

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF
INSPIRATION METROPOLITAN DISTRICT

Held: Monday, February 13, 2023, at 5:00 p.m. via video conference

Attendance

The Special Meeting of the Board of Directors of the Inspiration Metropolitan District was called and held as shown above and in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve on the Board, were in attendance:

Holly Svetz
Maurice Smith
Dennis Colwell
Aaron Curtiss
Rick Forsman

Also present were:

Heather Hartung, White Bear Ankele Tanaka & Waldron, Attorneys at Law; AJ Beckman, District Manager, Kate Innes, Resident Relations Manager, Sarah Warner, Landscape and Facilities Superintendent, Justin Janca, Landscape and Facilities Manager, Geol Scheirman, District Manager; Janelle Kelley, Brookfield Residential; Sharon Sulzle, Advanced Management (“AMI”); and Dawn Jones, CliftonLarsonAllen, LLP

The following members of the public were in attendance: Barbara Tung, Bob and Teresa LeGare, Carla Baglione, Courtney Thomas, Dave Svetz, David Bourcier, Debbie Hardesty, Debra Hessler, Diane Coston, Doug MacCarthy, Gerry White, Jaci Gentile, John Stanford, Jon Doyle, Karen Chambers, Kathy Forsman, Kevin Buehner, Mary Borman, Paul Westby, Rick Coldsnow, Russ Paper, Sharon Macway, Sheila Marko, Steve Powers, Jerry Stoffel, Tim Krabbenhoft, and Travis Krabbenhoft.

Call to Order

It was noted that a quorum of the Board was present, and the meeting was called to order at 5:00 p.m.

**Conflict of Interest
Disclosures**

Ms. Hartung advised the Board that pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Hartung reported that disclosures for those directors that provided White Bear Ankele Tanaka & Waldron with notice of potential or existing conflicts of interest were filed with the Secretary of State’s Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Ms. Hartung inquired into whether members of the Board had any additional disclosures of potential or existing conflicts of interest regarding any matters scheduled for discussion at the meeting. No additional disclosures were noted. The participation of the members present

was necessary to obtain a quorum or to otherwise enable the Board to act.

Approval of Agenda

Director Curtiss presented the agenda to the Board for consideration. Following discussion, and upon a motion duly made by Director Forsman and seconded by Director Colwell, the Board unanimously approved the agenda as amended to add concrete and landscape proposals for cobble in the community.

**May 2, 2023, Election;
Ballot Initiative
Presentation**

Director Curtiss introduced the ballot issue discussion as the first topic. Director Colwell presented a slide presentation explaining the upcoming ballot issue included on the May 2, 2023 election to decide whether sufficient revenue may be collected solely via property tax, allowing the quarterly fee to be eliminated.

Public Comment

Doug MacCarthy said that if the agenda was unclear what the ballot initiative is regarding and that it should have been made clearer. He noted that assessment rates could be up to 50% higher, according to Douglas County and commented that adjustments should be made accordingly. Director Curtiss explained that the Board adjusts the mill levy against the overall assessed valuation to keep revenues stable. Mr. MacCarthy suggested this information be included in the blue book language.

Judy Cioper noted that there were only forty-six people on the meeting viewing the presentation and asked how awareness in the community can be increased. Director Curtiss said the presentation will be posted on the website and sent via multiple newsletters until the mandatory quiet period preceding the election.

Robert Plowman asked what feedback we've received from other communities who have gone through this process. Director Curtiss said that often a ballot question related to a mill levy increase doesn't pass the first time, as resident education sometimes takes more than one election cycle. He pointed out that eliminating the quarterly fees would also eliminate the need to foreclose on neighbors to collect unpaid fees, and further noted there is a lot of operational work by staff required because of quarterly billing. Collecting revenue solely via property tax has been described to us by other districts as a best practice.

Consent Agenda

The following items on the consent agenda were considered routine or administrative. Following a summary by Director Colwell, and upon motion duly made by Director Svetz, seconded by Director Forsman, and upon vote unanimously carried, the Board took the following actions:

- Approved the January 10, 2022, Regular Meeting Minutes
- Approved the Common Area Committee Minutes from November 15, 2022
- Approved the Finance Committee Minutes from December 5, 2022 and January 9, 2023
- Approved the Residential Improvement Committee Minutes from December 21, 2022
- Approved the Services Center Committee Minutes from January 4, 2023
- Ratified the First Addendum to the Independent Contractor Agreement with Front Range Recreation, Inc. for new filter media and updates to chemical controller
- Ratified the Independent Contractor Agreement with H & L Concrete, Inc. d/b/a Naranjo Civil Constructors, Inc. for additional concrete trail
- Ratified the First Addendum to the Independent Contractor Agreement with H & L Concrete, Inc. d/b/a Naranjo Civil Constructors, Inc. for concrete repair during trail construction

Management Update
Manager's Report

Mr. Beckman reviewed the management report with the Board (attached hereto and incorporated herein by this reference).

