

**RECORD OF PROCEEDINGS
MINUTES OF THE JOINT SPECIAL MEETING
OF THE BOARDS OF DIRECTORS OF
WINDSHIRE PARK METROPOLITAN DISTRICT NOS. 1 & 2**

HELD: Tuesday, December 7, 2021, at 250 N 11th Street Windsor, Colorado 80550 in the “Pine Room”

ATTENDANCE:

The joint special meeting of the Boards of Directors of the Windshire Park Metropolitan District Nos. 1 & 2 (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: Sheila Stone, Dino A. DiTullio, Jennifer L. DiTullio, Todd Yancey, and Brett Parsons.

Mike DiTullio, & Jon Turner were present via telephone conference. Tim Hoops joined in later in the meeting.

Martha Turner was absent and excused.

David S. O’Leary of Spencer Fane LLP, Guy Johnson, Jackie Johnson from the District, and several homeowners were also present for the meeting.

CALL TO ORDER:

Dino DiTullio called the meeting to order at 6:03 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. O’Leary also informed the Board that the official bonds had been obtained and that all of the Board members had been administered the Oaths of Office.

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.

APPROVAL & RATIFICATION OF THE RESOLUTION FOR POSTING LOCATIONS:

Dino DiTullio presented a Resolution for the District Posting Locations, confirming the current locations and procedures. Following discussion and upon motion duly made by Dino DiTullio, Brett Hansen and seconded by Jennifer DiTullio and unanimously carried, the Board approved the Resolution of Posting Locations.

APPROVAL OF AGENDA:

The Board reviewed the agenda,

Upon motion was made by Dino DiTullio, Brett Hansen and seconded by Jennifer DiTullio and unanimously carried to approve the agenda.

APPROVAL OF MINUTES:

The meeting minutes of April 06, 2021 meeting was presented and discussed,

Upon motion made by Dino DiTullio, Brett Hansen and seconded by Jennifer DiTullio and unanimously carried to approve the meeting minutes of April 06, 2021.

PUBLIC COMMENTS: At this time Dino DiTullio, opened and acknowledged Public Comment portion of the meeting, The board address Kent & Beverly Watson of 1659 Merton Court, Mr. Watson stated he received a notice from the Town of Windsor that they purchased the land north of WPMD, and north of the public works building and was wondering what they would build there. Director Dino DiTullio stated nothing planned but discussion had been made of a regional park and middle school.

RESOLUTION CONCERNING ANNUAL ADMINISTRATIVE MATTERS 2022:

Mr. Johnson presented a Resolution Concerning Annual Administrative Matters for 2022 for the Districts.

Following discussion and upon motion duly made by Dino DiTullio, Brett Hansen and seconded by Todd Yancey & Jennifer DiTullio and unanimously carried, the Board approved the Resolution Concerning Annual Administrative Matters for 2022, including: the contact person (s) for the district; the designated posting location on site and District web site (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, 2022. These notices will also be provided to the Division of Local Government and appropriate state agencies as required by law.

Upon motion duly made by Dino DiTullio, Brett Hansen and seconded by Jennifer DiTullio & Todd Yancey and unanimously carried to approve the updates to the Transparency Notices and authorized the District Manager to file the updates with the appropriate parties.

EXCLUSION OF WORKERS COMPENSATION INSURANCE:

Mr. Johnson noted that the annual confirmation of the Resolution for the Board to be excluded from Worker's Compensation was needed if the Board elects to continue not having worker's compensation coverage for the board members. After further discussion on the matter and

Upon motion duly made by Dino DiTullio, Brett Hansen and seconded by Jennifer DiTullio & Todd Yancey and unanimously carried to approve the Resolution to Exclude the Board from Worker's Compensation Insurance and authorized the District Manager and consultants to file the Resolution along with the State of Colorado Worker's Compensation Exclusion form with the appropriate parties.

