

RECORD OF PROCEEDINGS

MINUTES OF THE COMBINED SPECIAL MEETING OF THE BOARDS OF DIRECTORS OF THE

FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1 FOSSIL RIDGE METROPOLITAN DISTRICT NO. 2 FOSSIL RIDGE METROPOLITAN DISTRICT NO. 3

Held: Monday, March 15, 2021, 6:30 p.m.

Attendance

The combined special meeting of the Boards of Directors of the Fossil Ridge Metropolitan District Nos. 1-3 was called and held at 6:30 p.m., as shown, in accordance with Colorado law. The meeting was conducted as a virtual meeting. Mr. Pacheco inquired whether any of the Board members had any potential conflicts of interest on matters coming before the board. Daniel Dominic of District No. 3 stated that he has filed a disclosure of a potential conflict of interest with the office of the Secretary of State, noting that he is the President of the HOA. There were no other conflicts disclosed. The following Directors were in attendance:

District 1:

Tom Waterman – President
Craig Brown – Vice President
Mike McCleary – Treasurer
Dave McGraw – Secretary
Terry Larson – Asst. Sec.

District 2:

Dave McGraw – President
Terry Larson – Vice President
Alan Plumhoff – Treasurer
Theodore Michelsen – Secretary
Tom Waterman – Assistant Secretary

District 3:

Craig Brown – President
Aaron Hochstein – Vice President
David Wilson – Treasurer
Daniel Dominic – Secretary
Mike McCleary – Assistant Secretary

Consultants:

Marcos Pacheco, District Manager, Community Resource Services
Nancy Weiss, District Accountant, Community Resource Services
Mat Birkeness, Community Manager, Community Resource Services
Phil Schneider, Community Manager, Community Resource Services

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Others identified in attendance:

Jim Cantrell, Resident
Peggy Waterman, Resident
Julie Brisson, Resident
Bob Mero, Resident
Gary Greaser, Resident
Libby Vernon, Resident
Pete Hendel, Resident
Eileen Strook, Resident
Terry Smith, Resident
JD Lobue, Resident

Call to Order Quorums of the Boards were present, and the Directors confirmed their qualifications to serve. Mr. Pacheco confirmed that the meeting has been properly noticed. The meeting was called to order at 6:30 p.m.

Approve Agenda The Boards reviewed the meeting agenda. It was requested that a snow discussion be added to the agenda, following public comment.

- District 1: Director Waterman moved to approve the agenda as amended to add a snow presentation. Upon a second by Director McGraw, a vote was taken, and the motion carried unanimously.
- District 2: Director Michelsen moved that the Board approve the agenda as amended to add a snow presentation. Upon a second by Director Larson, a vote was taken, and the motion carried unanimously.
- District 3: Director Hochstein moved that the Board approve the agenda as amended to add a snow presentation. Upon a second by Director Wilson, a vote was taken, and the motion carried unanimously.

Public Comment There was none.

Snow Presentation Director Brown (D 1&3) presented a snow presentation to the Boards. He outlined some of the difficulties with the last snowstorm as well as protocols that are currently in place with both the District and the City of Lakewood. Director Wilson (D3) noted that it might be worth the conversation with the City of Lakewood to see if their protocols could be changed.

Consent Agenda

Consent Agenda Item 1-2

1. Approval of the payment of claims for the period ending March 10, 2021
2. Approve the minutes of the January 11, 2021 Regular Meeting and the February 17, 2021 Special Meeting

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- District 1: Director Waterman moved that the Board approve the consent agenda. Upon a second by Director McGraw, a vote was taken, and the motion carried unanimously.
- District 2: Director Michelsen moved that the Board approve the consent agenda. Upon a second by Director McGraw, a vote was taken, and the motion carried unanimously.
- District 3: Director Dominic moved that the Board approve the consent agenda. Upon a second by Director Hochstein, a vote was taken, and the motion carried unanimously.

Legal Items

There were none.

Financial Items

Finance Committee Status Report: Director Plumhoff (D2) reported on the contents of the enclosed report. The Committee is looking to improve their approach with budgeting, with a focus on proactivity. They are currently working on the database, which is under construction. The plan at the end of the first quarter of 2021 is to download the general ledger numbers and then add account numbers thereafter. This will be an ongoing process and the hope is to have it refined by 2022.

Resolution to Approve Emergency Expenditure of Funds: Director Waterman (D 1&2) reported that there were roof vents that had become loose, therefore posing a safety concern. As such, the repair of these items was approved. The total cost for repair was \$2,226.00.

Resolution to Streamline Utility Billing and Reduce Administrative Costs: Mr. Birkeness presented a plan to the Boards that would allow for the community to receive one bill, rather than two separate bills. This would streamline utility billing and reduce related administrative costs. After discussion amongst the board, Mr. Birkeness answered questions. Director Dominic (D3) noted that he is in favor of this method and believes it would be well accepted by the community. This will be a District 1 decision only.

- District 1: Director McCleary moved that the Board approve the presented one-bill method to billing, in an effort to streamline utility billing and reduce related administrative costs. Upon a second by Director Brown, a vote was taken, and the motion carried unanimously.

Financial Look Ahead Calendar: Director McCleary (D 1&3) discussed the look-ahead calendar and noted important dates that are upcoming.

