

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
SPRING MESA METROPOLITAN DISTRICT (THE "DISTRICT")
HELD
NOVEMBER 11, 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, November 11, 2021, at 5:00 p.m. This District Board meeting was held via Microsoft Teams. 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
Carrie Kilpatrick, Treasurer

Also, In Attendance Were:

Lisa Johnson, Rebecca Mannie, Stephanie Odewumi, and Yelena Primachenko;
CliftonLarsonAllen LLP
Nicole Finco; Spencer Fane LLP
Larry Seidl, Rich O'Day and Mark Stiebeling; Residents

ADMINISTRATIVE MATTERS

Call to order and agenda: Ms. Johnson called the meeting to order at 5:03 p.m. and noted that the agenda will be rearranged to reflect the order of Administrative Matters, Consent Agenda, resident request item, Director Waterman's memo, and return to the regular order of agenda. Following review, upon a motion duly made by Director Kilpatrick, seconded by Director Harris and, upon vote, unanimously carried, the Board approved the agenda, as amended.

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: Mr. Seidl noted for the Board that the District has been focused on maintenance as opposed to enhancement and requested that the Board establish a committee for beautification. He noted that the Spring Mesa sign has no lights, there is little vegetation in the medians, the light posts do not have lights, and weeds need to be managed.

CONSENT AGENDA

Minutes of the August 12, 2021 special meeting:

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Interim Check List in the Amount of \$86,480.45:

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

MANAGER MATTERS

Resident request to install trees at 17657 W. 78th Drive: Mr. Stiebeling reviewed his email correspondence with the Board regarding requesting approval to plant three pine trees in District space at his expense. The Board inquired about irrigation, and Director Kilpatrick noted that Mr. Stiebeling would need to work with landscape crews to ensure that the trees are native and that weed mitigation does not kill the trees. Director Miner noted that it might create a precedent and it would be inconsistent with the rest of the space. Director Kilpatrick inquired about maintenance after Mr. Stiebeling moves out of the home. Director Miner noted that native open spaces in Colorado have a different aesthetic than beautified non-native spaces. The Board did not approve Mr. Stiebeling's tree installation request.

DIRECTOR MATTERS

Director Waterman's Memo: Director Waterman presented his memo to the Board. Ms. Johnson and Director Entman suggested that the memo's contents be tabled in favor of the Budget. It was noted that a work session will be scheduled in February 2022 to discuss process changes recommended by Director Waterman.

FINANCIAL MATTERS

Unaudited Financial Statements for the period ending September 30, 2021 and Monthly Reports: Ms. Primachenko reviewed the Financial Statements and Monthly Reports with the Board. Following review, upon a motion duly made by Director Entman, seconded by Director Waterman and, upon vote, unanimously carried, the Board accepted the Unaudited Financial Statements for the period ending September 30, 2021 and Monthly Reports as presented.

Public hearing to consider adoption of Resolution 2021-11-01 to Amend the 2021 Budget, if necessary: Ms. Johnson opened the public hearing at 6:09 p.m. Ms. Primachenko noted that an amendment to the 2021 Budget is not necessary. Mr. Seidl inquired about inflation sensitivity within the Budget. Ms. Johnson noted that nearly all line items are inflation sensitive. Ms. Johnson closed the public hearing at 6:12 p.m.

Public hearing to consider adoption of Resolution 2021-11-02 to Adopt 2022 Budget, Appropriate Expenditures and Certify Mill Levies: Ms. Johnson opened the public hearing at 6:12 p.m. Ms. Johnson and Ms. Primachenko presented the draft 2022 Budget to the Board. Discussion ensued regarding revisions to the Budget and it was noted that Ms. Primachenko will make the changes discussed. Mr. O'Day inquired about the specific ownership tax and Ms. Johnson explained. Ms. Johnson closed the public hearing at 6:56 p.m. Following review and discussion, upon a motion duly made by Director

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Waterman, seconded by Director Kilpatrick and, upon vote, unanimously carried, the Board adopted Resolution 2021-11-02 to Adopt the 2022 Budget, Appropriate Expenditures and Certify Mill Levies at 43.555 mills, as amended.

Engagement of Wipfli LLP for the 2021 Audit: Following review, upon a motion duly made by Director Waterman, seconded by Director Entman and, upon vote, unanimously carried, the Board approve the engagement of Wipfli LLP for the 2021 Audit, as presented.

Other: None.