APPROVAL OF 2022 DISTRICT SERVICE AGREEMENTS:

Mr. Johnson presented and discussed engagement letters and/or proposals for service agreements for District Management, Pool Management, Rental agreement, Landscape Maintenance Agreements, Pond Liner Proposal, Annual Audit and Exemption Agreements, Internet and Phone contracts at the pool 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 Dino DiTullio, Brett Hansen and seconded by Jennifer DiTullio & Sheila Stone and unanimously carried to approve the district service agreements for District Management, Pool Management, Rental Agreement, Landscape/Maintenance, Pond Liner Proposal, Annual Audit and Exemption Agreement, Pool Internet and Phone contracts and District Counsel. Also, authorized Guy Johnson to finalize any negotiations and execution of the service agreements for 2022.

AUDIT AND AUDIT EXEMPTION:

Mr. Johnson reviewed with the Board the 2020 Audits and the preparing for the 2021 audits and/or exemptions. It was noted that if revenues or expenditures for a district are less than \$750,000.00 in 2021, 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 Dino DiTullio, Brett Hansen and seconded by Jennifer DiTullio and unanimously carried to authorize Mr. Johnson to prepare for 2021 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.

PAYABLES:

Mr. Johnson reviewed with the Board the expenditures for April 2021 through November 2021 for a grand total of \$798,891.65. After further discussion on the matters,

Upon motion duly made by Dino DiTullio, Brett Hansen and seconded by Jennifer DiTullio & Sheila Stone and unanimously carried; the Board approved and ratified the payables for April 2021 through November 2021 for a grand total of \$798,891.65

APPROVAL OF RESOLUTION TO UPDATE FINE SCHEDULE FOR O&M FEES:

Mr. Johnson presented the changes for the O & M fee increase to be increased to the rounded amount of \$70.34 per month which is \$211.00 per quarter or \$844.00 annually. Payments shall be due in one (1) lump sum by March 1st or quarterly payments due on or before March 1, June 1, September 1 and December 1. Operations and Maintenance Fee will be collected from the owner of the lot/home.

Upon motion duly made by Brett Parsons and seconded by Todd Yancey & Sheila Stone and unanimously carried, the Updated Fine Policy and Fee Schedule.

PUBLIC HEARING FOR 2021 AMENDED BUDGET:

Mr. Johnson stated that an Amendment to the 2021 budget was not needed for the WPMD #1 & #2 2021 Budget at this time. This action was placed on the agenda as a place holder just in case an amendment was needed.

2022 BUDGET HEARING:

Upon motion made by Dino DiTullio, seconded by Jennifer DiTullio, Todd Yancey, Brett Parsons and unanimously carried, the public hearing was opened on the proposed budgets for fiscal year 2022 for Windshire Park Metropolitan District Nos. 1 & 2. Mr. Johnson reported that notice of the public hearing had been published in accordance with statutory requirements. Mr. Johnson presented the proposed 2022 budgets to the Board.

Following discussion, the public hearing was closed by Dino DiTullio, Brett Hansen and seconded by Jennifer DiTullio and unanimously carried.

Upon motion duly made by Dino DiTullio and by seconded Todd Yancey and unanimously carried, the Board: (1) approved and adopted the 2022 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, 2022.

APPROVAL & RATIFICATION OF THE PROMISSORY NOTE:

Mr. Johnson stated the Promissory notes required renewal yearly, Mr. Johnson noted the changes were interest only, After further discussion on the matters and;

Upon motion duly made by Dino DiTullio, Brett Hansen and seconded by Jennifer DiTullio and unanimously carried, the Board approved the Promissory Note for 2022.

DISTRICT LEGAL COUNSEL REPORT:

Mr. O’Leary presented the Resolution for Social media Policy and Calling the 2022 election.

