

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, October 16, 2023, 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 held virtually via ZOOM meeting conferencing. Mr. Birkeness inquired whether any of the Board members had any potential conflicts of interest on matters coming before the board. There were no conflicts disclosed. The following Directors were in attendance:

District 1:

Tom Waterman – President
Dave McGraw – Vice President
David Wilson – Treasurer
Terry Larson – Secretary
Mike Walker - Asst. Secretary

District 2:

Terry Larson – President
Ted Michelsen - Vice President
Alan Plumhoff – Treasurer
Gerry Reese - Secretary
Tom Waterman – Assistant Secretary

District 3:

Aaron Hochstein – President
Andrew Amend – Vice President
Mike McCleary – Treasurer
Greg Taylor – Secretary
Alana Bissonnette – Assistant Secretary

Consultants:

Mat Birkeness, Community Manager, Community Resource Services
Phil Schneider, Retreat Manager, Community Resource Services
Kelly Duke, Esq., Legal Counsel
Benjamin Larson, Esq., Legal Counsel

Others identified in attendance:

Peggy Waterman
Nancy Reese
Anastasia Urban

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Pete Hendel

Call to Order Quorums of the Boards were present, and the Directors confirmed their qualifications to serve. Mr. Birkeness confirmed that the meeting has been properly noticed. The meeting was called to order at 6:30 p.m. Director Bissonnette disclosed she is serving on the HOA board as well.

Public Comment None.

Consent Agenda The Boards reviewed the consent agenda.

- District 1: Director Wilson moved to approve the consent agenda as presented. Upon second by Director McGraw, a vote was taken, and the motion carried unanimously.
- District 2: Director Michelsen moved to approve the consent agenda as presented. Upon second by Director Reese, a vote was taken, and the motion carried unanimously.
- District 3: Director Hochstein moved to approve the consent agenda as presented. Upon second by Director McCleary, a vote was taken, and the motion carried unanimously.

Financial Matters 2024 Draft Budget: Director Plumhoff reported about each district budget drafting status. He noted the draft completion is scheduled for December 1st, Proposition HH notwithstanding for board review. He discussed how Proposition HH will alter the schedule if passed. The FRMD boards are scheduled to meet December 13th, 2023 to vote on the district budgets but may need to reschedule if Proposition HH passes. He noted Jefferson County deadline for Mill Levy Certifying is December 15th, 2023. Lastly, he noted the budget resolutions are due January 24, 2024.

Directors Reese and McCleary followed director Plumhoff, discussing further budget items. Key points were disclosed for FRMD District 1. Director Reese stated, homeowner assessments will remain the same at \$350 a quarter. The Mill Levy may require adjustments to mimic revenue income. The finance committee is committed to maintaining strong fund balances, promoting fiscal responsibility.

Director Amend asked about the General Fund legal fund reduction of \$75,000 to \$50,000. Director Reese and McCleary responded the reduction is following annual trends for the district expenses.

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Director McCleary presented the Special Revenues fund, and noted there is no proposal to modify fees at this time. He stated the fund is mostly predicated on snow clearing.

Director Reese presented the Reserve Study funds and key items for 2024. He noted the hardscape study and wall study provided by the District engineer is extensive and requires multiple years funding. He also noted there are projects for 2023 that are in flux due to scheduling constraints currently with vendors.

Director Reese also touched on the Capital projects funds, and noted landscaping is currently using place holder values as proposals are forthcoming and data will require a review. Lastly, an update to the reserve study will require capital funding.

FRMD District 2, Director Plumhoff stated the district collects taxes and transfers the revenues to District 1 for General Fund expenses and to District 3 for Debt Service bond principal and interest payments.

FRMD District 3, Director McCleary noted, collects taxes and transfers funds to District 1 for General Fund expenses and to District 3 for Debt Service fund bond principal and interest payments.

THA-PAA fee adjustments: Director McCleary reported on a prior billing mistake that PAA#1 funding received was lower than targeted. However, a reserve study item, (gate operators) to the private street, recently underwent a maintenance review and are in good standing condition. With this report, there is no need for a special assessment to PAA#1 currently.

Certification of Delinquent Accounts for Districts 1-3: Director Waterman reported 9 residents are currently delinquent and were provided notice of the meeting. He reported the notice is to provide an opportunity for the 9 residents to come before the board and seek a payment plan. No delinquent residents attended the meeting.

- District 1: Director McGraw moved to certify the accounts with the County. Upon second by Director Wilson, a vote was taken, and the motion carried unanimously.
- District 2: Director Michelsen moved to certify the accounts with the County. Upon second by Director Reese, a vote was taken, and the motion carried unanimously.
- District 3: Director Amend moved to certify the accounts with the County. Upon second by Director Hochstein, a vote was taken, and the motion carried unanimously.

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Maintenance and Operations Matters

Landscape Update: Mr. Birkeness reported the status of projects within filings 1-12 and various status updates to budgeted items for the year. Landscape committee chair, Daniel Dominic, was absent.