Groundskeeping Equipment Optimization

A discussion was held regarding whether to sell the tractor and snowblower equipment and then purchase new equipment such as a pickup truck with a plow blade. Director Curtiss asked about the ongoing need for a brush tool which only fits the tractor. Director Svetz asked for information to be compiled how each piece of equipment would be utilized. Director Forsman asked whether the new equipment would be space neutral for storage purposes at the future building.

Ms. Innes reviewed the Resident Relations portion of the manager report. There were 103 inquiries from residents, with many concerns focused on mailbox key replacement and snow removal.

Ms. Warner reviewed the Facilities and Landscaping portion of the report. She stated that property ownership maps and fence staining maps are being updated. Snow removal activities dominated the month's field work. Preparation for pool opening in May is underway, including the filter media replacement.

Independent Contractor Agreement with Page Specialty, Inc.

The Board reviewed the Independent Contractor Agreement with Page Specialty, Inc. for replacement of three clustered mailboxes.

Following review and discussion, upon a motion duly made by Director Forsman, seconded by Director Svetz and, upon vote unanimously carried, the Board approved the Independent

Contractor Agreement with Page Specialty, Inc. for replacement of three clustered mailboxes.

2023 Annual Flower Proposal

The Board reviewed the 2023 Annual Flower Proposal from BrightView, in the amount of \$8,527.68.

Following review and discussion, upon a motion duly made by Director Colwell, seconded by Director Svetz and, upon vote unanimously carried, the Board approved the 2023 Annual Flower Proposal from BrightView, in the amount of \$8,527.68.

2023 Turf Mite Proposal

The Board reviewed the 2023 Turf Mite Proposal from BrightView, in the amount of \$11,974.47.

Following review and discussion, upon a motion duly made by Director Forsman, seconded by Director Colwell and, upon vote unanimously carried, the Board approved the 2023 Turf Mite Proposal from BrightView, in the amount of \$11,974.47.

Snow Removal on Public Streets

Mr. Beckman recapped the Aurora City Council meeting takeaways regarding the pilot project for Metropolitan Districts to perform street plowing. For a district to do its own street snow removal on City of Aurora ("City") streets, a district must enter into an agreement with the City, the condition of the streets must be logged and reported periodically, there is liability for City street damage, and rubber-edged plow blades must be used. Aurora has not been able to fill its vacant Streets Manager role. The district in the pilot program did not perform any snow plowing during the trial period.

Director Curtiss noted that Fletcher and Allenspark were plowed by the City, likely in response to courteous persistence from both District staff and resident complaints. He noted that raising the priority of these streets on Aurora's snow maps would be a step in the right direction.

Service Center Updates

Mr. Coldsnow relayed that the architect is revising plans for re-submittal to the City. The revisions will be sent to the Committee and Board first, they include some previous suggestions which are now being incorporated. Geotechnical, structural, mechanical, and plumbing reports have been delivered. The recommendation is to excavate several feet of fill dirt, which will add to the project cost. The smaller meeting room has a capacity of 21 people, the community room has a capacity of 75 people.

Director Forsman is working to update the Services Center Committee's charter to reflect the current functioning structure of the Committee. Director Svetz thanked the members of the Committee for their hard work and contribution of skills. Mr.

Coldsnow mentioned there will be an upcoming neighborhood meeting, to be scheduled.

Residential Improvements Updates

Courtney Thomas presented the Residential Improvement Committee update. She noted that upcoming water restrictions may will result in relaxed stringency in enforcing resident lawn conditions. There is an opening on the Committee to fill a vacancy. The Committee anticipates being very busy as spring landscaping plans increase in volume. Sharon Sulzle confirmed that lawn condition being affected by watering restrictions is considered during inspections.

AMI Update

Ms. Sulzle provided an update on covenant enforcement violations and design review applications. Two regular inspections and one nighttime lighting inspection were conducted. There are 81 open violations, with only 9 new violations. There were 60 lighting violations but most of them have already been resolved. Twenty-five design review applications were submitted. The total of fines assessed was \$475.

