made by Jon Turner and by seconded Martha Turner, and unanimously carried, the Board: (1) approved and adopted the 2020 budgets as presented with mill levies Gallaherized; (2) authorized the appropriation of funds for the expenditures set out in the budgets; (3) authorized the President and the Secretary to sign the necessary documentation; and (4) directed the District Manager to file the budgets with the Division of Local Government prior to January 31, 2020.

**APPROVAL & RATIFICATION OF THE PROMISSORY NOTE FOR DISTRICT NO 5:**

Mr. O'Leary stated the Promissory notes required renewal yearly, Mr. O'Leary noted the changes were interest applied, After further discussion on the matters and;

Upon motion duly made by Jon Turner, seconded by Dino DiTullio, and Ed Ryan and unanimously carried, the Board approved the Promissory Note for 2020.

**DISTRICT LEGAL COUNSEL REPORT:**

Mr. O'Leary presented and discussed the Request for Capital Public Improvements Cost Acceptance for Public Improvement for 6-10

Upon motion duly made by Jon Turner, seconded by Martha Turner and unanimously carried to Approve the Request for capital Improvement Cost Acceptance for Public Improvements for District 6-10.

Mr. O'Leary present the 2019-12-05-01 Resolution of the District to Reimbursement of Districts No. 6 through No. 10 for a cost up to \$3,000,000.00 for road improvements.

Upon motion duly made by Jon Turner, seconded by Martha Turner and unanimously carried to Approve the Reimbursement of Districts No. 6 through No. 10 for a cost up to \$3,000,000.00 for District 6-10.

Mr. O'Leary present the Resolution for the Project Fund Requisition No. 1 for Bond Draw for District 6-9 Capital Costs.

Upon motion duly made by Jon Turner, seconded by Martha Turner and unanimously carried to Approve the Project Fund Requisition No. 1 for Bond Draw for District 6-9 Capital Costs.

Mr. O'Leary stated elections were need in May of even number years, there were a few changes in the election laws, and a resolution was need to accept those changes.

Upon motion duly made by Jon Turner, seconded by Dino DiTullio, Andy Krill and Ed Ryan and unanimously carried to Approve the May 2020 election Resolution.

Mr. O'Leary stated there were changes in the Consumer Data Privacy Policy therefore a Resolution was need to accept those changes as well

Upon motion duly made by Jon Turner, seconded by Jennifer DiTullio, Martha Turner and Ed Ryan and unanimously carried to Approve the Consumer Data Privacy Resolution.

Mr. O'Leary stated there were changes in CORA therefore a Resolution was need to accept those changes as well

Upon motion duly made by Jon Turner, seconded by Jennifer DiTullio, Shareen Baker and Martha Turner and unanimously carried to Approve the CORA Resolution.

Mr. O'Leary stated the Annual Report per the Town Master IGA was required and submitted. The Board members had received the report via e-mail earlier in the month to review

Upon motion duly made by Jon Turner, seconded by Shareen Baker, Martha Turner and unanimously carried to Approve the 2018 Annual Report to the Town of Windsor.

### **DISTRICT MANAGERS REPORT:**

#### **1. Site Work:**

Detention area off of Crooked Stick Drive, the native grasses are coming in. Watering twice a week, have hand spray weed control every other week. Also, broad cast weed control on whole area. As always takes a few years to fill in.

- a. Detention area off of Crooked Stick Drive put in drain pan and replaced some drain pan. Regraded a few areas, will work on new drainage issues in 2020, after design comes in.
- b. Have Precision Landscaping maintaining Detention area/space for 2020 and re-seeding a couple areas.
- c. Highland Meadows Parkway, trees on south side of community were replaced.
- d. Will get new count of trees first of June and set up for replacement.
- e. Fence stain complete for half the site, will stain other half in 2020.
- f. Have added on new Districts, No.7 is in Windsor, No. 8, 9, 10 are in Loveland, this is west of CR 5 and CR 30. Have started work on CR 5.
- g. Have bond in District No. 8 set up and applying for draws for road construction on CR 5.
- h. Golf Course is District No. 11, its own District. Golf Course is leased out. Getting appraisal completed.

#### **2. Pool/Clubhouse:**

- a. No pool IGA's and/or agreements set up for WHMD pool.
- b. Will sale Out of District pool memberships at a limited number.
- c. Will come up with a cost share agreement with Districts No. 6 through No. 10.
- d. Adding heaters to basement equipment room.
- e. Will add new chlorine injection system.
- f. Working on pump issues.

#### **3. Web Site:**

- a. Web site is up dated, will add documents as needed.

#### **4. Office:**

- a. Having residents signing up on web site, all e-mails will come from web site.
- b. District Audits were completed in July, on State web site.

### **OTHER MATTERS:**

The Board noted there were no other matters at this time. Jon Turner stated he would address any questions in reference to Developer Updates after the meeting adjourned as not to hold residents any longer if they did not wish to have this information.

### **ADJOURNMENT:**

Following no further discussion,

Upon motion duly made by Director Jon Turner, seconded Director Dino DiTullio, Andy Krill and Ed Ryan and unanimously carried, the Board adjourned the December 5<sup>th</sup> 2019 joint organizational meeting of the Board of Directors of the Windsor Highlands Metropolitan District Nos. 1 – 10 at 9:57 am.

The foregoing minutes constitutes a true and correct copy of the minutes of the above-referenced meeting and was approved by the Board of Directors of Windsor Highlands Metropolitan District Nos. 1 - 10.

  
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Guy D. Johnson, Secretary for the Meeting