

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE TIMBERS ESTATES METROPOLITAN DISTRICT AND OF THE WATER UTILITY ENTERPRISE HELD

November 7, 2022

A regular meeting of the Board of Directors of the Timbers Estates Metropolitan District (referred to hereafter as "Board") was convened on Monday the 7th day of November 2022, at 6:30 P.M., at the Timbers Estates Gatehouse, 26303 North Turkey Creek Canyon Road, Evergreen, Colorado and via teleconference.

Directors In Attendance Were:

David Hartvigsen, President
Kurt Schwartau, Vice President
Bob Latham, Treasurer
Bob Gress, Secretary
Rob Ginieczki, Assistant Secretary

Also In Attendance Were:

Kenny Parrish (via in person), Nicole Wing, Jason Woolard, Amanda Castle, and Wendy McFarland (via teleconference); Pinnacle Consulting Group, Inc. Linda Gress (via in person) and Mary Anne Thaxton (via teleconference); Residents

ADMINISTRATIVE/ MATTERS

Call to Order/Declaration of Quorum: Director Hartvigsen called the meeting to order at 6:30 p.m., noting that a quorum was present, with all five directors in attendance.

Agenda: Mr. Parrish requested removing the 2023 Meeting Resolution from the legal section and adding the 2023 Resolution Designating Posting Location. Following review and discussion, upon motion duly made by Director Gress, seconded by Director Schwartau and, upon vote, unanimously carried, the agenda was approved, as amended.

Consent Agenda: The Board considered the following items on the consent agenda:

1. Consider Approval of Minutes – September 26, 2022, Regular Meeting Minutes.
2. Ratify Claims for the Period through October 27, 2022.
3. Accept unaudited Financial Statements for the period ending September 30, 2022.

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Following review and discussion, upon motion duly made by Director Latham, seconded by Director Ginieczki and, upon vote, unanimously carried, the consent agenda items were approved pending requested revisions to the September 26, 2022, Regular Meeting Minutes noted by the Board.

OPERATIONS MATTERS

Board Member Status Reports and Comments:

- 1. Gatehouse.** Director Latham reported that mail was stolen early Sunday morning and in reviewing the video footage it was hard to make out the license plate, however, the video shows the car as a white Tesla. He would like to update the video footage to capture clearer images of license plates. Director Gress stated that he was a victim of this offense and would like to help. Director Latham suggested updating and cleaning the database as there are outdated codes still in there that are associated with previous residents who are no longer associated with the District. Director Latham stated that there is progress being made on signage. He suggested servicing the Gatehouses heater and furnace and using Shamrock Plumbing and Heating.
- 2. Perimeter Fence.** Director Ginieczki stated that the contractor, Line Fence, completed the remainder of the west side fencing that went from the gate to pond number three and wrapped around the corner of Tract C. He stated there is a request for installation of a new mailbox for a resident who recently moved into the District. He will send the bid to the resident. Also, within the bid there will be an estimate for replacement of the four-mailbox unit that was damaged as a result of a “bad driver”. Director Ginieczki reported there is fencing that is down by the construction site that will need posts to be reset and the fence will need to be reinstalled. There was another mailbox destroyed on the south side of the District and Director Ginieczki will get a bid for it.
- 3. Roadway Maintenance.** Director Schwartau stated that the crack seal that was completed ended up costing approximately \$11,000. He stated that the snowplow will not remove snow within the District unless there are four inches of snow or more and will wait until the next morning when there is a continuing storm. He plans on communicating the Snowplow Policy with the residents. Director Hartvigsen suggested circulating a letter to the residents advising them to be cautious with snowy and icy roads.
- 4. Tree Maintenance.** Director Hartvigsen reported that three more trees have been removed in Tract G and is expecting even more trees to be removed due to beetle kill. Director Schwartau requested that Pinnacle Consulting Group, Inc. help contact Xcel Energy to help remove, and

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stated that there is still a dead tree that needs to be removed by a power line in Tract F just off North Turkey Creek Road. Director Hartvigsen stated that there are several other trees within Tract A and B that are needing to be trimmed or removed due to beetles.

