

## RECORD OF PROCEEDINGS

### MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF SOUTH SLOAN'S LAKE METROPOLITAN DISTRICT NO. 2 ("District")

Held: Friday, November 19, 2021, 10:30 a.m.

The meeting was held telephonically without any individuals attending in person.

#### **ATTENDANCE**

A Special Meeting of the Board of Directors of the South Sloan's Lake Metropolitan District No. 2, City and County of Denver, Colorado ("Board"), was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following Directors present and acting:

Cameron R. Bertron, President  
Sarah Lavery, Assistant Secretary  
Carl Koelbel, Treasurer  
Beth Ellertson, Assistant Secretary

Also present were:

AJ Beckman, District Manager, Public Alliance, LLC  
Noel Nail, Administrative Manager, Public Alliance, LLC  
Jon Hoistad, Esq., McGeady Becher P.C.  
Margaret Henderson, CliftonLarsonAllen LLP

#### **ADMINISTRATIVE MATTERS**

Disclosure of Potential Conflicts of Interest: Attorney Hoistad noted a quorum was present and discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State. The members of the Board were requested 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 statute. It was noted by Attorney Hoistad that disclosures of potential conflicts of interest were filed with the Secretary of State by the statutory deadline.

Agenda: The Board reviewed the Agenda for the meeting and following discussion, upon motion duly made by Director Bertron, seconded by Director Lavery and, upon vote, unanimously carried, the Board approved the Agenda as presented.

Meeting Location: The Board entered into discussions regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the

District's Board meeting. Following discussion, upon motion duly made by Director Bertron, seconded by Director Lavery and, upon vote, unanimously carried, the Board determined that the meeting was held telephonically without any individuals attending in person. The Board further noted that notice of this telephonic meeting was posted within the boundaries of the District and the Board has not received any objections to the format or any requests that the meeting format be changed by taxpaying electors within the boundaries of the District.

Public Comment: There was no public comment.

Resolution Establishing Regular Meeting Dates, Time, and Location, Establishing District Website and Designating Posting Location for 24-Hour Notices: Mr. Beckman discussed the possibility of returning to in-person meetings. Director Ellertson noted that virtual meetings are much more convenient and recommended that the Board continued meeting virtually. Following discussion, the Board concluded that Regular Meetings in 2022 should occur virtually on the third Friday of February, May, August, and November at 9:30 a.m.

Upon a motion duly made by Director Bertron, seconded by Director Koelbel and upon vote, unanimously carried, the Board approved the Resolution No. 2021-11-01 Establishing Regular Meeting Dates, Time, and Location, Establishing District Website and Designating Posting Location for 24-Hour Notices.

Insurance and Special District Association (SDA) membership renewal: Following discussion and review, upon the motion of Director Bertron, second of Director Koelbel and upon vote, unanimously carried, the Board voted to renew its insurance and membership with the Special District Association.

District Transparency Notice: Upon motion of Director Bertron, second of Director Koelbel and upon vote, unanimously carried, the Board directed Mr. Beckman to post to the District's website and the SDA website in order to meet the requirements of Section 32-1-809, C.R.S., for 2022.

**CONSENT AGENDA:** The Board considered the following items on the Consent Agenda:

- Approval of the May 21, 2021, June 18, 2021, and September 17, 2021 Special Board Meeting Minutes and the June 4, 2021 Continued Board Meeting Minutes.
- Approval of Service Agreement with Landscape Services by and between the District and Brightview Landscape Services, Inc. ("BrightView") for 2022 landscaping services.
- Approval of Service Agreement for Snow Removal by and between the District and Brightview for 2022 snow removal services.

Mr. Beckman reviewed the Brightview Service Agreements with the Board.

He noted that the scope of work includes trash removal once per week in colder months, and twice per week during the busier warmer months. Mr. Beckman noted that the snow removal services do not include any dedicated snow removal equipment, which would require the purchase and storage of such equipment by the District.

