

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE PARK MEADOWS METROPOLITAN DISTRICT

Held: Monday, October 23, 2017 at 5:00 P.M. at the Lone Tree Civic Center, 8527 Lone Tree Parkway, Lone Tree, Colorado.

Attendance:

A regular meeting of the Board of Directors of the Park Meadows Metropolitan District was scheduled in compliance with the laws of the State of Colorado, with the following directors in attendance:

Greg Kelly
Sharon Van Ramshorst
Steve Parry
Martha Sippel
Tom Haning

Also present were:

John Cotten, IMEG Corp.; Kristin Baumgartner, Assistant City Manager and Finance Director, City of Lone Tree; Whitney Miller and Pam Kelly, Park Meadows BID; Mike Crespin, BrightView Landscape Services, Inc.; Bob Blodgett, Christine Harwell and Patrick Shannon, CliftonLarsonAllen LLP; Anna Wool, Icenogle Seaver Pogue, P.C.; Stephen Mack and Michael Trippler, Cypress Greens at Lonetree Homeowners Association, Inc.

Call to Order/ Declaration of Quorum:

Director Kelly, noting the presence of a quorum, called to order the regular meeting of the Board of Directors of Park Meadows Metropolitan District at 5:00 P.M.

Directors Matters/Disclosure Matters:

None.

Public Comments:

Mr. Mack addressed the Board regarding the Cypress Greens HOA's actions in removing the District's Smart Controllers, stating he intended to resolve the issue at the meeting. Mr. Mack acknowledged violation of the Landscape Services and License Agreement and expressed frustration regarding the handling of the violation.

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- Approval of Agenda: Director Sippel moved to approve the agenda, as presented. Director Van Ramshorst seconded the motion which was approved unanimously by the Board.
- Consent Agenda: Director Van Ramshorst requested the September 25, 2017 special meeting minutes be revised in the Board Study Session on 2018 Budget section to reflect Director Kelly's inquiry as to interest in going out for bids for landscaping or management services and that Director Van Ramshorst supported going out for bids for management services. Director Parry moved to approve the consent agenda comprising minutes of the September 25, 2017 special (as revised) and regular meetings and the work order for high pruning from the October 8th snow storm. The motion was seconded by Director Van Ramshorst and unanimously approved by the Board.
- Landscape Maintenance:
 October Landscape
 Maintenance Report: Mr. Crespin reported completion of two turf conversion projects at Lincoln and Yosemite. Mr. Crespin will begin working with GeoLens to input mapping and landscape information to the GeoLens software. Mr. Crespin noted his meeting with representatives of Flat Iron Construction regarding C-470 widening impacts on the District's Acres Green medians. Mr. Crespin reported BrightView will absorb the cost to maintain the new County Line Road concrete medians as requested by the City of Lone Tree without additional cost to the District. Mr. Crespin commented on the source of the additional 2 million gallons of water used in the last three months above the average use, which appears to have been a valve that was manually turned on at the Lone Tree fountain at Yosemite and Lone Tree Parkway. Director Sippel stated she does not want this to recur. Mr. Crespin also met with representatives from the City of Lone Tree regarding the valve.
- October Proposed Work
 Orders: Following discussion, Director Van Ramshorst moved approval of the proposed work orders for November pest control in an amount not-to-exceed \$1,750, and the addition of cobble and Red Breeze to soften edges at the turf conversion areas at Yosemite and Carriage Club in an amount not to exceed \$1,173. The motion was seconded by Director Kelly and approved unanimously by the Board.
- Status of Cypress Greens
 HOA Controllers: Mr. Mack expressed concern regarding the dispute with the District and requested assurance the dispute would be resolved upon payment of a settlement amount of \$2,500, noting he had

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in his possession a signed settlement check in the amount of \$2,500. Director Kelly noted water usage by the HOA had decreased since 2010 following installation of Smart Controllers and clarified that prior settlement offers had not been rejected. Following additional discussion, Director Haning moved to accept the settlement offer from Cypress Greens HOA in the amount of \$2,500. The motion was seconded by Director Parry and approved unanimously by the Board.

Director Sippel read the following statement for the record:

“Uninformed, uneducated, and unfounded accusations by one HOA property manager resulted in hours of time for both Park Meadows Metropolitan District’s (PMMD) professionals and some of our Board members. The Landscape Agreement chronology is readily available under the “Services” tab on the PMMD website. History shows that initially the HOAs were responsible for both right-of-way maintenance and water. In 1999, the City approved a policy that the City would pay for landscape right-of-way maintenance to residential HOAs. In 2000, the City asked PMMD to take over maintenance and we have done so responsibly, improving both hardscape and soft landscape areas while implementing technology using water conservations measures for the last 7 years. The City reimbursed PMMD for this expense until 2007. In 2007, the City requested that PMMD pay for the cost of landscape maintenance without reimbursement in the future. Since January 1, 2008, PMMD has maintained the rights-of-way for 12 HOAs and 12 commercial properties who each signed agreements. Most agreements were signed by board officers; however, only three were signed by a property manager (Cypress Greens, Country Club Estates, and Centennial Ridge). As a board director, it is very discouraging that one HOA is asking all PMMD residents to pay for the costs their bad decisions and actions caused PMMD to incur.”

Mr. Trippler introduced himself as the incoming president of Cypress Greens HOA. He requested the Board reach out to him in the future and hopes to improve the relationship with the District.

The Board discussed responsibility for adjusting the Smart Controllers pursuant to the landscape maintenance agreements between the District and area HOAs. Mr. Blodgett noted this has been the first water-related issue with an HOA in 17 years.

