



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

HELD: Tuesday, December 05, 2023, at 4:00 p.m. at 6795 Crystal Downs Drive, Windsor, Colorado 80550.

ATTENDANCE/DECLARATION OF QUORUM:

The combined 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 a quorum of each of the Boards of Directors present and with the following directors present and acting:

Directors Jon Turner, Emily Kupec, Ed Ryan, Andrea Lindquist, David LaFontaine, Janice Ward, Mark Fidrych, Larry Roche, Mark Durand, Chris Coan, Mary Stover, and Greg Michalik were physically present.

Director Gerald Helton was present via Zoom. Director Warren Turner was present via phone.

Director Martha Turner was absent and excused.

Guy Johnson, Jackie Johnson were present from the District and David S. O'Leary of Spencer Fane LLP, along with several homeowners (see sign in sheet) were also present.

CALL TO ORDER:

Director Emily Kupec called the District meetings to order at 4:02 pm. And introductions of the board were made.

QUALIFICATION OF BOARD MEMBERS/OATHS OF OFFICE:

Mr. Johnson reported that all 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 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. 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 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 for Districts; Guy Johnson asked to amend the agenda to allow Chad and Zac of Par Excellence to answer any Golf Course questions the board and or public might have.

Upon motion duly made by Director Emily Kupec, seconded by Director Ed Ryan & Director Greg Michalik, Director Jon Turner and unanimously carried to approve the agenda with the above-mentioned change.

GOLF COURSE Q & A:

Mr. Johnson opened the Golf Course Q & A, stating that Par Excellence would answer questions, please note limited amount of time due to other District matters in the agenda and Director Emily Kupec has a hard stop at 6:00 this evening.

Greg Michalik asked what was the future plan for the corner of Highlands Meadow Parkway and Crystal Downs, who owned that property? How did Zac and Chad view their report with residents in the district? And how many WHMD residents were golf members?

Mr. Johnson stated that the Tennis Facility was looking to build another facility at this location, this property was not golf course property, it was District #11 property, not managed by Par Excellence, but by the district itself. Chad stated WHMD residents made a small portion of the memberships, and the residents' memberships has declined, Chad stated they would have to address signage if the tennis facility did in fact build on that corner lot for more visibility to the course.

Janice Ward asked why the WHMD golf Courses fees were so much higher than other courses in the area. Chad stated the other public course in the area were subsidized by the Town and could keep their fees lower, however, Windsor Highlands Golf Course was not subsidized by the City and only Zac and Chad/Par Excellence was providing for costs and expenses through their funds or revenue generated by the Golf Course.

Mark Fidrych asked with the new development how would that effect the golf courses parking?

Mr. Johnson stated the tennis facility would have a parking plan for the new building if approved by the town.

Mary Stover wanted to let Par Excellence know that she thought the golf course was in good condition, better than it had been in a while.

Larry Roche stated he wanted to know what Par Excellence had done to make golfers responsible for damage they caused to homes that backed the course. Chad stated they had been working with Mr. Roche, they had eliminated Twilight Golf, had a better tracking of the carts and users, placed signed in the carts and around the course of the course rules. Additionally, there were golf course disclosures for those living in the golf course community and adjacent to the Course.

At this time, Mr. Johnson thanks Par Excellence for coming and answering questions.

CONSIDER APPROVAL OF MINUTES:

The meeting minutes of March 21, 2023, meeting was presented and discussed, Director Janice Ward wanted to change the meeting minutes to reflect on page 4 that she did not recall anyone wanting a Q & A session, she strongly wants a meeting to review the meeting packet prior to the meetings, she also stated she did not get the meeting packet in a timely matter to review. Mr. Johnson stated the section of the meeting minutes that she was referencing was a Public Q & A Session, not a work session for the board. As for the meeting packet going to the board for review the Management Team tries very hard to get the meeting packets out 7 days prior to any meeting, but this last meeting packet was sent out 6 days prior. Director Janice Ward wanted to change the meeting minutes to reflect the section on page 4 was in reference to Public Q & A, and she wanted work sessions prior to board meeting to review packet. Mr Johnson made the change to the meeting minutes and will schedule work sessions when time allows.

Upon motion duly made by Director Emily Kupec, seconded by Director Jon Turner, Director Ed Ryan & Director Greg Michalik, and unanimously carried to approve the meeting minutes of March 21, 2023, with the above-mentioned changes.

