



**RECORD OF PROCEEDINGS
MINUTES OF THE COMBINED SPECIAL MEETING
OF THE BOARDS OF DIRECTORS OF
WINDSOR HIGHLANDS METROPOLITAN DISTRICT NOS. 1-10**

HELD: Wednesday, December 4, at 1:00 p.m. at 6355 Fairgrounds Ave Suite 300, Windsor, Colorado 80550 along with being on zoom.

ATTENDANCE:

The combined special 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:

Directors Jon Turner, Warren Turner, Martha Turner, Emily Kupec, Pat Miller, Mike Miller were physically present and Directors Andy Krill, Ed Ryan, G.C. Chuck Mabry were present via conference call

Director Chris Frye was absent and excused.

Guy Johnson, Jackie Johnson were present from the District and David S. O'Leary of Spencer Fane LLP, was present via conference call.

CALL TO ORDER:

Jon Turner called the meeting to order at 1:00 p.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.

CONSIDER APPROVAL OF AGENDA:

The Board reviewed the agenda, Mr. Johnson stated the agenda needed to be changed to reflect that in 10c. the capital costs certified corresponded to only draws which needed to be approved related to Draw Requests Nos. 3 & 4. Upon hearing no further proposed changes in the agenda, Director Jon Turner made a motion to approve the agenda:

Upon motion duly made by Director Jon Turner, seconded by Director Martha Turner, and unanimously carried to approve the agenda with the changes mentioned above.

CONSIDER APPROVAL OF MINUTES:

The meeting minutes of May 19, 2020 meeting were presented and discussed,

Upon motion duly made by Director Jon Turner and seconded by Director Martha Turner and unanimously carried to approve the meeting minutes of May 19, 2020.

PUBLIC COMMENTS: At this time Jon Turner, opened the meeting for public comments, acknowledged there was no Public Comments and therefore, closed this portion of the meeting,

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 Director Jon Turner and seconded by Director Emily Kupec and unanimously carried, the Board approved the Resolution 2021 Posting Locations as presented.

CONSIDER APPROVAL AND RATIFICATION OF RESOLUTION REGARDING 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 Director Jon Turner and seconded by Director Emily Kupec and unanimously carried, the Board approved the Resolution 2021 On-Line Posting of Public Meetings as presented.

CONSIDER APPROVAL OF RESOLUTION CONCERNING ANNUAL ADMINISTRATIVE MATTERS 2020:

Mr. Johnson presented a Resolution Concerning Annual Administrative Matters for 2021 for the Districts.

Following discussion and upon motion duly made by Director Jon Turner and seconded by Director Martha Turner and unanimously carried, the Board approved the Resolution Concerning Annual Administrative Matters for 2021, 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.

CONSIDER APPROVAL OF AUTHORIZATION TO FILE UPDATED TRANSPARENCY NOTICES:

Mr. Johnson presented the Transparency Notices and discussed that these will need to be posted on the District's website on or before January 15, 2021. 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 Director Jon Turner and seconded by Director Martha Turner and unanimously carried, the Board approved the Transparency Notices.

CONSIDER APPROVAL OF EXCLUSION OF WORKERS COMPENSATION INSURANCE:

Mr. Johnson 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 Director Jon Turner, seconded by Director Emily Kupec 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.

CONSIDER APPROVAL OF UPDATED GUIDELINES:

Mr. Johnson presented and discussed the updated guidelines,

Following discussion and upon motion duly made by Director Jon Turner, seconded by Director Emily Kupec and unanimously carried, the Board approved the Updated Guidelines as presented.

CONSIDER APPROVAL OF 2021 DISTRICT SERVICE AGREEMENTS:

Mr. Johnson presented and discussed engagement letters and/or proposals for service agreements for District Management, Landscape Maintenance Agreements, Annual Audit and Exemption Agreements, 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 Director Jon Turner, seconded by Director Martha Turner and unanimously carried, the Board approved the and unanimously carried to approve the District 5-10 service agreements for District Management, Landscape Maintenance Agreements, Annual Audit and Exemption Agreements, and Engagement of District Counsel. Also, authorized Guy Johnson to finalize any negotiations and execution of the service agreements.

Upon motion duly made by Director Jon Turner and seconded by Director Martha Turner and unanimously carried The Boards resolved to approve the District No. 6 - 10 Service agreements for District Management, Landscape/Maintenance, Annual Audit and Exemption Agreement, and District Counsel. Also, the Board further authorized Guy Johnson to finalize any negotiations and execution of the service agreements.