Director Bertron asked Director Koelbel if he is aware of a parking space in the Block 3 parking which could be rented to the District for storage of snow removal equipment. Director Koelbel noted that he will check into the availability and report back to the Board.

Following discussion, upon a motion duly made by Director Bertron, seconded by Director Koelbel and, upon vote, unanimously carried, the Board approved the Consent Agenda.

## **OPERATIONS MATTERS**

Holiday Lighting: Following discussion, upon a motion duly made by Director Bertron, seconded by Director Koelbel and, upon vote, unanimously carried, the Board approved the Service Agreement for Holiday Lighting by and between the District and Diggable Designs Landscape Construction, LLC.

Design Review: The Board discussed a limited need for design review. Upon a motion duly made by Director Bertron, seconded by Director Koelbel and, upon vote, unanimously carried, the Board approved the Design Review Service Agreement by and between the District and Livable Cities Studio, Inc.

Chapel Roof Repair: Following discussion, upon a motion duly made by Director Bertron, seconded by Director Koelbel and, upon vote, unanimously carried, the Board approved the Construction Contract for Roof Repairs by and between the District and Academy Roofing, Inc.

## **FINANCIAL MATTERS**

District Bank Account: Following discussion, upon a motion duly made by Director Bertron, seconded by Director Koelbel and, upon vote, unanimously carried, the Board authorized opening a District Bank Account, with all Board members as signers and all checks requiring two signatures, if necessary.

Payment of Claims: Ms. Henderson presented for the Board's review and consideration the claims list for the period ending September 15, 2021. Following review, upon motion duly made by Director Bertron, seconded by Director Koelbel and, upon vote, unanimously carried, the Board ratified approval of the payment of claims as presented.

Financial Statements: Ms. Henderson reviewed with the Board the unaudited financial statements for the period ending September 30, 2021.

Upon a motion duly made by Director Bertron, seconded by Director Koelbel

and, upon vote unanimously carried, the Board accepted the unaudited financial statements for the period ending September 30, 2021.

2021 Audit: Following discussion, upon a motion duly made by Director Bertron, seconded by Director Koelbel and, upon vote, unanimously carried, the Board approved the engagement of Haynie & Company to perform the 2021 Audit.

Reserve Study: Mr. Beckman presented for Reserve Study to the Board. He noted that the District has a healthy reserve, and the study recommends an initial contribution of \$150,000, and an annual contribution to be determined each year thereafter.

Director Bertron requested that Ms. Henderson show the reserve as a clear line item on the unaudited financial statements going forward.

Upon a motion duly made by Director Bertron, seconded by Director Koelbel and, upon vote unanimously carried, the Board accepted the reserve study and approved funding of the reserves from the fund balance of the General Fund in the initial amount of \$150,000, with subsequent amounts to be determined annually.

Public Hearing Regarding 2022 Budget, Appropriating Sums of Money, and Certification of a Mill Levy: Upon motion duly made by Director Koelbel, seconded by Director Bertron and upon vote, unanimously carried, the Board opened the Public Hearing regarding the proposed 2022 Budget. It was noted that Publication of Notice stating the Board would consider adopting the 2022 Budget and the date, time, and place of the public hearing was made in a newspaper having general circulation within the District. Hearing no public comment, the public hearing was closed.

Ms. Henderson reviewed the 2022 Budget with the Board. She noted that a transfer from District No. 1 will move all funds to District No. 2. All general fund expenditures that previously flowed through District No. 1 will now flow through District No. 2.

Following discussion and review, upon a motion duly made by Director Koelbel, seconded by Director Bertron and, upon vote, unanimously carried, the Board adopted resolution 2021-11-03 to Adopt the 2022 Budget and Appropriate Sums of Money, and Resolution 2021-11-04 to Set Mill Levies (10.000 mills to the General Fund and 27.054 mills to the Debt Service Fund, for a total of 37.054 mills), and authorized the execution of the Certification of Budget. The District Accountant was directed to transmit the Certification of Tax Levies to the Denver Assessor not later than December 15, 2021. The District Manager was directed to Transmit the Certification of Budget to the Division of Local Government no later than January 30, 2022.