CONSIDER APPROVAL OF RESOLUTION CONCERNING ANNUAL ADMINISTRATIVE MATTERS 2024:

Mr. Johnson presented a Resolution Concerning Annual Administrative Matters for 2024 for the Districts. Following discussion

Upon motion duly made by Director Emily Kupec, seconded by Director Ed Ryan & Director Jon Turner, and unanimously carried, the Board approved the Resolution Concerning Annual Administrative Matters for 2024.

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, 2024. 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 Emily Kupec, seconded by Director Ed Ryan & Director Jon 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

Upon motion duly made by Director Emily Kupec, seconded by Director Ed Ryan, Director Jon Turner, and Director Greg Michalik, 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 2024 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 Emily Kupec, seconded by Director Ed Ryan Director Jon Turner & Director Chris Coan, and unanimously carried, the Board approved the and unanimously carried to approve the Districts 1-5 service agreements for District Management, Landscape Maintenance Agreements, Annual Audit and Exemption Agreements, and Engagement of District Counsel. Giving authority to 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 2023 audits and/or exemptions. It was noted that if revenues or expenditures for a district are less than \$750,000.00 in 2023, 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 Emily Kupec, seconded by Director Ed Ryan, & Director Jon Turner, and unanimously carried to authorize Mr. Johnson to prepare for District No.’s. 1 -5 2023 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 No.’s 1-5 March 2023 through October 2023 with the total of \$731,519.26, After further discussion on the matters and.

Upon motion duly made by Director Emily Kupec, seconded by Director Ed Ryan & Director Jon Turner, and unanimously carried, the Board approved the payable of WHMD No.’s 1-5 March 2023 through October 2023 with the total of \$731,519.26.

CONSIDER APPROVAL & RATIFICATION OF THE PROMISSORY NOTE FOR DISTRICT NO 4:

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

Upon motion duly made by Director Emily Kupec, seconded by Director Mary Stover, Director Ed Ryan & Director Jon Turner, and unanimously carried, the Board approved the updates to the Promissory Note for 2023 as discussed.

PUBLIC HEARING FOR DISTRICT NOS. 1-5 2023 AMENDED BUDGET:

Upon motion made by Director Emily Kupec, seconded by Director Ed Ryan & Director Jon Turner, and unanimously carried, the public hearing was opened on the amended budgets for fiscal year 2023 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 amended 2023 budget to the Board. Following discussion, the public hearing was closed upon motion duly made by Emily Kupec, seconded by Director Jon Turner, and unanimously carried.

Upon motion duly made by Director Emily Kupec, seconded by Director Greg Machalik, Director Ed Ryan & Director Jon Turner and unanimously carried, the Board: adopted the Amended resolutions which: (1) approved and adopted the Amended 2023 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; the District Manager to work in good faith to balance budget; and (4) directed the District Manager to file the budgets with the Division of Local Government prior to January 31, 2024.

PUBLIC HEARING ON THE PROPOSED 2024 WHMD NOS. 1-5 BUDGET HEARING:

Upon motion made by Director Emily Kupec, seconded by Director Ed Ryan, Director Greg Machalik & Director Jon Turner, and unanimously carried, the public hearing was opened on the proposed budgets for fiscal year 2024 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 2024 budgets to the Board, along with going over expenditure items listening the budget, and the increase of Operation & Maintenance fees for District#1. Director Andrea Lindquist, asked if the increase of District #1 fees could be staggered, Resident Larry McGuire asked if refinancing the bank loan would affect his mill levy, Mr. O’Leary said No, the mills had already be pledged and dedicated to the repayment of the loan/bond and would not change to result in an increase in the debt service mill levy upon refinancing. Mr. Johnson stated to Director Andrea Lindquist, that the District would not stagger the increase for District #1. The District needs the full amount of the O & M fees to operate and make all the district equal in their contributions to the budget. Other board members agreed to not staggering the fees.

