



**RECORD OF PROCEEDINGS MINUTES OF THE COORDINATED SPECIAL MEETING
OF THE BOARDS OF DIRECTORS OF
WINDSOR HIGHLANDS METROPOLITAN DISTRICT NOS. 1-5**

HELD: Tuesday, July 26, 2022 at 10:02 a.m. at 6795 Crystal Downs Drive, Windsor, Colorado 80550

ATTENDANCE:

The coordinated special meeting of the Boards of Directors of the Windsor Highlands Metropolitan District Nos. 1-5 (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:

Director Jon Turner, Director Warren Turner, Director Emily Kupec, Director Edward Ryan, Director Mark Fidrych, Director Janice Ward, Director Janice Alwin, Director Larry Roche, Director Gerald Helton, Director Chris Coan, Director, Chad Cowan, Director Mary Stover, Director Greg Michalik and District Management Guy Johnson, & Jackie Johnson, David O'Leary of Spencer Fane was physically present.

Director Martha Turner, Director Andrea Lindquist and Director Mark Durand was absent and excused. Several homeowners were present please see sign in sheet

CALL TO ORDER/QUORUM:

Director Jon Turner called the meeting to order at 10:02 a.m. Mr. O'Leary noted there was a quorum present in each of the boards with 16 board members present in the five Districts and Director Martha Turner being absent and excused.

QUALIFICATION OF BOARD MEMBERS/OATHS OF OFFICE:

All of the Board members are registered to vote in Colorado and are either residents, are contracted, and/or owners of taxable real or personal property within their respective Districts. The Board was informed that the official director bonds for the directors' oaths of office had been obtained and that all of the Board members had been administered the Oaths of Office which have been filed with the State and District Court as required by law. The directors have been elected or appointed within the Districts and have assumed their duties as members of the Board of Directors.

DISCLOSURE OF POTENTIAL CONFLICT OF INTEREST:

Guy Johnson discussed the state law requirements for disclosure of potential conflicts of interest with the directors, noting that completed disclosure statements must be filed for the directors, when necessary and appropriate, with the Secretary of State and 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 or confirm his/her potential conflicts of interest to the Board at the start of the meeting or with regard to a matter in which the conflict may arise.

DISCUSSION OF OPEN MEETING REQUIREMENTS/POSTING REQUIREMENTS:

Jon Turner and Guy 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 (or where a quorum of the Board is present) constitutes an district meeting, and that notice of such a meeting for the Districts is to be (1) provided to each Board member, and (2) posted in a public place 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 as required by law and on the Districts' website. If possible, the posting should include specific agenda information. Mr. Johnson further noted that notice of this combined special meeting had been so posted physically on site and on the Districts' web site.

APPROVAL OF AGENDA:

The Board reviewed the agenda,

Upon motion was made by Director Jon Turner and seconded by Director Chris Coan, Director Emily Kupec, Director Mary Stover, and unanimously carried to approve the agenda.

APPROVAL OF MINUTES:

The meeting minutes of March 22, 2022 were presented and discussed,

Upon motion made by Director Jon Turner and seconded by Director Mary Stover, Director Emily Kupec and Director Ed Ryan; and carried with Larry Roche abstaining to approve the meeting minutes of March 22, 2022.

APPROVAL & RATIFICATION OF PAYABLES FROM MARCH 2022 – June 2022:

Guy Johnson presented the payables for WHMD 1-5 March 2022 – June 2022 totaling \$438,528.16 with no further discussion, Director Larry Roche stated he requested the copies of the legal invoicing that reflected the expenditures in the board packet, Director Larry Roche was concerned that the billing related to his CORA requests and requests for documents were not reflected correctly.

During this time, board members and David O’Leary brought up why Director Larry Roche was using a CORA request to get District information. Director Larry Roche said it was his duty to look into to District matters on the Bond or bank note or any issues involving the District No. 3.

Upon motion made by Director Janice Alwin and seconded by Jon Turner, to preclude any Board Member from requesting documents through CORA without first requesting the documents from WHMD Management to avoid the added legal expenses. If no response was received from WHMD within 5 business days, the Board Member would have cause to make a CORA request.

Upon motion made by Director Jon Turner and seconded by Director Ed Ryan, Director Mary Stover and Director Emily Kupec; and carried with Larry Roche abstaining to approve the payables for WHMD 1-5 March 2022 – June 2022 totaling \$438,528.16.