Schultz Industries Renewal of Landscape and Snow services 2024 and 2025: Filings 1-12 including Orchard park, Filings 13, 14 Lower Tributary and Yale, Filing 15, and Filing 16 are separate contracts with a 7% increase for 2024 and a flat rate for 2025. Director Waterman noted there are items outside of the contract that require further conversation. Pending a revised value for Filings 13, 14, Lower Tributary and Yale the board approved a renewal as follows.

- District 1: Director Wilson motioned to approve the contracts pending the revised value for Filings 13, 14, Lower Tributary and Yale. Upon second by Director Walker, a vote was taken, and the motion carried unanimously.

Retreat and Community Update: Mr. Schneider reported the September details of the Retreat events and ongoing projects. He presented project updates on the following: fire safety deficiencies and proposals forthcoming, security systems completion, urinal replacement, lights installation at lower monument, parking lot light repair, and pool tile repairs. Mr. Schneider also, discussed a proposal regarding the hardscape study priority 1 work with ABC Asphalt Inc.

- District 1: Director Waterman motioned to approve the proposal for \$48,494.50 for asphalt and concrete work including \$5,000 for ADA concrete additions. Upon second by Director Wilson, a vote was taken, and the motion carried unanimously.

Website compliance with ADA was reported by Mr. Birkeness with a completion requirement of July 2024. He noted a SIPA site can be utilized and avoid a website overhaul. Director Walker asked if this will require budgeting in 2024. Mr. Birkeness reported not at this time, but he will confirm and report back to the board.

Community Engagement Committee Update: Director Reese discussed the report and specifically noted Proposition HH will not be discussed as part of the committee.

Engineer Report: Directors Larson and McGraw provided updates and specifically noted the intersection of Iliff and Indiana are currently undergoing irrigation issues that require the landscape vendor to further investigate.

Street and Direction Signs Discussion: Director Walker presented a proposal by

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303 Signs and the modifications from previous sign replacements and repairs within the community. He noted, Lakewood will replace safety or hazard signs with temporary signs. Director Walker noted the budget for the year and the remaining allocated \$19,000 for signs. A priority list was discussed and how best to utilize the remaining budget.

- District 1: Director Walker motioned to approve a portion of the proposal within the budget for sign replacements with 303 Signs. Upon second by Director Wilson, a vote was taken, and the motion carried unanimously.

2024 FRMD Regular Meeting Schedule: Director Waterman discussed the hybrid meeting possibility from virtual and in person. He proposed to meet in person three times in 2024. Other directors concurred.

Park Bench Damages Discussion: Mr. Birkeness presented the latest regarding the park bench damages and timeline of events. Upon discussion with the directors, the consensus is to remove the damaged bench and have residents utilize the other two benches on site.

Handrail at Lower Monument Discussion: Director Reese noted a proposal was provided for handrail repairs at the Retreat and a proposal for a railing to be installed at the lower monument. The concern at the lower monument is safety risks for children and foul play. Other directors noted other areas of concern in the community as well. It was determined to shelve the lower monument proposal at this time.

- District 1: Director Wilson motioned to approve the handrail repair at the Retreat. Upon second by Director McGraw, a vote was taken, and the motion passed. Director Larson opposed.

Legal Matters

Litigation Update: Director Waterman noted the website will be updated with the latest information following the meeting regarding the legal matters with the developer.

Second Public Comment

Nancy Reese inquired about the landscape budget timeline. Mr. Birkeness responded.

Executive Session

Executive Session to receive advice of legal counsel on the Green Mountain and Solterra Litigation pursuant to C.R.S. 24-6-402 (4)(b).

The boards entered into executive session at 8:42pm.

The Boards reconvened the public meeting at 9:35 by the following motions:

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- District 1: Director Walker motioned to reconvene into public meeting. Upon second by Director Waterman, a vote was taken, and the motion carried unanimously.
- District 2: Director Michelsen motioned to reconvene into public meeting. Upon second by Director Plumhoff, a vote was taken, and the motion carried unanimously.
- District 3: Director Hochstein motioned to reconvene into public meeting. Upon second by Director Amend, a vote was taken, and the motion carried unanimously.

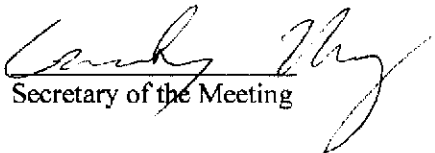
Kelley Duke, legal counsel for FRMD Districts 1,2 and 3 certified for the record that the communications in executive session this evening constituted the attorney client privilege communication, were not recorded, and were limited to the matters properly noticed in the posted agenda.

Adjournment

There being no further business to come before the Boards, the meeting was adjourned at 9:35 p.m. as follows:

- Director Waterman moved to adjourn. Upon second by Director McGraw, a vote was taken, and the motion carried unanimously.

Respectfully submitted,


Secretary of the Meeting