

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
SPRING MESA METROPOLITAN DISTRICT (THE “DISTRICT”)
HELD
NOVEMBER 10, 2022

A regular meeting of the Board of Directors of the Spring Mesa Metropolitan District (referred to hereafter as the “Board”) was convened on Thursday, November 10, 2022, at 5:00 p.m. at West Woods Community Station, 6644 Kendrick Drive, Arvada, CO 80007. This District Board meeting was also held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Mark Entman, President
Jo Gentry, Vice President
Lawrence Seidl, Treasurer
Wayne Harris, Secretary

Also, In Attendance Were:

Lisa Johnson, Alex Clem and Alyssa Ferreira; CliftonLarsonAllen LLP
Nicole Peykov; Spencer Fane LLP
Alan Schnarrnberger, Brandon Knight and other members of the public

ADMINISTRATIVE MATTERS

Call to order and agenda: Ms. Johnson called the meeting to order at 5:01 p.m. Following review, upon a motion duly made by Director Harris, seconded by Director Gentry and, upon vote, unanimously carried, the Board approved the agenda as amended to add items under Director Matters.

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.

Resolution Regarding 2023 Annual Administrative Matters: The Board determined to hold 2023 meetings on April 6th, June 8th, August 10th and November 9th at 6:00 p.m. at the West Wood Community Station or at the YMCA and via Microsoft Teams. Following review and discussion, upon a motion duly made by Director Gentry, seconded by Director Harris and, upon vote, unanimously carried, the Board adopted the Resolution Regarding 2023 Annual Administrative Matters with the additions discussed.

2023 insurance renewal and documents needed to obtain or maintain insurance coverage through the Colorado Special Districts Property and

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Liability Pool and T. Charles Wilson Risk Management and membership in the Special District Association: The Board reviewed the 2023 insurance renewal documents. It was noted that the Board will provide management with updated costs and any additional items to be added to the property schedule.

CONSENT AGENDA

Minutes of the August 11, 2022 regular meeting:

Interim Check List in the Amount of \$67,352.26:

Proposals #2170 and #2401 between the District and Quantum Pump & Controls for Float Valve and West Pond Piping Repair:

Upon a motion duly made by Director Gentry, seconded by Director Seidl and, upon vote, unanimously carried, the Board approved and/or ratified approval of the Consent Agenda items.

FINANCIAL MATTERS

Unaudited Financial Statements for the period ending September 30, 2022 and Monthly Reports: Ms. Ferreira reviewed the Financial Statements and Monthly Reports with the Board. Following review, upon a motion duly made by Director Gentry, seconded by Director Seidl and, upon vote, unanimously carried, the Board accepted the Unaudited Financial Statements for the period ending September 30, 2022 and Monthly Reports as presented.

Public hearing to consider amendment of the 2022 Budget and Resolution to Amend the 2022 Budget: Ms. Johnson opened the public hearing to consider an amendment to the 2022 Budget.

It was noted that publication of Notice stating that the Board would consider amendment of the 2022 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Following discussion, upon motion duly made by Director Gentry, seconded by Director Harris and, upon vote, unanimously carried, the Board approved the amendment of the 2022 Budget Debt Service Fund to \$441,300 and adopted the Resolution to Amend the 2022 Budget as presented.

Public hearing on the proposed 2023 Budget and Resolution to Adopt the 2023 Budget and Appropriate Sums of Money: Ms. Johnson opened the public hearing to consider the proposed 2023 Budget and to discuss related issues.

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It was noted that Notice stating that the Board would consider adoption of the 2023 budget and the date, time and place of the public hearing was published pursuant to statute. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

The Board reviewed the estimated 2023 expenditures and the proposed 2023 expenditures.

Upon motion duly made by Director Seidl, seconded by Director Gentry and, upon vote, unanimously carried, the Board approved the 2023 Budget, as discussed, and adopted the Resolution to Adopt the 2023 Budget and Appropriate Sums of Money (20.464 mills in the General Fund and 24.315 mills in the Debt Service Fund, for a total mill levy of 44.779 mills.) Following discussion, upon vote, unanimously carried, the Board adopted the Resolutions and authorized execution of the Certification of Budget. The District accountant was directed to transmit the Certification of Tax Levies to the Board of County Commissioners of Jefferson County not later than December 15, 2022. District Counsel was directed to transmit the Certification of Budget to the Division of Local Government no later than January 30, 2023.

Board member to sign the DLG-70 Certification of Tax Levies: Following discussion, upon a motion duly made by Director Gentry, seconded by Director Seidl and, upon vote, unanimously carried, the Board appointed Director Entman to sign the DLG-70 Certification of Tax Levies.