**DIRECTOR
MATTERS
(CONTINUED)**

Landscape Update: Director Miner provided an update to the Board regarding landscaping, noting that dead trees are flagged for removal and ponds will be cleaned and material will be replaced in the spring. She stated that roundabouts are forthcoming but cannot be completed at the same time due to cost constraints. She addressed Mr. Seidl's questions raised during public comment. Mr. O'Day suggested a beautification day and Director Kilpatrick agreed. Director Kilpatrick offered to coordinate a beautification days project.

Directing staff to solicit proposals for 2022 underdrain maintenance services: This item was deferred.

Status of solicitation of firms regarding pond design rehabilitation: Director Harris provided a status update to the Board regarding solicitation of firms regarding pond design rehabilitation and summarized the meeting with Nate Hines from Hines, Inc. Discussion ensued regarding pond maintenance costs and solutions.

Installation of little libraries: No update was provided.

Use of District property for holiday lighting: The Board discussed this item and determined that District property will not be used for holiday lighting.

Request for proposals related to Accounting Services from various firms: Ms. Johnson recommended that this item be added to the work session agenda in 2022.

LEGAL MATTERS

Resolution 2021-11-03 regarding 2022 Annual Administrative Matters: Attorney Finco reviewed the Resolution with the Board. Following review, upon a motion duly made by Director Miner, seconded by Director Entman and, upon vote, unanimously carried, the Board adopted Resolution 2021-11-03 regarding 2022 Annual Administrative Matters, as amended to include revisions discussed.

Resolution 2021-11-04 Calling a Regular Election for Directors on May 3,

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2022, appointing the DEO and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election: Attorney Finco reviewed the Resolution with the Board. Following review, upon a motion duly made by Director Miner, seconded by Director Harris and, upon vote, unanimously carried, the Board adopted Resolution 2021-11-04 Calling a Regular Election for Directors on May 3, 2022, appointing the DEO and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election, as presented.

Collection of delinquent operation and maintenance fees: No update was provided. Following discussion, upon a motion duly made by Director Waterman, seconded by Director Kilpatrick and, upon vote, unanimously carried, the Board authorized the District accountant to file liens in association with delinquent accounts.

Other: None.

MANAGER
MATTERS
(CONTINUED)

CliftonLarsonAllen LLP master service agreement and related statements of work: Ms. Johnson presented the agreement to the Board, noting that legal reviewed and their comments were incorporated. Following review, upon a motion duly made by Director Kilpatrick, seconded by Director Harris and, upon vote, unanimously carried, the Board approved the CliftonLarsonAllen LLP master service agreement and related statements of work, as presented.

2022 Snow Management Agreement from Metco Landscape: Following review, upon a motion duly made by Director Miner, seconded by Director Kilpatrick and, upon vote, unanimously carried, the Board approved the 2022 Snow Management Agreement from Metco Landscape, as presented.

2022 Landscape Maintenance Contract from Metco Landscape: It was noted that Director Miner will review this item before Board approval.

Transition letter from The Cutting Edge: The Board reviewed the transition letter from The Cutting Edge. No action was taken.

2022 Tree Contract Proposal from The Cutting Edge: Following review, upon a motion duly made by Director Miner, seconded by Director Kilpatrick and, upon vote, unanimously carried, the Board approved the 2022 Tree Contract Proposal from The Cutting Edge, as presented.

Proposal for Cattail and Lily Management from L.B. Ecological, Inc.: Following review, upon a motion duly made by Director Miner, seconded by Director Kilpatrick and, upon vote, unanimously carried, the Board approved the Proposal for Cattail and Lily Management from L.B. Ecological, Inc., as presented.

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Proposal for 2022 Cattail and Willows Project from L.B. Ecological, Inc.:

Following review, upon a motion duly made by Director Miner, seconded by Director Kilpatrick and, upon vote, unanimously carried, the Board approved the Proposal for 2022 Cattail and Willows Project from L.B. Ecological, Inc., as presented.

2022 Open Space Weed and Native Plant Management Proposal from Ark Ecological Services, LLC:

Following review, upon a motion duly made by Director Miner, seconded by Director Kilpatrick and, upon vote, unanimously carried, the Board approved the 2022 Open Space Weed and Native Plant Management Proposal from Ark Ecological Services, LLC, subject to final review by Director Kilpatrick.

Pond update: Director Harris provided an update to the Board regarding the state of the ponds and pumps.

ADJOURNMENT

There being no further business to come before the Board at this time, upon a motion duly made by Director Entman, seconded by Director Kilpatrick and, upon vote, unanimously carried, the Board adjourned the meeting at 7:58 p.m.

Respectfully submitted,

DocuSigned by:

Wayne Harris

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Secretary for the Meeting