

# TAILHOLT METRO DISTRICTS

## RECORD OF PROCEEDINGS MINUTES OF THE COORDINATED SPECIAL MEETING OF THE BOARDS OF DIRECTORS OF TAILHOLT METROPOLITAN DISTRICT NOS. 1-3

**HELD:** Thursday, October 27, 2022 at 6:00 p.m. at Town of Severance Town Hall, 3 South Timber Ridge Parkway, Severance, Colorado 80546

### **ATTENDANCE:**

The coordinated special meeting of the Boards of Directors of the Tailholt Metropolitan District Nos. 1-3 (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 Present:** Dan Meyers, Ron Mullenbach, Jackie Gottschalk, Shelby Foland, James Donahue, Jim Umberger was present. Dino DiTullio and Jennifer DiTullio were present via a call in.

**Also Present and in Attendance:** David S. O'Leary of Spencer, Fane LLP, Guy Johnson, and Jackie Johnson from the District were also present, and several homeowners please see sign in sheet for attendees.

### **CALL TO ORDER:**

Mr. O'Leary called the meeting to order at 6:00 p.m.

### **QUALIFICATION OF BOARD MEMBERS/OATHS OF OFFICE COMBINES MEETING AND NOTICES:**

Mr. O'Leary 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. O'Leary stated that all the Board members had been administered the Oaths of Office. The Districts are meeting in a combined board meeting. Unless otherwise noted, the matters set forth below shall be deemed to be the actions of the Tailholt Metro District No. 1, with concurrence by the Tailholt Metro District No. 2, & 3. Mr. Johnson stated that the notice of the meeting was properly posted in 2 public places in each District No. 1, & 2, and properly posted in 4 public places in District No. 3 boundaries at least 72 hours prior to this meeting. Notice of meeting and agenda was posted in accordance with law.

### **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 the Secretary of 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, upon motion duly made by Director Dan Meyers and seconded by Director Jim Donahue, Director Ron Mullenbach and Director Dino DiTullio and unanimously carried, it was resolved to approve the agenda with the changes.

### **CONSIDER APPROVAL OF June 30, 2022 MEETING MINUTES:**

The Board reviewed the Meeting Minutes of the June 30, 2022 meeting. Upon motion duly made by Director Dan Meyers and seconded by Director Jim Donahue Director Ron Mullenbach and Director Dino DiTullio and unanimously carried, it was resolved to approve the agenda.

### **PUBLIC COMMENTS:**

David O'Leary opened the Public Comment Section, we had public however, no one had a comment

**RESOLUTION CONCERNING ANNUAL ADMINISTRATIVE MATTERS 2023:**

Mr. O’Leary presented a Resolution Concerning Annual Administrative Matters for 2023 for the Districts. Following discussion and upon motion duly made by Director Jackie Gottschalk, seconded by Director Shelby Foland Director Ron Mullenbach and Director Dino DiTullio, and unanimously carried, the Board resolved to approve the Resolution Concerning Annual Administrative Matters for 2023,

**CONSIDER 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, 2023. These notices will also be provided to the Division of Local Government and appropriate state agencies as required by law. After discussion, upon motion duly made by Director Jackie Gottschalk, seconded by Director Shelby Foland, Director Ron Mullenbach and Director Dino DiTullio and unanimously carried, it was resolved to approve the 2023 Transparency Notices for each of the Districts and to authorize District Management to post the notices and provide them to the Division of Local Government as required by statute in compliance with statutory requirements.

**CONSIDER 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. Upon motion duly made by Director Jackie Gottschalk, seconded by Director Shelby Foland Director Ron Mullenbach and Director Jennifer DiTullio, and unanimously carried, it was resolved to approve 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 2023 DISTRICT SERVICE AGREEMENTS:**

Mr. Johnson presented and discussed engagement letters and/or proposals for service agreements for District Management, Landscape Maintenance Agreement, Annual Audit Agreements, contracts, pest control in pump house 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 Jim Donahue and seconded by Director Jackie Gottschalk Director Ron Mullenbach and Director Dino DiTullio and unanimously carried, it was resolved to approve the District service agreements and make changes if needed for District Management, Landscape/Maintenance, Annual Audit and Exemption Agreement, Pest Control contracts and District Counsel. Also authorized Guy Johnson to finalize any negotiations and execution of the service agreements for 2023.

**CONSIDER APPROVAL OF AUDIT AND AUDIT EXEMPTION:**

Mr. Johnson reviewed with the Board the 2021 audits and/or exemptions and preparation of the 2022 Audits and exemptions. It was noted that if revenues or expenditures for a district are less than \$750,000 in 2022, the district may file application for Exemption from Audit on or before March 31st. Upon motion duly made by Director Jim Umberger and seconded by Director Shelby Foland Director Ron Mullenbach and Director Dino DiTullio and unanimously carried, it was resolved to Ratify the 2021 Audits and authorize Mr. Johnson to prepare for 2022 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 DISTRICT PAYABLES:**