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Operations and Maintenance (District 1)

Landscape Update: Mr. Hendel updated the Board that there have been several frosts and that it has affected the evergreen trees. There is a document included titled Early Hard Freeze 2019 that outlines the issues currently being faced. Schultz can trim and treat these trees in an effort to fix the trees. He continued by noting what work needs to be completed in the rock beds. Discussion surrounding these items took place amongst the Boards. Additionally, two proposals were presented for pruning, trimming, and replacing trees.

- Director McCleary moved to approve the proposals as presented. Upon a second by Director McGraw a vote was taken, and the motion carried unanimously.

Amend the Landscaping Contract: Director Larson (D 1&2) provided an explanation as to why the landscaping contract needs to be amended. Specifically, Schultz was asked to provide a proposal for in-lot work. They also asked for a proposal for Schultz to control the irrigation system. After discussions with Schultz, the Districts agreed that \$28,153.00 is the addition to the contract.

- Director Brown moved to accept the contract amendment, as presented. Upon a second by Director Waterman a vote was taken, and the motion carried unanimously.

Engineer Update: Director Larson (D 1&2) provided an update to the Boards. He noted that lights have been installed on one side of McIntyre. They are beginning the installation process for light poles on the west side of McIntyre. That work will start in the next couple of weeks. Due to the cold weather, some work has been delayed until the weather improves. Additionally, Brookfield has begun groundwork in Filings 18 and 20. The groundwork for the townhomes has been completed. He also noted that Brookfield is moving forward with their decision to pour concrete in new alley ways.

Retreat/Pool Update: Mr. Birkeness updated the Board on the fitness classes that have been taking place successfully. Also, the pool is still winterized so CRS will be working with the pool contractor to begin the startup process. While it has been fairly slow and quiet, there have been some expenses incurred. One of those expenses was the isolation valve behind the fridge. The valve did need to be fully repaired. Additionally, the HVAC system had a faulty moisture switch that needed to be replaced. When this work was performed, the contractor also performed the quarterly inspection. He also reported that the Retreat will be reopening, following Jefferson County's guidance for Level Blue. Since the onset of the pandemic, there has been extensive maintenance and upkeep taken care of. Mr. Birkeness added that he

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recommends the capacity for The Retreat be set at 50%. He outlined the reasons for this recommendation. He also noted that the capacity limit would be adhered to both inside the building as well as outside on the patio. Director McGraw (D 1&2) noted he is in total agreeance with the plan. He then asked how we comply with the restrictions. Mr. Birkeness answered by noting that the contract holder will be communicated to and told that if you are more than the capacity, then the deposit is kept, and the premises are vacated immediately. Director Waterman (D 1&2) wants to know if a CRS staff member will be available for each event to monitor staffing. Mr. Birkeness noted that he has developed processes that will help maintain proper capacity. Director Hochstein (D3) noted that everyone he has spoken with was a huge fan of the reservation system for the pool last year.

Furniture Update: Mr. Birkeness reported that the committee has been seeking furniture replacement for quite some time. He noted the committee has done extensive work to come up with a plan for new furniture. The total cost for new furniture would be \$25,877. The Board asked questions and Mr. Birkeness was able to provide clarification. There was extensive discussion surrounding potential damage to the new furniture when it is being moved.

- Director McCleary moved that the Board approve the purchase of new furniture and work with himself or Gerry Reese for accounting purposes and funding. Upon a second by Director Brown, a vote was taken. Director Larson voted no, while the other members all voted yes. The motion carried my majority.

Resurfacing Surface Driveway: Mr. Birkeness reported that the driveway leading down to the pool area, that is used frequently by the pool contractor, needs to be resurfaced. He indicated that Schultz will perform the work.

- Director McGraw moved that the Board approve the resurfacing and laying of gravel on the driveway, to be performed by Schultz, in the amount of \$1,680.97.00. Upon a second by Director Larson, a vote was taken and the motion carried unanimously.

Plumbing Issues: Mr. Birkeness reported that during the closure of The Retreat, there were leaks detected within the water system. In an effort to remedy the leaks, the water was shut off. When the water was shut off, it placed a great deal of stress on the water system, causing other issues with some components. During this time, it was found that the recirculating pump was not operational. The mixing valves were also not operational. Mr. Schneider provided detail regarding the specific issues with each component. Mr. Schneider has met regularly with several plumbers in an effort to find the

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most suitable repair. The Board asked several questions and Mr. Schneider provided answers. Additionally, he outlined issues that were found with the tankless water heaters. He outlined several steps that will be taken to ensure that the tankless water heaters are in service in a timely fashion.

- Director McGraw moved to approve an amount not-to-exceed \$6,000, from the reserve fund, for the purpose of repairing the hot water system and the related components in The Retreat and Fitness Facility. Upon a second by Director McCleary a vote was taken, and the motion carried unanimously.

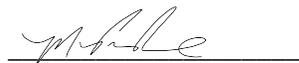
Director McGraw commended Mr. Birkeness and Mr. Schneider for their hard work on this topic.

Social Committee Events: Mr. Birkeness reported on potential events for the rest of the year. Director Waterman (D 1&2) added comments that he would like to see plans on how the events will unfold with restrictions in place. He wants the Social Committee to be involved in these plans.

Adjournment

There being no further business to come before the Boards, the meeting was adjourned at 8:48 p.m. by unanimous vote.

Respectfully submitted,



Secretary of the Meeting