

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE TIMNATH LAKES METROPOLITAN DISTRICT NO. 1 HELD AUGUST 23, 2023

A Special Meeting of the Board of Directors of the Timnath Lakes Metropolitan District No. 1 (referred to hereafter as "Board") was convened on Wednesday, the 23rd day of August, 2023 at 5:00 p.m. via Zoom. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Jennifer Martin
Matthew Wasserman
Robert Bol
Justin Guy Wright

Also In Attendance Were:

David Solin; Special District Management Services, Inc.

Paula Williams, Esq. and Craig Sorensen; McGeady Becher P.C.

Curtis Bourgoon; CliftonLarsonAllen LLP (for a portion of the meeting)

Yuriy Zubovski; Board Candidate

Raleigh Ward, Josie Kincaid, Jane Spencer, Matt Haskell, Sharon Sparrow, Emma Miller, and Jerry Chilson; Members of the Public/District Residents

ADMINISTRATIVE MATTERS

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Mr. Solin noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. Attorney Williams noted that a conflict disclosure statement for Director Bol has been filed, and that no new conflicts were disclosed at the meeting.

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Agenda: Mr. Solin distributed for the Board's review and approval a proposed Agenda for the District's Special Meeting.

Following discussion, upon motion duly made by Director Wasserman, seconded by Director Wright and, upon vote, unanimously carried, the Agenda was approved, as amended.

Location of Meeting and Posting of Notices: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. The Board determined that the meeting would be held by video/telephonic means, and encouraged public participation via video or telephone. The Board further noted that notice of the time, date and location of the meeting was duly posted and that the District had not received any objections to the video/telephonic manner of the meeting, or any requests that the video/telephonic manner of the meeting be changed by taxpaying electors within the District boundaries.

Resignation and Appointment of Secretary to the Board: The Board discussed the resignation of Larry Loften as Secretary to the Board and considered the appointment of David Solin as Secretary to the Board.

Following discussion, upon motion duly made by Director Wright, seconded by Director Martin and, upon vote, unanimously carried, the Board acknowledged the resignation of Larry Loften as Secretary to the Board and appointed David Solin as Secretary to the Board.

Resignation of Director: The resignation of Director Janis Emanuel effective as of August 21, 2023, was acknowledged.

Minutes: The Board reviewed the Minutes of the April 19, 2023 Regular Meeting and the May 30, 2023 Special Meeting.

Following discussion, upon motion duly made by Director Martin and seconded by Director Bol and, upon vote, unanimously carried, the Minutes of the April 19, 2023 Regular Meeting and the May 30, 2023 Special Meeting were approved.

PUBLIC COMMENTS

There were no public comments.

FINANCIAL MATTERS

Unaudited Financial Statements and Schedule of Cash Position: Mr. Bourgouin reviewed with the Board the unaudited financial statements, through the period ending June 30, 2023 and the schedule of cash position as of June 30, 2023.

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Following discussion, upon motion duly made by Director Wright, seconded by Director Wasserman and, upon vote, unanimously carried, the Board accepted the unaudited financial statements, through the period ending June 30, 2023 and the schedule of cash position as of June 30, 2023, as presented.

2022 Audit: Mr. Bourgouin briefly reviewed the 2022 Audit with the Board, noting that it had been filed with the State Auditor on July 31, 2023.

Following discussion, upon motion duly made by Director Bol, seconded by Director Wasserman and, upon vote, unanimously carried, the Board ratified approval of the 2022 Audit and ratified the authorization of the execution of the Representations Letter.

Engagement of CliftonLarsonAllen LLP to Provide Billing Services for Domestic Water usage: Extensive discussion was held. Following discussion, the Board directed that a work session meeting be scheduled to discuss water billing and other issues. No other action was taken by the Board.

Joint Budget Committee Meeting: Following extensive discussion, the Board directed the District Manager schedule a Joint Budget Committee Meeting of the District and Timnath Lakes Metropolitan District Nos. 2-6 to discuss various budget matters, including potential fee increases.