Upon motion duly made by Dino DiTullio, Brett Hansen and seconded by Jennifer DiTullio & Sheila Stone and unanimously carried, the Board approved the Social Media Policy Resolution and the Resolution Concerning Regular Election to be held May 3, 2022

DISTRICT MANAGERS REPORT:

Mr. Johnson reported,

1. General District items:

- a. Social committee will do events as allowed.
- b. Need to add money to reserves for fence, pool house and pool area.
Fence reserves need around \$800,000.00 in about 8/9 years. Life about 22/23 years, maybe stretch 2 more years. Then again in 18 years for Filing 3 & 5.
- c. Must have replacement cost for District property in reserves. (Look at O and M increase)
- d. District Audits are completed for 2020. Start in May of 2022 for 2021 Audits.
- e. Cleaning detention ponds monthly and drain pans on site. Work with Town on Drainage.
- f. Drainage on Clarendon washes away dirt bank and rock, we have price to put in wall to stop issue.
Sheila Stone asks if any way for the builder to pay for. Dino DiTullio stated it was past the warranty period.
- g. Remove T-post in Phase 5 and around site.

2. Site Work:

- a. Non-Potable system did not get river water until May 25th, 2020. (Few residents were very up-set)
- b. Will start up non-potable water when water comes in late May or early June 2022.

- c. Non-Potable system. Non-Potable system shuts down 10/15/2022.
- d. Predictions on non-potable water is it will be a drought year in 2022, might have to cut back to 2 days or less.
- e. Might need to rent CBT for non-potable water for all irrigation in 2021. Need 150 CBT's.
- f. CBT water rated at 50%, this means if you have a share of water, you get ½ of share due to water shortages.
- g. District should budget to buy more of its own water rights.
- h. Non-potable ditch fees and power bills have gone up.
- i. Starting fence stain in Filing 3 and filing 5 Phases 3 & 4 for 2022. Director Dino DiTullio stated that we could always let the fence weather, and save the stain budget for other needs. No other comments on this item were made.
- j. Doing general maintenance on pump house pumps and grade work. Will burn ditches, clean out ditches.
- k. Another pump and filter were added to the pump house, paid for by the site developer.
- l. Guy made a point that the temporary fix was still in place at Latham and Twin Creeks. The current pipe is rusting out; Waiting on City of Thornton to put pipe line in. Hoping repairs hold. If not WPMD and the 3 other farmers on this line, may have to do something.
- m. Pond liner using Bentonite, is in budget using contractor that built pond, removing roughly 12 inches of soil and putting in liner, if board decides to do this work, by approving 2022 presented budget for this project.

3. Web Site:

- a. Keeping web site up.

4. Pool:

- a. Note will need to budget for a new pool heater in the next 2 years or so. Have a new price for boiler replacement in around \$42,000.00. Takes 3 months to get heater in.
- b. Pool has been re-surfaced, budgeted in 10 to 12 years again.
- c. Pool Filter system not priced as of yet, need 500-gallon washout tank or keep same system.
- d. Getting boilers inspected by the State Inspector. Did add chlorine injector pump to the Pool in 2020.
- e. Pool hours change when school starts in August, 4:30 pm to 7:30 pm weekday hours, due to school late hours.
- f. Issues with some settlement at pool gate, on the pool deck, and guard door, will need to get corrected soon.
- g. Have made repairs on playground, fixing and replace parts as needed every year.
- h. Need to add money to reserves for long term replacement of pool/pump house and Aluminum Fence.

OTHER MATTERS/ADJOURNMENT:

The Board recognized Director Brett Parsons, who inquired that when we replace the heater at the pool this spring, would the old unit be able to be sold for salvage or would the company replacing it give us credit for any parts, Mr. Johnson sated there was not credit for the old unit.

The board recognized Director Tim Hoops, who stated that he did not believe that Mills did the final clean up of/mow in the area due to all the leaves in the green belt behind his home. Mr. Johnson stated he would look into this and make sure that they came in to do so. Stating also that in October there was a lot of leaves still on the trees so this might have been done just too soon. However, he would look into it.

Upon motion duly made by Dino DiTullio, seconded Jennifer DiTullio, Tim Hoops & Brett Parsons and unanimously carried, the Board adjourned the joint organizational meeting of the Board of Directors of the Windshire Park Metropolitan District Nos. 1 & 2 at 6:59 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 Windshire Park Metropolitan District Nos. 1 & 2.

Guy D. Johnson, Secretary for the Meeting