

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
SPRING MESA METROPOLITAN DISTRICT (THE "DISTRICT")
HELD
AUGUST 12, 2021

A special meeting of the Board of Directors of the Spring Mesa Metropolitan District (referred to hereafter as the "Board") was convened on Thursday, August 12, 2021, at 5:00 p.m. This District Board meeting was held via WebEx. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Mark Entman, President
Sharon Miner, Vice President
Rich Waterman, Assistant Secretary
Wayne Harris, Secretary

The absence of Treasurer Kilpatrick was noted and excused.

Also, In Attendance Were:

Lisa Johnson and Rebecca Gianarkis; CliftonLarsonAllen LLP
Nicole Finco; Spencer Fane LLP
Larry Seidl and Greg Brozovich; Residents

ADMINISTRATIVE MATTERS

Call to order and agenda: The meeting was called to order at 5:05 p.m. Following review, upon a motion duly made by Director Miner, seconded by Director Harris and, upon vote, unanimously carried, the Board approved the agenda as presented.

Quorum, location of meeting and posting of meeting notices: A quorum was confirmed with the location of the meeting and posting of the meeting notice.

Public comment: None.

CONSENT AGENDA

Minutes of the June 16, 2021 special meeting:

Interim Check List in the Amount of \$34,498.35:

Upon a motion duly made by Director Entman, seconded by Director Harris and, upon vote, unanimously carried, the Board approved the Consent Agenda items.

FINANCIAL MATTERS

Unaudited Financial Statements for the period ending June 30, 2021 and Monthly Reports: Following review, upon a motion duly made by Director

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Waterman, seconded by Director Entman and, upon vote, unanimously carried, the Board accepted the Unaudited Financial Statements for the period ending June 30, 2021 and Monthly Reports as presented.

2020 Audit: Ms. Johnson provided an update to the Board regarding the 2020 Audit and noted that a clean opinion was received from the auditor and confirmed that it was filed.

Other: None.

DIRECTOR MATTERS

Landscape Update: Director Miner provided a landscape update to the Board, noting that Metco is working to repair irrigation issues as they arise. She stated that she has not yet received the requested proposals for additional work. She also noted that Metco is experiencing what many other landscape companies are experiencing related to labor shortages, however, they are meeting the requirements in their contract with the District. Mr. Brozovich inquired about the contract with Metco and what remedies the District would have if Metco is not meeting the requirements of the contract. Mr. Brozovich noted that he would like to see improvements in the scope of work being performed by Metco. Director Miner responded to Mr. Brozovich's inquiries and summarized the basic scope of services provided by Metco.

Directing staff to solicit proposals for 2022 underdrain maintenance services: Director Harris noted that he feels that the District should hold off on requesting proposals until it is determined that the service is needed. The Board agreed.

Status of solicitation of firms regarding pond design rehabilitation: Ms. Johnson provided an update to the Board regarding solicitation of firms and noted that there are two firms that may be able to assist with pond rehabilitation. The Board discussed next steps and whether to contact the two firms to request a meeting and potential proposals. The Board directed CLA to contact the two firms and schedule a meeting with Director Harris to tour the ponds and discuss the needs and request a proposal.

Installation of little libraries: Director Kilpatrick provided an update to the Board regarding the installation of little libraries to the Board via email prior to the meeting. This correspondence noted that the first little library was installed and included a photo of the structure. Attorney Finco asked if the library was located on District property, and Director Miner confirmed. Attorney Finco suggested that the District ask the homeowner who volunteered to install and maintain the little library to execute a license agreement. Ms. Johnson noted that she will research the homeowner involvement in previous meeting minutes and with Director Kilpatrick and will work with Attorney Finco on the agreement.

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Request for proposals related to Accounting Services: Director Waterman provided an update to the Board regarding soliciting proposals for Accounting Services and noted that Director Kilpatrick finalized a preliminary letter to various firms requesting their interest in providing Accounting Services to the District. Directors Waterman and Kilpatrick assembled around six firms to contact regarding interest in providing accounting services to the District. Director Waterman stated that he contacted each firm and sent them the letter and received positive responses from four of the firms. He summarized the discussions he had with these firms related to services and discussed a new process of paying monthly invoices with a credit card. He requested feedback from other Board members before deciding to solicit additional information and/or proposals from the firms. Director Entman inquired about what the District is attempting to accomplish by changing accounting firms, and Director Waterman stated that the switch would be in an effort to minimize the cost for services. The Board agreed to request formal proposals from the four firms to be presented at the November Board meeting.

LEGAL MATTERS

Collection of delinquent operation and maintenance fees: Attorney Finco provided an update to the Board regarding the collection of delinquent operation and maintenance fees, noting that the total outstanding balance due on all delinquent accounts is \$1,139.52. Following discussion, upon a motion duly made by Director Waterman, seconded by Director Entman and, upon vote, unanimously carried, the Board authorized the adherence to the District's collection policy and the filing of liens on delinquent accounts. In addition, the Board directed staff to file the unclaimed property report subject to the Great Colorado Payback process for the one account with a credit balance.

Other: None.


MANAGER MATTERS

Other: Mr. Brozovich commented that he was unable to locate the information for the District's meeting tonight and suggested the District ask the HOA to post this information on their website. Ms. Johnson replied that the District has its own website and would be comfortable asking the HOA to post a link to that website on their website. The Board agreed and asked Ms. Johnson to make the request to the HOA.

ADJOURNMENT

There being no further business to come before the Board at this time, upon a motion duly made by Director Miner, seconded by Director Harris and, upon vote, unanimously carried, the Board adjourned the meeting at 6:42 p.m.

Respectfully submitted,

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Secretary for the Meeting