Updates to Limited Amendment to Covenants and Restrictions

Ms. Hartung updated that she is working through the limited amendment to the covenants. The main change would be limiting leasing to at least six months in duration, along with updating the District's name from Rockinghorse and some minor changes and cleanup of verbiage.

Third Addendum to the Independent Contractor Agreement with Advanced Management, LLC

The Board reviewed the Third Addendum to the Independent Contractor Agreement with Advanced Management, LLC for 2023 compensation rates ("AMI").

Following review and discussion, upon a motion duly made by Director Svetz, seconded by Director Colwell and, upon vote unanimously carried, the Board approved the Third Addendum to the Independent Contractor Agreement with Advanced Management, LLC for 2023 compensation rates ("AMI").

Social Updates

Mr. Heatherington presented the Social Committee update. No events were held in January.

Common Area and Landscaping Updates

Mark Berkstresser noted that the Piney Creek Trail Dedication was a successful event and that the Common Area Committee is focused on getting ready for spring. Director Curtiss provided a brief update on the District's portion of the Piney Creek Trail Connection, which is now substantially complete. Re-seeding the disturbed areas will happen next.

Payment Request No. 3 from Naranjo Civil Constructors

Following review and discussion, upon a motion duly made by Director Svetz, seconded by Director Forsman and, upon vote unanimously carried, the Board approved the Payment Request No.

3 from Naranjo Civil Constructors for work performed on the Trail Connection Project, in the amount of \$128,566.16.

GIS Tree Mapping

Mr. Berkstresser discussed the proposal from SavATree for GIS mapping of trees. He noted that the initial census and web access to their GIS software are included. BrightView and Public Alliance staff would provide data for annual updating of the tree map that SavATree would upload to their system.

Following review and discussion, upon a motion duly made by Director Curtiss, seconded by Director Forsman and, upon vote unanimously carried, the Board approved the proposal from SavATree, LLC for GIS mapping of the existing trees in the District, in the Amount of \$18,490.

Structural Retaining Wall Inspections

Mr. Berkstresser described the need for retaining wall inspections and explained that this work will provide a baseline of data. Work will be performed at an hourly rate.

Following discussion, upon a motion duly made by Director Svetz, seconded by Director Curtiss and, upon vote unanimously carried, the Board approved the engagement of Nina Dickhausen - PE at a rate of \$120/hour for the initial inspection of the structural retaining walls within the District, for an amount not to exceed \$5,000.

Re-painting of metal furniture at Pathfinder Park

Ms. Warner presented a proposal from Simcoe to re-paint items of metal furniture at Pathfinder Park, in the amount not to exceed \$3,500.

Following review and discussion, upon a motion duly made by Director Svetz, seconded by Director Curtiss and, upon vote unanimously carried, the Board approved the proposal from Simcoe Services, LLC (“Simcoe”) for repainting furniture in Pathfinder Park, for an amount not to exceed \$3,500.

Re-staining of District fencing

Ms. Warner also presented a proposal from Simcoe to stain a portion of the 80,000 linear feet of fencing that is, or will eventually be, maintained by the District. 8,000 linear feet would be stained by Simcoe, 2,000 linear feet would be stained by Public Alliance field staff personnel. The combined amount comprises 12.5% of the total linear footage. She noted that looking long-term, we'll need to consider staining a larger portion to maintain a 5-year staining cycle.

Following review and discussion, upon a motion duly made by Director Svetz, seconded by Director Forsman and, upon vote unanimously carried, the Board approved the proposal from Simcoe to stain 8,000 linear feet of District fence in 2023, in the amount of \$58,000.

Conversion of small turf areas

Ms. Warner further presented proposals from BrightView Landscaping. The first proposal is to convert small turf areas to cobble or other xeriscaping in three areas, the Board reviewed the proposed areas. The area at E. Bailey Cir. would require neighbor cooperation to cap their irrigation for their small sections at either end.

Following review and discussion, upon a motion duly made by Director Svetz, seconded by Director Forsman and, upon vote unanimously carried, the Board approved the proposal from BrightView Landscaping Services, Inc. (“BrightView”) to convert two areas to cobble and refresh a third area, for an amount not to exceed \$17,000.

Remediation of native grass along Inspiration Lane

The proposal for Inspiration Lane remediation was postponed to the March meeting.