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Park Meadows Mall BID
Proposal:

Ms. Kelly presented the Park Meadows BID's proposed landscaping project aimed to keep the Park Meadows Mall aligned with City standards. The Park Meadows BID requested \$975,341 in contributions from the District. Mr. Blodgett stated that approximately 1/3 of the District's annual tax revenue comes from Mall. Ms. Miller described the proposed plantings for the project.

Director Kelly questioned whether the District could phase funding over two years. Director Van Ramshorst noted the size of the funding request, and Director Parry noted the District's contributions to enhance ingress and egress at the Mall and commented on accessibility improvements, including the light rail and pedestrian and bicycle access. Following additional discussion, the Board thanked Ms. Kelly and Ms. Miller for their presentation.

At Director Kelly's request, Ms. Harwell distributed copies of a revised 2017-22 CIP which fully funded the BID's request with \$500,000 in 2018 and 2019 with available funds. The Board tabled discussion to the November 27 Board meeting.

City of Lone Tree Request
for Maintenance of New
County Line Road Concrete
Medians:

Mr. Cotten presented the City's request for District maintenance of new concrete medians in County Line Road. Ms. Wool reviewed the Amendment to Public Improvement Project Designation Addendum No. 5 with the Board. Following discussion, Director Kelly moved approval of the Amendment. The motion was seconded by Director Sippel and unanimously approved by the Board.

Construction Project Items:
Review of 2017-2021
Capital Improvement
Projects Plan:

The Board reviewed the 2017-2021 Capital Improvement Projects Plan. Ms. Harwell noted the General Fund Transfer amounts have been maximized to allow consideration of additional projects. The Board discussed the presentation and perception of the projects as recommended versus committed. Ms. Harwell assured the Board that funds were not committed. Director Van Ramshorst reported discussion with Mayor Millet from the City of Lone Tree regarding funding sources other than the District. The Board discussed allocating funds to a capital projects reserve fund rather than specific projects.

New Landscaped Median in
Yosemite (Park Meadows
Drive to C-470):

The Board determined to move discussion on this item to the November meeting.

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County Line Road Improvements Update: Mr. Cotten reported the status of the project. The additional lanes are complete, and striping and sodding is near completion. The traffic signal is anticipated to be functioning by November 9.

C-470 Widening Impact on Acres Green Medians: The Board discussed the widening of the C-470 bridge over Acres Green, including the addition of a new bridge pier on the south and north in the Acres Green median.

Financial Items:

September 30, 2017 Financial Statements, October 16, 2017 Cash Position and Property Tax Schedule: Ms. Harwell reviewed the September 30, 2017 Financial Statements and the October 16, 2017 Cash Position Report and Property Tax Schedule with the Board. Director Sippel moved approval of the Financial Statements, Cash Position Report and Property Tax Schedule. The motion was seconded by Director Kelly and approved unanimously by the Board.

September Claims: Mr. Blodgett reviewed the September 2017 claims totaling \$62,175.31 plus directors fees. Thereafter, Director Parry moved approval of the claims. The motion was seconded by Director Van Ramshorst and approved unanimously by the Board.

Manager's Items:

2018 Budget Process: Ms. Harwell reviewed the 2018 budget process with the Board and noted the increased allocation to election costs, website maintenance and engineering services. The Board discussed conflicting reports from the City of Lone Tree regarding the District procuring general engineering services. Mr. Cotten commented on the origin of the District's use of the City's engineering firm as a result of collaboration between the District and the City. Ms. Baumgartner will confirm with Seth Hoffman, City Manager, as to whether the District is being asked to obtain separate engineering services.

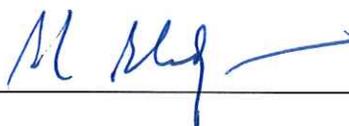
The Board continued discussion as to the presentation of recommended versus committed capital projects in the adopted budget.

Denver Water Usage Reports:

Mr. Blodgett reported meeting with Director Sippel and representatives from Denver Water on October 16. The District is not receiving monthly water usage reports from Lone Tree Terrace HOA and Ridgeview HOA. District management will request authorization to receive these reports and will not pursue amendments to the landscape services agreements with the area HOAs at this time.

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- Director Van Ramshorst noted she had recently attended the HOA Summit where she announced the District's request that all area HOAs provide authorization to permit the District to review the water usage reports.
- Website Update: Mr. Blodgett noted the need to update the chronology shown on the website and will work with Director Sippel on this matter.
- Status of GeoLens Work: Mr. Crespin is working with GeoLens to update the mapping software to show shrub beds, medians, and areas maintained by the District.
- Attorney's Items: None.
- Director's Items:
 Status of Agreement with Heritage-Enclave HOA: Director Kelly addressed ongoing negotiations with the Heritage-Enclave HOA regarding District maintenance of HOA-owned landscaped areas and the HOA's proposal to convey its property to the City. Director Kelly noted the proposed conveyance does not include one landscaped tract, which will need to be addressed.
- The Yard Development: Director Van Ramshorst questioned Mr. Cotten regarding the proposed Yard development and the effect on the District's median. Mr. Cotten stated that the City planned to build a median even if the Yard project is not developed. Mr. Cotten also clarified that the medians will not be affected in the widening of Yosemite Street.
- Other Items: None.
- Adjournment: There being no further business to come before the Board, upon motion made by Director Kelly and seconded by Director Van Ramshorst, the meeting was adjourned at 7:02 P.M.



 Secretary