Mr. Johnson presented the Schedule of Payables for June 2022 through September 2022 with a total of \$132,340.08. After discussion with the Boards, upon motion duly made by Director Mike DiTullio and seconded by Director Dan Meyers and By Director Jim Donahue, Director Ron Mullenbach and Director Dino DiTullio and unanimously carried, it was resolved to approve and ratify payables June 2022 through September 2022 with a total of \$132,340.08

**2022 AMENDED BUDGET HEARING:**

Mr. Johnson stated that an Amendment to the THMD #1 2022 Budget was needed due to the additional Water/Irrigation Storage fees, Director Ron Mullenbach made the motion to open the Public Hearing, seconded by Director Dino DiTullio, Mr. Johnson presented the Amended 2022 Budget to the Board and answered any questions presented. Hearing no further comments, Director Ron Mullenbach made a motion to close the Public Hearing, which was seconded by Director Jennifer DiTullio.

Upon motion duly made by Director Ron Mullenbach and seconded by Director Jim Donahue, Director Jennifer DiTullio and unanimously carried, the Board resolved as follows: (1) to approve and adopt the Amended 2022 budgets as presented, with Gallagherized mill levies; (2) to authorize the appropriation of funds for the expenditures set out in the budgets; (3) to authorize the President and the Secretary to sign the necessary documentation; and (4) directed the District Manager to file the budgets with the state and Division of Local Government prior to January 31, 2022 in accordance with state law.

**2023 BUDGET HEARING:**

Mr. Johnson indicated that notice of the budget hearing and potential budget hearing was published in accordance with state requirements. Director Jackie Gottschalk made the motion to open the Public Hearing, seconded by Director Shelby Foland, Mr. Johnson presented the proposed 2023 Budget to the Board and answered any questions presented. Hearing no further comments, Director Jackie Gottschalk made a motion to close the Public Hearing, which was seconded by Director Shelby Foland.

Upon motion duly made by Director Shelby Foland and seconded by Director Jim Donahue, Director Ron Mullenbach and Director Dino DiTullio and unanimously carried, the Board resolved as follows: (1) to approve and adopt the 2023 budgets as presented, with Gallagherized mill levies; (2) to authorize the appropriation of funds for the expenditures set out in the budgets; (3) to authorize the President and the Secretary to sign the necessary documentation; and (4) directed the District Manager to file the budgets with the state and Division of Local Government prior to January 31, 2023 in accordance with state law.

**CONSIDER APPROVAL OF PROMISSORY NOTES:**

Mr. Johnson stated the Promissory notes required renewal yearly and /or when changes occur. Mr. Johnson noted that the only update was the interest at this time, after further discussion on the matters, upon motion duly made by Director Dan Meyers and seconded by Director Jackie Gottschalk, Director Ron Mullenbach and Director Dino DiTullio and unanimously carried, the Board resolved to approve the Promissory Note as noted.

**LEGAL COUNSEL REPORT:**

David O' Leary presented the Resolution Regarding the May 02, 2023 Election, with no further questions, upon motion duly made by Director Dan Meyers and seconded by Director Jackie Gottschalk, Director Ron Mullenbach and Director Dino DiTullio and unanimously carried, the approve the Resolution Regarding the May 02, 2023 Election.

## **MANAGERS REPORT:**

### **1. General District items and site work:**

- a. Overseeing Lake levels, opening head gates as needed.
- b. Pump House redoing landscape due to rocks being thrown in the lake.
- c. Delivery of chlorine did happen and was put in wet well from July through October.
- d. THMD to blow out whole non-potable system includes homes. Might change to Third Saturday of Oct.
- e. Franklin Lake native area, might need some re-seeding, but will let area grow to 20 inches or more to re-seed.
- f. Fence stain set up for filing 2, pending board approval.
- g. Dog Stations will be added to Filing 4.
- h. Replaced dead trees this year, will walk again this spring of 2023, will replace as budget allows.
- i. D R Horton is building Filing 4, will start maintenance, D R Horton will pay for.
- j. Long term reserves estimate has been set up. O and M fess should be set up to start funds.
- k. Driving site for covenants issues.

### **2. Web Site:**

- a. Keeping web site up, placing new documents as needed.

## **OTHER MATTERS:**

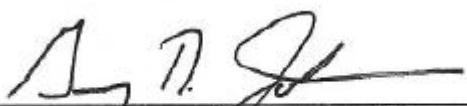
Director Dan Meyers wanted to talk about a few items at the meeting but felt meeting with District management the day before it was not needed to discuss the other items.

Director Dan Meyers wanted to talk about a Code of Conduct or Ethic Protocol for the board. Director Dan Meyers stated the Town of Severance was working on one and he would send over a copy when it was ready.

## **ADJOURNMENT:**

With no other matters to bring before the Boards, upon motion duly made by Director Jackie Gottschalk, seconded by Director Dan Meyers and Director Ron Mullenbach and Director Dino DiTullio unanimously carried, the Board resolved to adjourn the meeting of the Boards of Directors of the Tailholt Metropolitan District Nos. 1-3 at 7:20 p.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 Tailholt Metropolitan District Nos. 1-3.

  
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Guy D. Johnson, Secretary for the Meeting