DISTRICT LEGAL COUNSEL REPORT:

Mr. O’Leary stated he had nothing to add at this time.

DISTRICT MANAGERS REPORT:

Mr. Johnson presented his report:

Site Work:

1. **Site Work:**
 - a. **Project is getting older, more repairs and up-grades.**
 - b. Fence inspections, fixing several rotten posts, area along trail is getting worse.
 - c. Staining Fence in District No. 1 and No. 2.
 - d. One day we should stop staining and pick a trek (Plastic or Vinyl) style maintenance free style.
 - e. Checking on detention areas and cleaning drain pans.
 - f. Patio homes 3; detention area native grass growing very well. This was set up for native grass from original plans for whole site detention, back in 9/2012. Also, before homes were built high water table in area, can’t water more than twice a week. Soon all watering to stop.
 - g. Clubhouse/pool Back flow testing complete.
 - h. Pool re-surface (inside the pool). Can get bid, normally last 7 to 10 years.
 - i. Lounge chairs ordered if budget allows.
 - j. Tables ordered if budget allows.
 - k. Pool grill old, will order new and have gas line replace due to age.
 - l. Several areas in pool grass have grubs, removed sod and repaired.
 - m. Have bid to re-paint inside of clubhouse. Est \$5,000.00, getting bid for exterior.
 - n. Pool Chlorine tablets gone up over 20%.
 - o. Tree winter water to be done on new trees.
 - p. Non-potable irrigation was turned on around June 15th.

2. Web Site:

- a. Web site is updated for all Districts, will add documents as needed.

3. Office:

- a. District Audits exemption were completed, put on State web site, along with link from DOLA.
- b. District Audits will be completed in late July, put on State web site, along with link from DOLA.

During the Manager' Report Director Janice Ward asked if a committee could be formed to looking and investigate the potential of xeriscaping tracts and medians. Director Jon Turner stated he had history with the Town and would help with requesting a meeting to explore these ideas. The board directed Director Janice Ward to assemble a committee and work with Director Jon Tuner to craft a plan to move from non-potable watering of medians to xeriscaping.

PUBLIC COMMENTS: (Public comments is open forum; District tries to get all comments in, but requests that comments be respectful to others and mindful of the need for others to discuss their questions and comments)

The Board opened the floor for Public Comments

Mr. Johnson stated he was asked by residents not in attendance to bring up the following:

- a. Time to have meetings. The board agreed to move the meetings to later in the afternoon (4:00 p.m. or later)
- b. Talk about RV and trailer parking on the streets. Mr. Johnson stated Town of Windsor regulated the streets and allows for trailers to be parked in the road for up to 24 hours. The District allows 72 hours.
- c. Snow removal. Mr. Johnson stated snow removal on the streets were the Town of Windsor's responsibility, and the secondary streets were not a top priority of the Town.
- d. Required a fee-based permit program for different types of activities in the community to generated revenue.
- e. Unsecured construction sites and lot maintenance. Mr. Johnson stated the builders were responsible for the trash pick up around their sites and he would contact them to request they stay on top on this.
- f. Board member to discuss board qualifications and address actions during a board meeting.

At this time the board recognized Terry Bendixen on Bay Meadows Dr. His concern was regarding the open space, maintenance, weeds, & mowing, the spreading of seeds (weeds) when would the weeds be sprayed in this area, when would the trees that are dead be replaced, they were planted badly and not watered. Joseph with Precision was available at the meeting and stated mowing and weed spraying would be done within 10 days. Guy Johnson noted the trees get watered by a drip system and when the irrigation is on twice a week for the whole area. The 6 dead trees in that area are noted and on the tree replacement list, trees are to be replace later in the year.

The board recognizes Gordon La France on Southern Hills, he stated the district had been addressing the open space behind his home, he had been patience however was ready for a solution, native grass does not take 7 years and he noted there was no mulch around numerous trees in the area and that needed to be added, he noted several trees dying in the neighborhood, weed growing and not watered the native area. Mr. Johnson stated it can take years to establish a native area of grass. Mr. Johnson that he had been working with the landscaper in this area on weed spray. The non-potable water was turned off the first week of September of 2021, which did not help or the very dry year we just had. Unfortunately, the mulch blows away and is not replace. The trees in this area have been noted and are being replace later in the year. With the water table in this area, it is watered periodically. Mr. Johnson stated that Precision was getting ready to re-drill seed some of the areas.