Resolution Authorizing Adjustment of the District Mill Levy in Accordance

with the Service Plan: Following discussion and review, the Board determined that this Resolution was not necessary.

Authorize District Accountant to File DLG 70: Following discussion, upon motion duly made by Director Bertron, seconded by Director Koelbel and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare, sign, and file form DLG 70 for certification to the City and County of Denver and all other interested parties.

2023 Budget Preparation: Following discussion and review, upon a motion duly made by Director Bertron, seconded by Director Koelbel and, upon vote, unanimously carried, the Board approved the appointment of CliftonLarsonAllen LLP to prepare the 2023 Budget.

## **LEGAL MATTERS**

Access Easement Agreement from Sloan's Block 3 LLC: Attorney Hoistad reviewed the agreement with the Board and discussed the steps necessary to complete the dissolution of District No. 1. Following discussion, upon a motion duly made by Director Bertron, seconded by Director Koelbel and, upon vote, unanimously carried, the Board acknowledged the grant of Access Easement from Sloan's Block 3 LLC to the District.

Acknowledge Bills of Sale and Bargain and Sale Deed and acceptance of the conveyances of the Chapel and all appurtenances thereon, Vault and Storm Water Improvements, and Tracts A and E, Sloan's Lake Filing No. 1.: Attorney Hoistad reviewed the conveyance documents for the improvements.

Upon a motion duly made by Director Bertron, seconded by Director Koelbel and, upon vote, unanimously carried, the Board acknowledged the Bills of Sale and Bargain and Sale Deed and acceptance of the conveyances of the Chapel and all appurtenances thereon, Vault and Storm Water Improvements, and Tracts A and E, Sloan's Lake Filing No. 1.

District Website: Attorney Hoistad noted that the District had previously engaged Colorado State Internet Portal Authority (SIPA), but they have not begun work yet and the queue is long. He noted that Mr. Beckman had suggested that Public Alliance, LLC could build a cost-effective website that would also include the ability to schedule events held at the Chapel Plaza. Mr. Beckman added that he estimates the cost to create the website for approximately \$1,500 and can then maintain them at the normal management rate.

Following discussion and review, upon a motion duly made by Director Bertron, seconded by Director Koelbel and, upon vote unanimously carried, the Board directed Public Alliance to create and maintain the District's website.

May 3, 2022 Election: Attorney Hoistad informed the Board that there were two members up for re-election: Directors Ellertson and Director Koelbel. He

explained that self-nomination forms are due by February 25, 2022.

Following discussion and review, upon a motion duly made by Director Bertron, seconded by Director Koelbel and, upon vote, unanimously carried, the Board adopted a Resolution calling May 3, 2022 Election for Directors, appointing Designated Election Official (“DEO”) and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

**CONSTRUCTION /  
DEVELOPMENT  
ITEMS**

It was noted that this item is no longer necessary as construction is complete.

**BOARD MEMBER  
ITEMS**

Director Ellertson asked about the turnover of the landscaping contracts. She expressed concern regarding fall cleanup as it had not been done to date. Mr. Beckman reported that EDI indicated that it would be done in the next few days, but he would get in touch via email and would copy her.

**OTHER ITEMS**

Mr. Beckman informed the Board that this meeting constituted the District’s required annual meeting. The Board acknowledged the annual meeting.

The Board cancelled the December 17, 2021 meeting.

**ADJOURNMENT**

There was no other business to come before the Board and the meeting was adjourned at 11:27 a.m.

The foregoing record constitutes a true and correct copy of the Minutes of the above referenced meeting.

DocuSigned by:

*Sarah Laverty*

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Secretary