

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE
BOARD OF DIRECTORS OF
SOUTH SLOAN'S LAKE METROPOLITAN DISTRICT NO. 2
HELD
August 19, 2022

A regular meeting of the Board of Directors ("Board") of the South Sloan's Lake Metropolitan District No. 2 ("District") was convened on Friday, August 19, 2022, at 9:30 a.m. This District Board meeting was held via Zoom Videoconference. The meeting was open to the public.

ATTENDANCE

Directors present and acting:

Sarah Lavery, Assistant Secretary

Carl Koelbel, Treasurer

Beth Ellertson, Assistant Secretary, for a portion of the meeting

Also present were:

AJ Beckman, District Manager, Public Alliance, LLC

Noel Nail, Administrative Manager, Public Alliance, LLC

Sarah Warner, Field Superintendent, Public Alliance, LLC

Megan Becher, Esq., McGeady Becher P.C.

Margaret Henderson, CliftonLarsonAllen LLP

James Bettis, Member of the Public

Brian Levitt, Member of the Public

**ADMINISTRATIVE
MATTERS**

Disclosure of Potential Conflicts of Interest: Attorney Becher 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 Becher 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 Koelbel, seconded by Director Lavery and, upon vote, unanimously carried, the Board approved the Agenda as amended to appoint Board Members at the end of the meeting.

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 Koelbel, seconded by Director Lavery and, upon vote,

unanimously carried, the Board determined to conduct this meeting via Zoom videoconference. The Board noted that notice of this meeting and Zoom meeting information was duly posted on the District's website and the Board had not received any objections to the Zoom meeting or any requests that the meeting be changed by taxpaying electors within the District's boundaries.

Board Resignation: The Board acknowledged the resignation of Director Bertron effective August 4, 2022.

Minutes of May 20, 2022 Regular Meeting: Following discussion and review, upon a motion duly made by Director Koelbel, seconded by Director Laverty and, upon vote unanimously carried, the Board approved the Minutes as presented.

Service Agreement with Matrix Design Group, Inc.: Following discussion and review, upon a motion duly made by Director Koelbel, seconded by Director Laverty and, upon vote unanimously carried, the Board ratified the Service Agreement.

Public Comment: There was no public comment.

FINANCIAL MATTERS

Payment of Claims: Ms. Henderson presented for the Board's review and consideration a statement of claims for the period of May 12, 2022 through August 14, 2022. Following review, upon motion duly made by Director Koelbel, seconded by Director Laverty and, upon vote, unanimously carried, the Board approved the payment of claims as presented.

Unaudited Financial Statements: Ms. Henderson presented for the Board's review and consideration the unaudited financial statements.

Director Laverty inquired about the flow of funds through the Denver Urban Renewal Authority ("DURA").

Attorney Becher explained that the District is in an urban renewal area. Tax revenues paid into DURA are remitted back to the District.

Director Koelbel inquired about snow removal costs. Mr. Beckman explained that the District engaged BrightView Landscaping for 2021, and the level of service was much higher in response to requests from property owners and businesses, however the costs were higher as well. In addition there were a high number of snow events that reached trigger depth. He reported that the new vehicle purchased by the District for snow removal is expected to arrive in September and should help control the cost of snow removal.

Discussion ensued regarding the scope of the agreement with the snow

removal contractor for the upcoming season. Mr. Beckman noted that the scope should be clarified, and the amount of hand labor decreased.

Upon a motion duly made by Director Koelbel, seconded by Director Laverty and, upon vote unanimously carried, the unaudited financial statements were approved as presented.

2023 Budget discussion: Mr. Beckman presented for the Board's review and discussion a preliminary draft budget, with estimates of the District's finances at the end of 2022. He reported that the biggest costs are in landscaping and improvements.

He recommended that the District consider increasing the scope of pet scooping and pet station servicing in 2023.

OPERATIONS **MATTERS**

Manager's Report: Mr. Beckman presented for the Board's review and consideration a manager's report. He noted that the landscaping improvements on 17th Avenue and on Quitman Street between 16th Avenue and 17th Avenue have received positive feedback. Signs have been installed asking to keep pets off the vegetation.