Engagement letter with Wipfli, LLP to prepare the 2022 Audit: Following review, upon a motion duly made by Director Gentry, seconded by Director Harris and, upon vote, unanimously carried, the Board approved the engagement letter with Wipfli, LLP to prepare the 2022 Audit as presented.

Other: None.

DIRECTOR MATTERS

Pump repair at ponds: Director Harris provided an update to the Board regarding the pump repair at the ponds.

Willow Tree West Pond: Director Gentry informed the Board that the work on the Willow Tree West Pond will be complete within ten days.

Meeting City of Arvada tree height standards: Director Gentry reviewed the City of Arvada tree height standards with the Board, noting that she is soliciting proposals for this work.

Future replacement of full irrigation system and budget implications: The

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Board discussed the potential need to replace the full irrigation system and potential budget implications. It was noted that this item will be discussed further in 2023.

Attorney attendance at Board meetings: The Board discussed attorney attendance and determined that Attorney Peykov will no longer attend meetings in 2023.

Current contract with Ark Ecological Services, LLC: Director Gentry recommended that the District not continue its current contract with Ark Ecological Services, LLC. Following discussion, upon a motion duly made by Director Gentry, seconded by Director Harris and, upon vote, the Board determined to terminate the District's contract with Ark Ecological Services, LLC for 2023. Director Seidl abstained from the vote.

Fire mitigation for native open space: Director Gentry informed the Board that she is working with the City of Arvada on a fire mitigation plan.

Winter Watering Agreement with The Cutting Edge, Inc.: The Board reviewed the Winter Watering Agreement with The Cutting Edge, Inc. noting the total cost of \$1,289 per application. Following review and discussion, upon a motion duly made by Director Gentry, seconded by Director Harris and, upon vote, unanimously carried, the Board approved the Winter Watering Agreement with The Cutting Edge, Inc. and authorized Director Gentry to coordinate the work with The Cutting Edge, Inc.

Meeting signage or HOA news blast: Director Gentry informed the Board that she will have a sign prepared to notify residents of future Board meetings, and that there is no need to utilize the HOA news blast going forward. She suggested that the community block captains provide meeting information through their email distribution lists.

Payables process and timing: Ms. Johnson reviewed the payables process and timing with the Board.

Open space remediation behind 7755 Umber and 17527 W. 78th Drive: The Board directed management to draft letters to the two homeowners at 7755 Umber and 17527 W. 78th Drive communicating that the open space requires remediation and that residents are restricted from accessing their private property through District property. The Board directed Ms. Johnson to coordinate with the HOA on communication of this restriction in the newsletter.

LEGAL MATTERS

Collection of delinquent operation and maintenance fees update: Ms. Johnson provided an update to the Board regarding collection of delinquent operation and maintenance fees.

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Resolution Calling a Regular Election for Directors on May 2, 2023, appointing the DEO and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election: Following review, upon a motion duly made by Director Gentry, seconded by Director Entman and, upon vote, unanimously carried, the Board adopted the Resolution Calling a Regular Election for Directors on May 2, 2023, appointing the DEO and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election as presented.

Other: None.

MANAGER
MATTERS

Proposals for 2023 services:

Landscape Maintenance: Director Gentry reviewed her bid summary with the Board, noting her recommendation of engagement of Nu-Style for landscape maintenance, snow removal and open space maintenance services in 2023. Following review and discussion, upon a motion duly made by Director Entman, seconded by Director Harris and, upon vote, the Board approved the engagement of Nu-Style for landscape maintenance, snow removal and open space maintenance services in 2023 in an amount not to exceed \$37,116. Director Seidl abstained from the vote.

Snow Removal: This item was previously discussed.

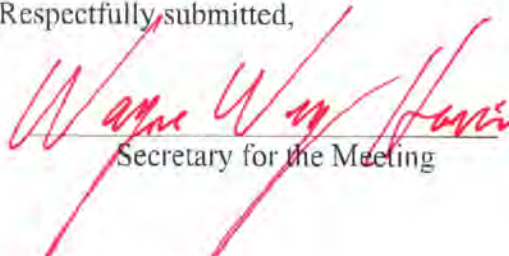
Open Space Maintenance Services: This item was previously discussed.

CliftonLarsonAllen LLP statement(s) of work: Following review, upon a motion duly made by Director Gentry, seconded by Director Harris and, upon vote, unanimously carried, the Board approved the CliftonLarsonAllen LLP statements of work as amended with the revisions discussed.

ADJOURNMENT

There being no further business to come before the Board at this time, upon a motion duly made by Director Gentry, seconded by Director Harris and, upon vote, unanimously carried, the Board adjourned the meeting at 7:14 p.m.

Respectfully submitted,


Secretary for the Meeting