

**RECORD OF PROCEEDINGS
MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
HUNTERS OVERLOOK METROPOLITAN DISTRICT NO. 5
TOWN OF SEVERANCE, WELD COUNTY, COLORADO**

HELD: Monday, October 25, 2023 at 5:30 pm, via Teleconference – (720) 386-9023, Passcode: 126412, and at Severance Town Hall, 3 Timber Ridge Parkway, Severance, CO.

ATTENDANCE:

A special meeting of the Board of Directors (the “Board”) of the Hunters Overlook Metropolitan District No. 5 (the “District”), were called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting:

In attendance were Directors:

Kyle Russell – President
Phillip Jenkins – Secretary/Treasurer
Marjorie Caldwell – Assist. Vice-President/Secretary/Treasurer
Matthew Caldwell – Assist. Vice-President/Secretary/Treasurer
James Armstrong – Assist. Vice-President/Secretary/Treasurer

Also present were:

Cathy Fromm and Megan VanCamp, Fromm & Company LLC
David S. O’Leary, Spencer Fane LLP
Several Members of the Public

CALL TO ORDER:

Director Russell called the meeting to order at 5:30 p.m., noted that a quorum of the Board was present, and confirmed qualification of the Directors to serve on the Board.

DISCLOSURE OF POTENTIAL CONFLICT OF INTEREST:

Mr. O’Leary discussed the state law requirements for disclosure of potential conflicts of interest with the directors, noting that completed disclosure statements must be filed for each of the Directors with the Secretary of State and the Secretary of the District at least 72 hours prior to a meeting in which a potential conflict may arise. The Board noted that general disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State. Mr. O’Leary advised the Board that, pursuant to Colorado law, certain disclosures may be required prior to taking official action at the meeting. The Board reviewed the agenda for the meeting, following which they confirmed the contents of written disclosures previously made by the directors, stating the fact and summary nature of any matters, as required

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by Colorado law, to permit official action to be taken at the meeting.

APPROVAL OF THE AGENDA:

The Board reviewed the agenda. Mrs. VanCamp noted that there had been an error in the listing of the Board members, and that Kyle Russell is President, with Phillip Jenkins as Secretary/Treasurer. Upon motion duly made by Director Matthew Caldwell, seconded by Director Jenkins and unanimously carried, the Board approved the agenda as amended. Mr. O'Leary reported that the meeting notice and agenda had been posted to the district website at www.frommco.us/client-hc.html at least 24 hours prior to the meeting, pursuant to Statute.

APPROVAL OF MINUTES:

The Board reviewed the Minutes of the special meeting held on July 14, 2023. Upon motion duly made by Director Matthew Caldwell, seconded by Director Russell and unanimously carried, the Board approved the Minutes as presented.

FINANCIAL ITEMS:

a. Financial Statements. Mrs. Fromm presented the 08/31/2023 actual financial statement numbers with the 2024 proposed budget.

b. 2022 & 2023 Audit Items. Ms. Fromm requested that the Board consider ratification of the 2022 Audit and requested that the Board approve the 2023 engagement letter with Haynie & Company in the amount of \$8,500. Upon motion made by Director Matthew Caldwell, seconded by Director Russell and unanimously carried, the Board ratified the 2022 audit and 2023 audit engagement letter, as presented.

PUBLIC HEARING ON 2023 BUDGET AMENDMENT AND 2024 BUDGET:

Mr. O'Leary noted that proper publication had been made in order to allow the District to hold public hearings on the 2023 Budget Amendment and 2024 Budget. Upon motion duly made by Director Matthew Caldwell, seconded by Director Russell and unanimously carried, Mr. Russell opened the public hearing regarding the 2023 amended budgets. Members of the public presented some questions on the budget pertaining to the District and Water Fees, Mill Levies, Bonds and the Water Infrastructure System. Mrs. Fromm noted that these items would be discussed in-depth after the business meeting, at the Annual Meeting. There being no further public comments, Upon motion duly made by Director Matthew Russell, seconded by Director Matthew Caldwell and unanimously carried, the public hearing was closed.

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Mrs. Fromm presented the 2023 Budget amendment, noting that a 2023 budget amendment would be needed. Upon motion made by Director Matthew Caldwell, seconded by Director Russell and unanimously carried, the Board approved the Resolution, amending the 2023 Budget and appropriating expenditures within the 2023 year in accordance with the amended budget proposed.

Upon motion made by Director Matthew Caldwell, seconded by Director Russell and unanimously carried, the Board opened the public hearing for the proposed 2024 Budgets. Mrs. Fromm also provided an overview of the adjustment for the Residential Assessment Rate and potential effects of Proposition HH, noting that the Budget would need to be adjusted accordingly, depending on the outcome after the final certifications of valuation were provided from the County. After further discussion on the matter, upon motion made by Director Matthew Caldwell, seconded by Director Russell and unanimously carried, the Board approved the resolutions to adopt the 2024 Budgets, certifying a mill levies and appropriating expenditures within the 2024 year. Mrs. Fromm agreed to send out additional budgets and financials to requesting board members, noting that the final budgets would be posted to the District's website and the DOLA filing portal.