LEGAL MATTERS

Legal Services: Attorney Williams informed the Board that since the District now has a different Board of Directors than Timnath Lakes Metropolitan District Nos. 2-6 (and that the districts now have different interests in relation to intergovernmental agreements), McGeady Becher P.C. (“MBPC”) now has a conflict of interest in continuing to represent the District. Attorney Williams therefore informed that Board that MBPC was resigning from representation of the District and that MPBC would work to transition the District’s affairs to new General Counsel, once selected.

Following discussion, upon motion duly made by Director Wright, seconded by Director Martin and, upon vote, unanimously carried, the Board approved the engagement of new counsel.

Following further discussion, upon motion duly made by Director Wright, seconded by Director Martin and, upon vote, unanimously carried, the Board appointed Director Wasserman as the legal search committee, and directed that an RFP be distributed to appropriate firms by Mr. Solin.

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Engineer's Report: There was no report available. The Board deferred discussion.

Status of Inclusion of 5.3697 Acres of Property Owned by CAC Timnath LLC into the District: Attorney Williams informed the Board that an Order for Inclusion of the property has been obtained from the Court, but that it cannot be recorded/become effective until the Town of Timnath is notified of the inclusion. She indicated that the inclusion property consists of two tracts that ended up partially within and partially outside of the District after platting, and that the intent of the inclusion was to get both of the tracts wholly within the boundaries of the District. Following discussion, the Board instructed District Counsel to refrain from any further action relating to the inclusion.

Rescission of approval of Timnath Lakes Community Authority Establishment Agreement and First Amendment to Service Plan: Director Wasserman noted that the Board had approved certain actions at the April 19, 2023 meeting, and that the current Board now wishes to rescind approval of those prior actions.

Following discussion, upon motion duly made by Director Wasserman, seconded by Director Martin and, upon vote, unanimously carried, the Board rescinded the District's approval of the Timnath Lakes Community Authority Establishment Agreement and the First Amendment to the Service Plan.

CAPITAL MATTERS **Relocation of the Akin Lateral Irrigation Ditch:** No update was available at this time.

Process for Acceptance and Transfer of Improvements: The Board deferred discussion until new General Counsel is engaged.

Service Agreements and Maintenance Services Required for Acceptances: The Board deferred discussion until new General Counsel is engaged.

OTHER BUSINESS **Status of Development:** Attorney Williams informed the Board of the new requirements of Senate Bill 23-110 for a Town Hall Meeting, which would include required reports on the status of public improvements, the status of bonded indebtedness, and a review of budget-to-actual expenditures. Mr. Solin informed the Board that the Town Hall Meeting will be scheduled prior to the October 18, 2023 budget hearing.

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Change in Regular Meeting Time: The Board discussed changing the regular meeting time to evenings.

Following discussion, upon motion duly made by Director Wright, seconded by Director Martin and, upon vote, unanimously carried, the Board directed that the time of remaining meetings for the year be changed to 5:00 p.m., and that such meetings be posted as special meetings instead of regular meetings.

Additional Meeting Notice Posting Locations: The Board discussed additional meeting notice posting locations, and expressed a desire that meeting notices (without agendas) be posted at least two weeks prior to each meeting on the three mailbox units in the District.

Following discussion, upon motion duly made by Director Wright, seconded by Director Martin and, upon vote, unanimously carried, the Board approved the posting of future meeting notices in the additional locations. Director Wright agreed to post the meeting notices upon receipt from Mr. Solin.

Adoption of Resolution No. 2023-08-01, Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices: The resolution was not required. No action was taken by the Board.

Directors' Fees: The Board deferred this matter.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Martin, seconded by Director Wasserman and, upon vote, unanimously carried, the meeting was adjourned at 7:21 p.m.

Respectfully submitted,

By: 
Secretary for the Meeting