Parking lot snow removal on weekends

A proposal to clear parking lots of snow on the weekends for both Pathfinder Park and Inspiration Club was discussed. Maintenance staff is not on-site to perform snow removal in these parking lots on weekends. Director Curtiss proposed that only services for Pathfinder Park be approved.

Following discussion, upon a motion duly made by Director Curtiss, seconded by Director Svetz and, upon vote unanimously carried, the Board approved a proposal to clear the Pathfinder Park parking lot, for snow events that occur on the weekends, at a rate not to exceed \$500 per event.

Finance Updates
Finance Committee Update

Mr. Bourcier presented the Finance Committee’s report to the Board. There are currently three openings on the Committee, he asked for those interested to apply. He also expressed to the Board that the Committee will assist with gathering information and analysis related to the fee vs. mill levy question.

System Development Fees

Director Colwell reported that the District’s Accountant recently identified 76 lots with unpaid development fees, that were previously developed by builders no longer working in the community. The District has reached out to all of the builders to request payment of the past due fees. So far fees have been collected on 13 of the 76 lots. Collection efforts will continue.

Unaudited Financial Statements

Director Colwell reviewed the unaudited financial statements for the period ending December 31, 2022.

He reviewed the year's activity briefly to say that revenues exceeded expenditures, less money was spent from the capital projects fund due to timing, and that system development fees

collected are helping to provide a cushion toward our debt service fund expenses.

Following discussion and review, upon a motion duly made by Director Colwell, seconded by Director Curtiss and, upon vote unanimously carried, the Board accepted the unaudited financial statements as presented.

Interfund transfers

Director Colwell reviewed the proposed interfund transfers with the Board. He noted that the proposed actions have been reviewed by the Finance Committee and the District's accountant.

Following discussion and review, upon a motion duly made by Director Colwell, seconded by Director Curtiss and, upon vote unanimously carried, the Board authorized the following interfund transfers:

- \$175,000 from General Fund into Capital Projects Fund
- \$675,000 from the General Fund to the Capital Projects Fund.
- \$245,000 from the Operating Fund to the Operating Reserve
- \$87,779 from the Operating Reserve to the to the Capital Projects fund specifically for playground equipment repair

Payment of Claims

Director Colwell reviewed the claims list with the Board.

Following discussion and review, upon a motion duly made by Director Colwell, seconded by Director Curtiss and, upon vote unanimously carried, the Board approved the payment of claims as presented.

Requisition No. 8 to the Subordinate Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds Series 2021B

Following discussion and review, upon a motion duly made by Director Colwell, seconded by Director Curtiss and, upon vote unanimously carried, the Board ratified Requisition No. 8 to the Subordinate Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds Series 2021 B.

Unrestricted Debt Fund Revenue

Director Colwell reported that the Finance Committee and the District's Accountant have discussed funding requirements of the Debt Fund with Bond Council. It appears that the Debt Fund has been over funded with Specific Ownership Taxes, one of its revenue sources. There is approximately \$302,000 in the Debt Fund which could be used for capital projects. Discussion ensued regarding the possible use of the funds including median improvements on Inspiration Lane. Director Colwell the reported that because interest earnings on the funds may have exceeded the rate of the note, some portion of the interest earnings may be taxable. The Board directed Mr. Beckman to obtain proposals

from a third party to analyze any tax liability that may have been incurred.

Legal Updates

Flat fee for Election Legal Services

Ms. Hartung reported that the flat fee for the election would be \$75,000 as long as a ballot question is being put to a vote, regardless of the status of the Directors Election.

May 2, 2023 Election

Ms. Hartung discussed the status of the election and reported that so far there are no more candidates than seats available.

Public Arts Acquisition and Maintenance Agreement

The Board reviewed the Public Arts Acquisition and Maintenance Agreement with Nash Inspiration, LLC. Janelle Kelley added information that the "pixel deer" public art is located in a tract that is not yet owned by the District and would be subject to a maintenance agreement.

Following discussion and review, upon a motion duly made by Director Forsman, seconded by Director Curtiss and, upon vote unanimously carried, the Board approved the Public Art Acquisition and Maintenance Agreement by and between the District and Nash Inspiration, LLC and proceeding with a temporary maintenance agreement for the "pixel deer".

Public Comment

There was no public comment.

Next meeting

The next special meeting will be on Tuesday, March 14, 2023, at 5:00pm.

Adjournment

Upon a motion duly made, seconded, and upon vote unanimously carried, the meeting was adjourned at 8:27 pm.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.

DocuSigned by:

Holly Emrick Suetz

Secretary for the Meeting

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