5. **Landscape Maintenance.** Director Schwartau stated there is not much to report. Director Latham noted that there is no longer an odor coming from the pump and that it has been stored at the Gate House.
6. **Street Number Signage Replacements.** Ms. Gress suggested contracting with Zuni Signs. She stated that the choices of material for installation of the posts are between three different natural rock materials and one that is concrete. Director Hartvigsen stated that many of the current posts are not set in concrete and were incorrectly installed. Ms. Gress stated she will provide the Board with a final estimate and will obtain a recommendation from the Timbers HOA regarding on the preference of stone or concrete. Director Hartvigsen suggested reaching out to the HOA to discuss the options of material of installation for the posts and if they are willing to share the costs as there is nothing in the TEMD Service Agreement regarding signage replacements for something that is a dramatic change in scope (cost). Director Hartvigsen suggested utilizing more natural materials in order to preserve the landscape within the District. The Board further discussed cost savings for the District on replacements and installation of new posts and signage. As noted in the September meeting, the suggestion was again made that the TEMD pay for the replacement of the existing signs and the homeowners be asked to pay the difference if they wanted to upgrade to the new, more expensive option.
7. **Fire Mitigation.** Director Hartvigsen reported there is still work being done on Tracts D, E and F and that approximately 500 trees have been removed with approximately 175 trees being preserved. The majority of trees that were removed were from Tract H. The trees that were removed in Tract H were agreed upon in cooperation with several homeowners, Cindy Latham, Director Hartvigsen, Colorado State Forest officials and the Evergreen Fire District. There is some concern now about the removal of the excess logs, as the amount was greater than the grant contemplated, according to Ms. Latham.
8. **Reservoir & Pond Matters.** Director Hartvigsen presented a proposal of utilizing an electric pump to do the water diversions and releases as required per the water decree with the State of Colorado instead of its continued use of gasoline pumps that have been used over the past decade. He stated that the new electric pump would be much more cost and time efficient. This new approach using a portable electric pump would render

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the previously contemplated approach of a submersible pump and infiltration gallery design that was originally proposed by Applegate Engineering many years ago. The construction of that type of system had become cost-prohibitive based on bids received over the last decade. Director Hartvigsen suggested working with Boulder Ground Water Systems to acquire the pump and vet the idea. Director Schwartau suggested collaborating with engineers on the design so that the pump does not suck up anything that would interfere with the system. Director Hartvigsen suggested that the District reserve an amount in the 2023 budget for this project, not to exceed \$50,000.

Following review and discussion, upon motion duly made by Director Hartvigsen, seconded by Director Gress and, upon vote, unanimously carried, the Board approved installation of an electric portable pump, at a cost not to exceed \$50,000 in the 2023 budget.

Director Gress suggested putting up signage around the District to warn residents and guests about the ice on the ponds. Director Hartvigsen suggested an email be distributed to the residents and that the sign be placed by the gatehouse. Director Hartvigsen reported that new breaker boxes by the ponds will be rebuilt and replaced to eliminate a safety concern and again to provide electrical capability for pumping needs to Lot 15, per the recent repairs.

9. **Potential Property Sale.** Director Hartvigsen stated that there was no update on this project and that it is likely to not move forward based on advice from legal counsel. Evan Ela has expressed concerns regarding the acquisition of water rights if the property were sold (Tracts E and F, plus potentially a portion of the Brekke property) for a single home.
10. **HOA Update.** Director Hartvigsen stated that the HOA should be receiving their election results this month. The Board discussed managing the HOA concurrently with future conflicts and challenges expected to dramatically diminish with the completion of the last home construction within the District. Director Hartvigsen stated he has been in communication with Mr. Woolard regarding Pinnacle Consulting Group, Inc. helping with administrative duties for the HOA. Mr. Woolard stated he would be open to moving forward with Pinnacle Consulting Group, Inc.'s taking over basic administrative duties for the HOA, however, would like to include legal counsel in on the communication. Director Hartvigsen stated that legal counsel is aware and that the District would look at amending the 2023 budget to include costs of an office administrator. White Bear, et al, has been the law firm utilized by the Timbers HOA to bring the HOA in compliance with changes to State

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statutes dating back as far as 2007. *NOTE: Pinnacle referred White Bear as a quality firm specializing in this type of legal work, several years ago.*

- 11. 2023 Budget Discussion.** Ms. Castle reviewed the 2023 proposed budgets with the Board. Director Hartvigsen requested reducing the fire mitigation total, the snowplow total, the accounting and management total, and the office dues and others total. Ms. Castle explained that the totals were reduced as much as they could be and explained the number of hours that goes into each project. Pinnacle Consulting Group, Inc. is very cognizant of how many hours it takes to manage a District and there could be some cost savings. Fire mitigation will be reduced to \$2,500, District management, which includes legal fees, will be reduced to \$142,806, General Fund revenues will be reduced to \$13,000, and will transfer 50,000 into the Divergent Fund.