Mr. Bettis inquired about unplanted holes appearing in various locations throughout the installation. Mr. Beckman reported that several of the newly planted shrubs have been stolen. Ms. Warner reported that BrightView has replaced the stolen plants for free on a one-time basis.

Mr. Beckman updated the Board on the Block 3 stormwater ejector pump. He reported that the surrounding structure will be inspected by an engineer in an effort to find what is contributing to the debris getting jammed in the pump impeller.

Discussion ensued regarding vaults, the cadence of inspections, and cleaning.

Mr. Beckman presented for the Board's review and consideration a list of quotes from different pet scooping companies. He noted that he believes the highest level of service would come from Muttley's Maids and will require a \$40,000 budget line item in 2023. He recommended that the Board consider taking on higher level of services in 2023 due to current year budget constraints.

Chapel Activation: Mr. Beckman noted that due to the District's budgeting constraints, this item has been pushed until 2023.

Pet station and pet scooping services: It was noted that this was covered in the manager's report. No action was taken.

Matrix Design Group, Inc.: Mr. Beckman noted that the recommendations are for identifying plants that work best in this District, adding concrete pads where water comes in, and keeping the growing median from the contamination of the street. No action was taken.

BrightView Change Order Nos. 6 and 7: Mr. Beckman reviewed the change orders with the Board. He explained that these were for repairs for vandalized sprinkler heads.

Upon a motion duly made by Director Koelbel, seconded by Director Laverty and, upon vote unanimously carried, the change orders were approved.

Service Agreement with Boyer and Seely, Inc.: Mr. Beckman reviewed a service agreement with Boyer & Seely, Inc. d/b/a/ Boyer Sales for removal and inspection of stormwater ejection pumps. He explained that the ejector pumps will be removed from the vault and then repaired.

Upon a motion duly made by Director Koelbel, seconded by Director Laverty and, upon vote unanimously carried, the service agreement was approved.

**BOARD MEMBER
ITEMS**

Appointment of Board Members: The Board discussed the vacancies on the Board. It was noted that pursuant to Section 32-1-808(2)(a)(I), C.R.S., publication of a Notice of Vacancy on the Board was published in a newspaper having general circulation in the District and that no Letters of Interest from qualified eligible electors were received within ten (10) days of the date of such publication.

As such, eligible electors, James Bettis and Brian Levitt, were nominated to serve on the Board. Following discussion, upon motion duly made by Director Koelbel, seconded by Director Laverty, and upon vote unanimously carried, the Board appointed James Bettis and Brian Levitt to fill the vacancies on the Board. The Oaths of Office were administered.

Appointment of Officers: Following discussion, upon motion duly made by Director Koelbel, seconded by Director Laverty and, upon vote, unanimously carried, the Board appointed the following slate of officers: Director Ellertson as President, Director Koelbel as Treasurer, and Directors Bettis, Laverty, and Levitt as Assistant Secretaries.

President:	Director Ellertson
Treasurer:	Director Koelbel
Assistant Secretaries:	Directors Laverty, Bettis, and Levitt

Director Ellertson suggested that she and Director Bettis meet offline to discuss how they could divide the responsibilities as homeowners in the District. She asked Mr. Beckman to follow up regarding the vaults in order

to avoid major repair or replacement. Mr. Beckman noted that he thinks this should be added to next year's budget, as this year is stretched thin.

Director Lavery announced that if anyone knows of a resident that would like to be on the board, she would step down. Director Koelbel noted that he would reach out to the O'Dells to see if they are interested.

LEGAL MATTERS

There were no legal matters.

OTHER MATTERS

There were no other matters.

ADJOURNMENT

There was no other business to come before the Board, and upon a motion duly made by Director Koelbel, seconded by Director Lavery, and upon vote unanimously carried, the meeting was adjourned at 11:12 a.m.

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

DocuSigned by:

Sarah Lavery

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Secretary