CONSIDER APPROVAL AND RATIFICATION OF AUDIT AND AUDIT EXEMPTION:

Mr. Johnson reviewed with the Board preparing for the 2020 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 Director Jon Turner, seconded by Director Emily Kupec and unanimously carried to authorize Mr. Johnson to prepare for District 5-10's 2020 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.

CONSIDER APPROVAL OF PAYABLES:

Mr. Johnson reviewed with the Board the expenditures for WHMD #6-10 May 2020 through October 2020 for a grand total of \$4,765,406.11, and WHMD #1-5 May 2020 – October 2020 for a grand total of \$583,297.14. After further discussion on the matters and;

Upon motion duly made by Director Jon Turner, seconded by Director Emily Kupec and unanimously carried, the Board approved the payable of District 6-10 for May 2020 through October 2020 for a grand total of \$4,765,406.11.

Upon motion duly made by Director Jon Turner, seconded by Director Emily Kupec and unanimously carried, the Board approved the payable of District 1-5 for May 2020 – October 2020 for a grand total of \$583,297.14.

CONSIDER APPROVAL AND RATIFICATION REIMBURSEMENT RESOLUTION AND BOND REQUISITIONS & DRAWS 3 & 4:

Mr. Johnson discussed the capital costs certified by the District Engineer to the District and the Partial Capital Public Improvement Acquisition Requests for Notices Nos. 3 & 4 provided by the Developer for reimbursement of those costs determined to be eligible capital public improvement costs and related expenses. Mr. Johnson also presented to the Board the proposed Bond Draw #3 in the amount of \$ 2,731,792.73, and Draw #4 in the amount of \$2,060,427.07, for WHMD Nos. 6-10 previously provided November 11, 2020 and presented again for approval and ratification as updated to correspond to those requests for reimbursement certifications provided. After further discussion on the matters,

Upon motion duly made by Director Jon Turner and seconded by Director Emily Kupec and unanimously carried; the Board Resolved to approve the reimbursement requests of the Developer corresponding to the capital cost certifications related to requests/draws Nos. 3 and 4 as discussed, and approved the Bond Draws #3 in the amount of \$2,731,792.73, and #4 in the amount of \$2,060,427.07, for WHMD Nos. 6-10; and

It was further resolved to authorize the District consultants and officers to take such further action, including the execution of additional documents, certifications, requisitions and forms as necessary to complete the certification, acceptance, and to facilitate the payment of Draw Request Nos. 3 and 4 as discussed and presented.

CONSIDER APPROVAL OF UPDATED FINE POLICY & DISTRICT FEE SCHEDULE:

Mr. Johnson presented to the Board the proposed updated Fine Policy & District Fee Schedule/Rates. After further discussion on the matter;

Upon motion duly made by Director Jon Turner, seconded by Director Martha Turner and unanimously carried, the Board Resolved to approve the Updated Fine Policy & District fee Schedule/Rates as discussed.

CONSIDER APPROVAL OF NON-POTABLE WATER RATE INCREASE:

Mr. Johnson presented to the proposed board the Non-potable Water Rate Increase; Mr. Johnson stated the rate would increase to \$1.50 per 1000 gallons. The District manager noted that the proposed increase had been published and posted in accordance with requirements for rate increases, and after further discussion on the matter;

Upon motion duly made by Director Jon Turner, seconded by Director Emily Kupec and unanimously carried, the Board Resolved to approve the Non-potable Water Rate Increase to \$1.50 per 1000 gallons.

CONSIDER APPROVAL AND RATIFICATION OF DISTRICT #7 FEES:

Mr. Johnson presented the proposal to impose fees for District Service Fees including Operation and Maintenance Fees, after further discussion on the matter,

Upon motion duly made by Director Jon Turner, seconded by Director Emily Kupec and unanimously carried, the Board approved the Resolution of District No. 7 - District Service Fee including Operations & Maintenance fees as discussed.

CONSIDER APPROVAL OF DISTRICT #1 INCREASE OF OPERATIONS & MAINTENANCE FEES:

Mr. Johnson presented the need to increase WHMD #1 Operations and Maintenance fee. The District did a calculation of the current mill levy assessed on 30 mills versus 35 mills and WHMD No. 1 O&M fees need to be increase to mimic and establish the equivalent of what the 5 mills that the other Districts' property owners are paying. It was noted that the proposed increase in mill levy was approved at a prior election by all Districts other than District No. 1, and the Board, to meet the operations requirements for public improvements, operations and maintenance and district services provided, was assessing a fee equivalent to what 5 mills would generate. Mr. Johnson discussed what that estimated fee would be and requested that the WHMD No. 1 O&M fees increase to \$250.00 for the year June 1 to May 31 to match those estimates and calculations. After further discussion on the matters;

Upon motion duly made by Director Jon Turner, seconded by Director Martha Turner and unanimously carried, the Board approved Resolution of District No. 1 to increase of Operations & Maintenance Fees to \$250.00 as of June 1 2021 to more closely match the 5-mill deficiency/variation from the other Districts which are paying that equivalent rate through their mill levies.