LEGAL ITEMS:

a. 2024 Administrative Matters Resolution. Mr. O'Leary presented the Resolution noting the engagement of all district consultants and transparency notice and promissory note updates. Discussion ensued pertaining to current management, noting that the District may be interested in pursuing alternative options. Mr. Russell and Mr. Caldwell provided an update on legal counsel received pertaining to separating from District No. 1, noting that it was going to be an extremely costly and complicated process, and that the Board felt that it was best to attempt to work with District No. 1 at this time, and continue with Fromm & Company as District Management and Spencer Fane as Legal Counsel within the 2024 year. Further comments were received, and Mr. Russell requested that the business portion of the meeting continue. Upon motion made by Director Russell, seconded by Director Jenkins and unanimously carried, the Board approved the 2024 Administrative Matters Resolution as presented.

b. Exclusion of Worker's Compensation Insurance. Mr. O'Leary requested that the Board approve the ongoing Waiver of Worker's Compensation. Upon motion made by Director Matthew Caldwell, seconded by Director Russell and unanimously carried, the Board approved the continual Waiver as requested.

c. Ratification of 2022 Annual Report. Mr. O'Leary presented the Report to the Board. Upon motion made by Director Russell, seconded by Director Matthew Caldwell and unanimously carried, the Board ratified approval of the Annual Report, as requested.

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d. Trash Contract with RAM. Mrs. Fromm reported that Fromm & Company had gone out for bids on the trash services, and that RAM remained the most economical company for trash and recycling services, within the area. 2024 rates will be \$122.94, every 6 months.

e. Amendment to Website & Posting Resolution. Mrs. VanCamp reported that a new district website, hosted by Streamline, had been secured. The website includes all Senate Bill 21-262 Documents and will also be continually reviewed and updated to remain ADA accessible, and to comply with House Bill 2110. The new website address will be: <https://homd.specialdistrict.org>. Mr. O'Leary requested that the Board consider approval of an amendment to the Online Posting Resolution, to include the new website address, and noted that the DOLA portal would also be updated accordingly. Upon motion duly made by Director Matthew Caldwell, seconded by Director Russell and unanimously carried, the Board approved the Resolution as presented.

MANAGEMENT ITEMS:

a. Management Update, District Communications & Software Update. Mrs. VanCamp reported that the new, eUnify software and Residential Portal had gone live, noting that residents would be able to view their invoices, transaction history, status of ARC requests, photos of violations, fines, etc....in addition to being able to make online payments and submit district inquiries. Discussion ensued re hostile and aggressive communications from residents, noting threats made against staff, and ongoing issues. District Management noted that Fromm & Company had been directed by District No. 1 to secure and utilize additional safety items needed (such as signage, recording devices and dash cameras), for the enforcement of the Community, and to update the communications policies to disconnect any hostile and or threatening communications, to be reported to the local authorities, as deemed necessary. Mrs. VanCamp will transmit a community email to the residents, providing them with the necessary information for the eUnify Residential Portal, new Streamline Website, and summarizing the communication policies & procedures.

OTHER MATTERS:

There were none.

PUBLIC COMMENT:

Members of the public expressed frustration with the enforcement process and current Guidelines & Restrictions, noting playsets, side and rear facing gates as particular areas of frustration. Mr. O'Leary reminded residents that all improvements need to be submitted to Management for review and approval, before installing them. Additionally, Mr. O'Leary reported that there are clear Guidelines & Restrictions for these types of items located within the community Residential

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Improvement Guidelines & Site Restrictions (the “RIGSR”), which all residents have access to within their closing documents, and via the District’s website. Mr. Russell noted that District No. 1 was permitting residents to form a committee to address the Board with particular concerns, with the intent of working with residents to find an acceptable determination, within reason. Mr. O’Leary again noted that residents needed to familiarize themselves with the Guidelines & Restrictions for living within the Community and submit all requests to the ARC for review and approval before installing any property improvements. Further discussion ensued regarding the Metro District Task Force. Mr. O’Leary, Director Russell and Director Caldwell addressed some rumors and misinformation pertaining to the Task Force and requested that residents read the Task Force Notice for additional information on that item, which is posted to the District’s website. Mr. O’Leary also reminded residents that Special Districts are Title 32 entities are not HOA’s, and thus do not operate under CCIOA laws. Ms. Fromm reported that the Board and Management were exploring options to update the Park based off of complaints and comments received from the public pertaining to the maintenance, equipment, and overall accessibility. Discussion ensued re landscaping maintenance and enforcement, to include a discussion pertaining to the Native Grasses and mowing, and the new Town requirements. Mr. O’Leary agreed to follow-up with the Town pertaining to the Native Grass Areas. Director Russell also indicated that over 70% of the residents in District No. 5 had children and the preference was to discuss additional amenities if possible and possible playsets, structures and amenities that were kid friendly. Director Russell and District No. 1 presidents will confer on additional recommendations and attempt to address requests in the annual budget for the Districts based upon available revenue and resources.

ADJOURNMENT:

There being no further business to come before the Board and upon motion duly made by Director Matthew Caldwell, seconded by Director Russell, and unanimously carried, the meeting was adjourned at 6:57 p.m.

The foregoing Minutes constitute a true and correct copy of the Minutes of the above-referenced meeting and were approved by the Board of Directors of the Hunters Overlook Metropolitan District No. 5.

Respectfully Submitted,

Phillip Jenkins

Phillip Jenkins (Apr 9, 2024 17:36 MDT)

Secretary for the Meeting

The Annual Meeting ensued pursuant to Section 32-1-903(6)(a) C.R.S., to present the status of public infrastructure projects, outstanding bonds, and review of financial statements and budget. Public questions and comments were addressed and received. Additional items will be posted to the District’s website to address public inquiries and concerns, to include the approval and posting of approved meeting minutes