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

CONSIDER APPROVAL OF INCREASE TO OPERATION & MAINTENANCE FEES IN DISTRICT #1:

Upon motion made by Director Emily Kupec, seconded by Director Ed Ryan & Director Jon Turner, and unanimously carried, to approval the Increase of Fees, changing the name Operation Fee to be District #1 Annual Equalization Fee

After discussion on the matter, and upon motion duly made by Director Emily Kupec, seconded by Director Ed Ryan, Director Chris Coan &, Director Jon Turner, and majority carried with one abstain to Approve the Increase of District #1 Annual Equalization Fee to \$340.00 per year as of January 1, 2024.

Ad it was further resolved, upon motion duly made by Director Emily Kupec, seconded by Director Ed Ryan Director Chris Coan & Director Jon Turner, and unanimously carried, the Board: adopted the proposed resolutions which: (1) approved and adopted the 2024 budgets as presented with mill levies adjusted ratio; (2) certify the necessary mill levies to the County Assessor; (3) authorized the appropriation of funds for the expenditures set out in the budgets; (4) authorized the President and the Secretary to sign the necessary documentation; and (5) directed the District Manager to file the budgets with the Division of Local Government prior to January 30, 2024 with such changes to reflect the final assessed valuations from the County assessor when received.

DISTRICT LEGAL COUNSEL REPORT:

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

DISTRICT MANAGERS REPORT:

Mr. Johnson reviewed and discussed the managers' report for WHMD No. 1 through No. 5, with the Boards.

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, mow twice a year. Had six dead trees. replace. Water table in area, can't water more than twice a week.
- g. Clubhouse/pool Back flow testing set up for June.
- h. Pool re-surface (inside the pool). Can get bid, normally last 7 to 10 years.
- i. Lounge chairs ordered if budget allows. We should have enough now.
- k. Pool grill old, will order new and have gas line replace due to age.
- l. Have bid to re-paint inside of clubhouse. Est \$5,500.00, getting bid for exterior.
- m. Pool Chlorine tablets gone up over 20%.
- o. Golf Course will raise non-potable rates soon.

2. Web Site:

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

3. Office:

- a. District Audits exemption was 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.

Landscaping Committee updates:

Director Janice Ward discussed activities in the Landscape Committee activities which included keeping an eye on the trees, she inquired as to the water cost, Director Janice Ward did not think winter watering was needed with such a wet year and would like to re-visit this idea in 2024.

Pickel Ball updates:

Director David LA Fontaine stated the town was planning pickle ball courts by the ice arena, it would have 8 courts per the draft plans.

OTHER MATTERS:

The Board recognized Director Janice Ward, she made a motion to have Work Session several days prior to a Board meeting for board members to review and ask questions on the Board packet, After further discussion on the matters Mr. Johnson stated the Management Team would try to have a work session several days prior to the meeting, or the hour before the scheduled Board meeting. Mr. Johnson also noted, please, anytime you have questions on any district matters (meeting minutes, resolutions etc.), let the management team know so that it can be addressed prior to the meeting and changes made as requested.

Upon motion duly made by Director Janice Ward, seconded by Director Mark Fidrych, Director Chris Coan & Emily Kupec, and unanimously carried, the Board approved the District Management team to hold Work Session prior to the Boards' budget meetings in 2024.

PUBLIC COMMENTS: At this time Director Emily Kupec, opened the meeting for public comments,

Director Jon Turner wanted to present to the board his idea for conversation by dedicating the pump house and water distribution system to District #5, Mr. O’Leary feels it is already in District #5, and they will research this information.

Director Jon Turner feels that the water can be managed by the District and benefit the residents. Director Jon Turner also discussed limiting non-potable water to each tap and HOA would be limited to that amount of water and they would have the options to buy other water shares. This was all in the preliminary discussion stages; nothing was formally determined at this time. Director Jon Turner did want to state that Non-potable Water Rates would be increased in the 2024 year, due to the need to replace the pump station and all non-potable meters around the District.

Director Jon Turner also wanted to point out that this Non-potable water system is over 18 years old, and a lot of the components will need to be replaced or upgraded very soon.

After further discussion and questions, this portion of the meeting was closed.

ADJOURNMENT:

Upon confirmation that there were no additional matters and following a request and receiving no further discussion, upon motion duly made by Director Emily Kupec, seconded by Director Jon Turner, and Ed Ryan, and unanimously carried, the Board adjourned the December 05, 2023, Nos. 1– 5 at 5: pm.

The foregoing minutes constitute 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 - 5.



Guy D. Johnson, Secretary for the Meeting