CONSIDER APPROVAL & RATIFICATION OF THE PROMISSORY NOTE FOR DISTRICT NO 8:

Mr. O'Leary stated the Promissory notes required renewal yearly and periodically to correspond to capital acquisitions or annual calculations of interest accrual, Mr. O'Leary noted the changes were interest applied and annual certifications. After further discussion on the matter;

Upon motion duly made by Director Jon Turner, seconded by Director Emily Kupec and unanimously carried, the Board approved the updates to the Promissory Note for 2021 as discussed.

PUBLIC HEARING FOR DISTRICT NOS. 6-10 2020 AMENDED BUDGET:

Mr. Johnson noted for the Boards that notice of the proposed amended budget hearings were published and posted in accordance with statutory requirements. Mr. Johnson stated District Nos. 6-10 2020 Amended Budget was not needed at this time.

PUBLIC HEARING FOR DISTRICT NOS. 1-5 2020 AMENDED BUDGET:

Mr. Johnson noted for the Boards that notice of the proposed amended budget hearings were published and posted in accordance with statutory requirements. Mr. Johnson stated District Nos. 1-5 2020 Amended Budget was not needed at this time.

PUBLIC HEARING ON THE PROPOSED 2021 WHMD NOS. 1-5 BUDGET HEARING:

Upon motion made by Director Jon Turner, seconded by Director Emily Kupec and unanimously carried, the public hearing was opened on the proposed budgets for fiscal year 2021 for Windsor Highlands Metropolitan District Nos. 1 - 5. Mr. Johnson reported that notice of the public hearing had been published and posted in accordance with statutory requirements. Mr. Johnson presented the proposed 2021 budgets to the Board.

Following discussion, the public hearing was closed upon motion duly made by Director Jon Turner, seconded by Director Emily Kupec and unanimously carried.

Upon motion duly made by Director Jon Turner, seconded by Director Emily Kupec and unanimously carried, the Board: adopted the proposed resolutions which: (1) approved and adopted the 2021 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, 2021.

PUBLIC HEARING ON THE PROPOSED 2021 WHMD NOS. 6-10 BUDGET HEARING:

Upon motion made by Director Jon Turner, seconded by Director Martha Turner and unanimously carried, the public hearing was opened on the proposed budgets for fiscal year 2021 for Windsor Highlands Metropolitan District Nos. 6 - 10. Mr. Johnson reported that notice of the public hearing had been published and posted in accordance with statutory requirements. Mr. Johnson presented the proposed 2021 budgets to the Board.

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

Upon motion duly made by Director Jon Turner, seconded by Director Martha Turner, and unanimously carried, the Boards adopted the proposed resolutions which: (1) approved and adopted the 2021 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, 2021.

DISTRICT LEGAL COUNSEL REPORT:

Mr. O’Leary stated there was nothing further added at this time.

DISTRICT MANAGERS REPORT:

Mr. Johnson reviewed and discussed the managers’ report with the Boards.

1. Site Work:

- a. Working on pond and trail in District No. 6. Will seed gas easement in 2021. May add walls around some benches to level out grades.
- b. Working with Contractors on on-site work.
- c. Working on acceptance of some areas in Districts, No. 6 & 7 in Windsor, along with CR 5 (Fairgrounds) and CR 30.
- d. Have bond in District No. 8 set up and applying for draws for road construction, as needed.
- e. Will turn over pump house to District No. 11.
- f. Set up O and M fees and other District fees.

2. Pool/Clubhouse:

- a. Pool IGA’s and/or agreements set up for WHMD pool.
- b. 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, put on State web site, along with link from DOLA.

OTHER MATTERS:

The Board noted there were no other matters at this time.

ADJOURNMENT:

Upon confirmation that there were no additional matters and following a request and receiving no further discussion, upon motion duly made by Director Jon Turner, seconded Director Emily Kupec and unanimously carried, the Board adjourned the November 11, 2020 combined special meeting of the Board of Directors of the Windsor Highlands Metropolitan District Nos. 1– 10 at 10:40am.

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



Guy D. Johnson, Secretary for the Meeting