

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF LOVELAND MIDTOWN METROPOLITAN DISTRICT HELD May 10, 2023

The Board of Directors (collectively, “Board”) of the Loveland Midtown Metropolitan District, (“District”) held a special meeting, open to the public, via Zoom/Telephone conference; at 10:30 a.m. on Wednesday, May 10, 2023. Notice of the meeting was duly posted.

ATTENDANCE

Directors in Attendance:

Blaine Rappe, President
Eric Holsapple, Vice President
Jeff Mere, Director
Vince Ealey, Director
Chris Johnston, Secretary/Treasurer

Also in Attendance:

Deborah Early, Esq.; Icenogle Seaver Pogue, P.C.
Shannon Randazzo, Elaina Cobb, Shannon McEvoy, Bryan Newby,
Dillon Gamber, Teresa Adler, Wendy McFarland, and Christy
McCutchen; Pinnacle Consulting Group, Inc.

ADMINISTRATIVE MATTERS

Call to Order/Declaration of Quorum/ Director Disclosure of any Potential Conflicts of Interest/Confirm Location and Notice of Meeting: The meeting was called to order at 10:35 a.m. by Ms. Randazzo, noting that a quorum was present. The directors in attendance confirmed their qualifications to serve.

Ms. Early noted that conflicts of interest for Directors Rappe, Holsapple and Johnston were filed with the Office of the Colorado Secretary of State. Ms. Early advised the Board that pursuant to Colorado law, certain disclosures by the Board Members might be required prior to taking official action at a meeting. The Board reviewed the agenda for the meeting, following which each Board Member present confirmed the contents of the written disclosures previously made stating the fact and summary nature of any matters as required under Colorado law to permit official action to be taken at the meeting. Additionally, the Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act.

Agenda: The Board reviewed the agenda. Upon motion duly made by Director Rappe, seconded by Director Johnston and, upon vote, unanimously carried, it was

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RESOLVED to approve the agenda, as presented.

November 21, 2022, Special Meeting Minutes: The Board reviewed the November 21, 2022, Special Meeting Minutes. Following review, upon a motion duly made by Director Johnston, seconded by Director Rappe, and upon vote, unanimously carried, it was

RESOLVED to approve the November 21, 2022, Special Meeting Minutes, as presented.

PUBLIC COMMENT

There were no comments made by members of the public.

MANAGEMENT/ OPERATIONS MATTERS

Manager's Report: Ms. Randazzo, Ms. McCutchen, and Mr. Gamber reviewed the Manager's Report with the Board and answered questions.

Discussion Regarding Drainage Easement Agreement: Ms. Early provided an update to the Board on the Walmart Drainage Easement Agreement and answered questions. Mr. Early noted she has been unable to contact a representative from Walmart and stated she will send a certified letter to the corporate office. The Board directed Mr. Gamber to move forward with having Mill Brothers Landscape Group move the grass in the retention pond area.

Ratification of Contract Modifications: Mr. Gamber presented the Contract Modifications Report to the Board and answered questions. Following review and discussion, upon a motion duly made by Director Holsapple, seconded by Director Johnston, and upon vote, unanimously carried, it was

RESOLVED to approve the Contract Modifications Report, as presented.

FINANCIAL MATTERS

Payment of Claims: Ms. Adler reviewed the payment of claims with the Board for the period November 10, 2022, through May 02, 2023, in the amount \$132,687.79 and answered questions. Following review and discussion, upon motion duly made by Director Holsapple, seconded by Director Johnston, and upon vote, unanimously carried, it was

RESOLVED to ratify the payment of claims for period ending May 02, 2023, in the amount of \$132,687.79, as presented.

Ratification of 2022 Audit Exemption: Ms. Adler requested ratification of the 2022 Application for Exemption from Financial Audit. Following

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review and discussion, upon motion duly made by Director Holsapple, seconded by Director Johnston, and upon vote, unanimously carried, it was

RESOLVED to ratify the 2022 Application for Exemption from Financial Audit.