Ms. Castle stated that there will be a change in the payables process starting the first of next month, in which the process will be moving in to bill.com rather than utilizing First Bank. Ms. Castle explained that bill.com is more user friendly and more cost efficient.

FINANCIAL MATTERS

Public Hearing regarding the proposed Amended 2022 Budget: Director Hartvigsen open the meeting for public comment. There being no public comment, Director Hartvigsen closed the public hearing.

Amended 2022 Budget, Resolution to Adopt Budget, and Appropriate Sums of Money: Ms. Castle presented the Amended 2022 Budget, Resolution to Adopt Budget, and Appropriated Sums of Money and answered questions. The budget and funds are as follows:

Original Adopted General Fund: \$157,419.00
Original Adopted Divergent Fund: \$30,968.00

Amended General Fund: \$164,728.00
Amended Divergent Fund: \$40,150.00

Following review and discussion, upon motion duly made by Director Schwartau, seconded by Director Gress and, upon vote, unanimously carried, the Board approved the Amended 2022 Budget; Resolution to Adopt Budget; and Appropriate Sums of Money as presented.

Public Hearing regarding the proposed 2023 Budget: Director Hartvigsen open the meeting for public comment. There being no public comment, Director Hartvigsen closed the public hearing.

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2023 Budget; Resolution to Adopt Budget; Certify Mill Levies and Appropriate Sums of Money: Ms. Castle presented the 2023 Budget; Certify Mill Levies and Appropriate Sums of Money to the Board and responded to questions. The budget and funds are as follows:

General Fund: \$
Divergent Fund: \$

Following review and discussion, upon motion duly made by Director Gress, seconded by Director Latham and, upon vote, unanimously carried, the Board approved the 2023 Budget; Certify Mill Levies and Appropriate Sums of Money as presented.

MANAGEMENT MATTERS

Manager's Report: Mr. Parrish reported that the District will be utilizing a new website, which is reflected in the 2023 Annual Administrative Matters Resolution for posting and compliance.

LEGAL MATTERS

2023 Annual Administrative Matter Resolution: The Board reviewed the 2023 Annual Administrative Matters Resolution.

Following review and discussion, upon motion duly made by Director Gress, seconded by Director Latham and, upon vote, unanimously carried, the Board approved the 2023 Annual Administrative Matters Resolution.

2023 Election Resolution: The Board reviewed the 2023 Election Resolution.

Following review and discussion, upon motion duly made by Director Schwartau, seconded by Director Ginieczki and, upon vote, unanimously carried, the Board approved the 2023 Election Resolution.

2023 Resolution Designating Posting Location: The Board reviewed the 2023 Resolution Designating Posting Location.

Following review and discussion, upon motion duly made by Director Schwartau, seconded by Director Gress and, upon vote, unanimously carried, the Board approved the 2023 Resolution Designating Posting Location.

OTHER BUSINESS

Community Comments: Ms. Thaxton requested that the Board look at a larger sized mailbox when replacing the mailboxes due to sizes of packages. She inquired about the governing documents she had requested from the Board.

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Director Hartvigsen stated he reviewed the notes about the governing documents and that the text in the HOA documents is being corrected regarding the management of common property. There are other portions of the text that will need corrected and will reflect that in the final document. Ms. Thaxton inquired about the HOA's upcoming election. Director Latham will coordinate with a Board member from the HOA and will circulate the information to the residents.

ADJOURNMENT

There being no further business to come before the Board the regular meeting of the Timbers Estates Metropolitan District adjourned at 8:15 p.m.

Respectfully submitted,

By: Nicole Wing
Nicole Wing, Secretary for the Meeting

The next regular meeting is scheduled for March 27, 2023

THE BOARD OF DIRECTORS SIGNING BELOW:

Dave Hartvigsen

Bob Latham

Rob Ginieczki

Kurt Schwartau

Bob Gress