The board recognized Mary Stover, she asked who and if the trees were inspected once planted, Mr. Johnson stated they were walked with the landscaper once planted. But no maintenance plan is set up for any trees on site.

The board recognized Mike Reynolds on Southern Hills; he noted a young kid mowing the area appreciated his hard work.

The board recognized Ron Rudolf on Crooked Stick, he was wondering about the new clubhouse off of Crystal Downs, who would be able to use that facility, Mr. Johnson stated this would be available to all residents in the WHMD boundaries, however, not sure when the clubhouse will be open and available.

The board recognized Barry Vanderwly on Crooked Stick, he stated he would like to see more xeriscaping, conserve water, would be interested in a committee looking into these ideas. Who provides the water to the Districts? Mr. Johnson stated golf course provides non-potable water, with water shares they own and allocates water to the Metro District, we are delivered water as long as the ditch is running, through a yearly contract.

Mr. Vanderwly asked why did the pond in No. 6 drop, Mr. Johnson stated late water deliveries, but the pond would be returning to normal levels soon.

The board recognized Janice Ward, she stated that the trees should be water throughout the year, she felt this was the reason so many died. Mr. Johnson stated a tree watering program was not set up.

OTHER MATTERS:

Mr. Johnson stated the Director Larry Roche wished to speak:

Director Larry Roche asked for a motion: That the board obtain the services of a neutral, independent expert to review and audit the districts' pledge agreements and long-term debt obligations. He also asked that the boards solicit bids to provide the service. He further requested that the board make a selection from the bidders within 60 days or sooner. The expert should be a truly independent expert who does not work for the developer community. No board members responded to this or seconded his motion. The motion failed to proceed for a lack of a second or voting on the motion.

Director Larry Roche stated, I have raised the issue with Guy Johnson, District Manager, on several occasions that Jon A. Turner and Emily Kupec are not qualified electors. They have the burden to prove that they are, providing written verifiable documentation that they are residents, owners, or have a contract to purchase with an obligation to pay taxes. I have only received assurance from Guy Johnson (third party) that they are qualified electors. Property that is owned by a legal entity such as a corporation, LLC, partnership, or trust does not qualify a person as an eligible elector on the basis of property ownership. Mr. Johnson has stated they own part of a tract in District No. 3 and Jon Tuner lives about 8 homes down from Director Larry Roche for the past 8 to 10 years or more.

Director Larry Roche stated since they have failed to prove they are qualified electors; we now have two vacancies and need to solicit resident applications to fill those two positions. He moved to issue solicitations for resident applications and set a date for the appointment of residents to fill the two vacancies. No board members responded to this. His motion failed for a lack of a second and no further discussion ensued.

Director Larry Roche wanted and stated his background

I would like to bring some background to my reasons for serving on the Highlands Meadows Metro District #3 Board. I have worked with "Colorado for Metro District Reform", several state legislators, a Loveland City Council member, President of "The Ridge at Harmony Road" and the Centennial Consulting Group (prominent Property Management Company) in becoming aware of Metro Districts governance and transparency issues. I have served on a residential HOA board and I'm now President of the Windsor Warehouse Condo Association. Having read and heard legislative testimony

about Metro Districts' governance and transparency abuses, I was motivated to serve on the Windsor Highlands Metro District Board. I'm saying this so that my fellow board members understand that I am coming from an informed position.

Larry Roche further stated that I would like to address the following issues and concerns. I appreciate the board giving me time on the agenda...

Director Jon Turner stated that Director Larry Roche's issues and he had been given time to discuss and make his statements, that no one seconded his motions or felt additional discussion was needed and that he had been provided sufficient time to address his questions and statements and that his time was up and would not be heard any further.

ADJOURNMENT:

Following no further discussion

Upon motion duly made by Director Jon Turner and seconded by Director Ed Ryan and Director Emily Kupec; and unanimously carried, the Board adjourned the combined special meeting of the Board of Directors of the Windsor Highlands Metropolitan District Nos. 1-5 at 11:46 a.m.

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. 1-5.

Secretary of the meeting