Financial Statements: Ms. Adler presented the December 31, 2022, Financial Statements to the Board and answered questions. Following review and discussion, upon motion duly made by Director Holsapple, seconded by Director Johnston, and upon vote, unanimously carried, it was

RESOLVED to accept the December 31, 2022, Financial Statements as presented.

2022 AMENDED BUDGET HEARING

Ms. Randazzo opened the 2022 Amended Budget Hearing for public comment. It was noted that notice of the hearing had been published in accordance with state budget law. The Board reviewed the amended 2022 budgets, which detailed estimated revenues and expenditures.

General Fund: \$172,893

General Fund: \$188,097

There being no public input, Director Rappe closed the hearing. Following review and discussion, upon motion duly made by Director Holsapple, seconded by Director Mere, and upon vote, unanimously carried, it was

RESOLVED to approve the Resolution to Adopt the Amended 2022 Budget and appropriate funds for the District and authorize such further actions of the officers and consultants necessary to sign related documents and submit and file such documents required to finalize the amended budget.

FINANCIAL MATTERS CONTINUED

Discussion Regarding O&M Fees: Ms. Adler presented a proposal for implementing O&M fees. Ms. Adler explained that the District has continued to use fund balance each year to be able to pay the expenses for the general fund. Based on the 2023 projections the District will not have enough cash by the end of the year to pay the 2024 expenses. Director Holsapple requested this item be tabled until the preliminary assessed valuation is released on August 25th so that the District will know what the expected 2024 property tax revenue will be. Mere requested Pinnacle to look at their costs implementing O&M fees. Mr. McEvoy stated he would look at Pinnacle costs and report back on if there are any adjustments that may be needed.

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LEGAL MATTERS

Altitude Law Update: Ms. Early provided the Board with an update on the collection proposal and fee agreement provided by Altitude Law to assist District management with violations of the covenants. Ms. Early stated Altitude Law would charge the District a Flat Fee for collections and an hourly rate for any additional services provided. Ms. Early stated the District would only need to use them on an as needed basis but recommended allowing them to review the current covenant, conditions and restrictions policy and provide any recommendations they may have for any possible changes. Following review and discussion, upon motion duly made by Director Holsapple, seconded by Director Mere and, upon vote, unanimously carried it was

RESOLVED to approve the engagement of Altitude Law to provide legal assistance with outstanding violations and fees subject to final review by legal counsel.

SB 23-110 – Annual Meeting Requirement: Ms. Early discussed the passage of Senate Bill (SB) 23-110 which requires all special districts organized after January 1, 2000 to hold an annual meeting outside of any currently scheduled meeting, beginning in 2023, to present information on the status of the public improvement in the District and the bonds, to provide a presentation on unaudited financial statements for 2023, and to provide the public to ask questions. No action may be taken this meeting. It was the consensus of the Board to reschedule the current Board meeting scheduled for November 15th at 10:30am to November 16th from 4:00pm to 5:30pm and to hold the newly required annual meeting immediately following from 5:30pm to 6:30pm.

Notice of Claim: Ms. Early informed the Board that the District was named in a claim submitted to several government entities by an individual who claims he drove his vehicle off the side of a frontage in Loveland due to lack of signage. Ms. Early informed the Board the incident did not happen within the boundaries of the District and is not concerned with any liability issues arising. No action was required by the Board.

DIRECTOR'S ITEMS

Director Mere brought to the Board's attention the quality of the fence on Virgo Circle the was replaced last year due to a fire. Director Mere noted the fence is already in poor condition and will need to be replaced soon. Mr. Gamber informed the Board he has inspected the fence and concurs with Director Meres inspection and noted an assessment will occur later in the month and repairs will begin in June.

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OTHER
BUSINESS

There were no Other Business items presented to the Board for consideration.

ADJOURNMENT

Upon a motion by Director Holsapple, seconded by Director Rappe, and upon unanimous vote, the meeting was adjourned at 11:57 p.m.

Respectfully submitted,



For Elaine Cobb,
Secretary for the Meeting