

RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL MEETING OF LOVELAND MIDTOWN METROPOLITAN DISTRICT HELD November 21, 2022

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 11:00 a.m. on Monday, November 21, 2022. Notice of the meeting was duly posted.

ATTENDANCE

Directors in Attendance:

Blaine Rappe, President
Eric Holsapple, Vice President
Jeff Mere, Director
Vince Ealey, Director

Also in Attendance:

Deborah Early, Esq.; Icenogle Seaver Pogue, P.C.
Andrew Kunkel, Shannon Randazzo, Nicole Wing, Shannon McEvoy,
Dillon Gamber, Teresa Adler, Wendy McFarland, Doug Campbell, Ettie
Arnold, and Christy McCutchen; Pinnacle Consulting Group, Inc.
Chris Johnston; LC Real Estate Group

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 11:06 a.m. by Director Rappe, noting that a quorum was present. The directors in attendance confirmed their qualifications to serve.

Ms. Early noted that conflicts of interest for all Board Members 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.

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Appointment of Director: Ms. Early addressed the Board and provided an overview of the process for appointing interested candidates to the Board noting there is one interested candidate to fill the vacancy on the Board for Loveland Midtown Metropolitan District. Following review and discussion, and upon motion duly made by Director Holsapple, seconded by Director Ealey and, upon vote, unanimously carried, it was

RESOLVED to appoint Chris Johnston to the Board of Directors for Loveland Midtown Metropolitan District.

Election of Officers: The Boards discussed the Election of Officers. Following review and discussion, and upon motion duly made by Director Holsapple, seconded by Director Mere and, upon vote, unanimously carried, it was

RESOLVED to elect the current slate of Officers as listed below.

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

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

RESOLVED to approve the agenda, as presented.

April 7, 2022, Special Meeting Minutes: The Board reviewed the April 7, 2022, Special Meeting Minutes. Upon motion duly made by Director Holsapple, seconded by Director Mere and, upon vote, unanimously carried, it was

RESOLVED to approve the April 7, 2022, Special Meeting Minutes, as presented.

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PUBLIC COMMENT

Director Mere stated that the section of fence that was repaired was not up to standard and inquired if the fence repair was put out to bid. Mr. Campbell stated that due to urgency of repairing the fence it was not put out to bid and proposed utilizing insurance to re-stain the fence. Mr. Campbell informed the Board that other vendors will be explored for fence repairs next year. Director Holsapple stated he would like to move forward with utilizing insurance for re-staining the section of fence that was repaired. Mr. Kunkel stated that Pinnacle Consulting Group, Inc. will collaborate with necessary parties to find a solution.

FINANCIAL MATTERS

Payment of Claims: Ms. McFarland reviewed the payment of claims with the Board for the period December 31, 2021, through June 30, 2022, in the amount \$149,017.55 and responded to questions. Following review and discussion, upon motion duly made by Director Holsapple, seconded by Director Ealey, and upon vote, unanimously carried, it was

RESOLVED to ratify the payment of claims for period ending June 30, 2022, in the amount of \$149,017.55, as presented.

Financial Statements: Ms. McFarland presented the June 30, 2022, Financial Statements to the Board and Responded to questions. Following review and discussion, upon motion duly made by Director Holsapple, seconded by Director Mere, and upon vote, unanimously carried, it was

RESOLVED to accept the June 30, 2022, Financial Statements as presented.

Discussion Regarding O&M Fees: Ms. McFarland suggested that the District should consider implementing O&M fees. Ms. Adler explained that the general fund balance for 2023 is trending high and in a couple of years there may not be enough in the fund balance to bring in enough revenue into the District to cover expenses. Director Holsapple would like a thorough proposal brought in front of the Board and the Board will consider the implementation of O&M fees.

2022 AMENDED BUDGET HEARING

Director Rappe 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. There being no public input, Director Rappe closed the hearing. The Board reviewed the amended 2022 budgets, which detailed estimated revenues and expenditures.

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General Fund: \$155,880

General Fund: \$162,893

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 Amend the 2022 Budgets.

2023 BUDGET HEARING

Director Rappe opened the 2023 Budget Hearing to the public. It was reported that notice of the budget hearing had been published in accordance with state budget law on November 8, 2022. There being no public input, the public hearing was closed. The Board reviewed the 2023 budget, which detailed estimated revenues and expenditures with the following mill levies.

Operating Mill Levy is 25.159 mills
General Fund: \$158,215
Debt Service Mill Levy is 20.584 mills
Debt Service Fund: \$118,682

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

RESOLVED to approve the Resolutions to Adopt the 2023 Budgets for Loveland Midtown Metropolitan District, Certify the Mill Levies, Appropriate Budgeted Funds and approve all other documents related to the adoption of the 2023 budgets. The District's Manager and Finance and Accounting Manager are authorized to make minor modifications necessary subject to receipt of the final certification of assessed valuation from Larimer County.

MANAGEMENT/ OPERATIONS MATTERS

Manager's Report: Mr. Kunkel, Ms. McCutchen, and Mr. Gamber reviewed the Manager's Report with the Board. Mr. Gamber recommended that the District utilize Mill Brother's for snow removal in 2023.

Discussion Regarding Drainage Easement Agreement: Mr. Campbell reviewed the Drainage Easment Agreement with the Board and responded to questions. The Board Directed Pinnacle Consulting Group, Inc. to collaborate with legal counsel to approach Wal-Mart regarding the Drainage Easement Agreement.

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2023 Master Service Agreements with Operations and Maintenance Service Contractors: Mr. Gamber presented the 2023 Master Service Agreements with Operations and Maintenance Service Contractors to the Boards and answered questions.

- i. Affordable Pest Control
- ii. Amans Painting
- iii. Black Eagle Fence
- iv. Denver Commercial Property Services
- v. E3 Signs
- vi. Fiske Electric
- vii. Foothills Landscape Maintenance
- viii. Green Earth Midwest
- ix. Mill Brothers Landscape Group
- x. Savatree

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

RESOLVED to approve the 2023 Master Service Agreements with Operations and Maintenance Service Contractors, upon removal of Green Earth Midwest, Black Eagle Fence, and Foothills Landscape Maintenance.

2023 Work Orders with Approved Operations and Maintenance Service Contractors within the Approved 2023 Budget: Mr. Gamber requested approval for the district's management team to Execute 2023 Work Orders with Approved Operations and Maintenance Service Contractors within the Approved 2023 Budget. Following review and discussion, upon motion duly made by Director Holsapple, seconded by Director Ealey and, upon vote, unanimously carried it was

RESOLVED to Authorize the district's management team to Execute 2023 Work Orders with Approved Operations and Maintenance Service Contractors within the Approved 2023 Budget.

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

RESOLVED to ratify the Contract Modifications as presented.

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Discuss Covenant Enforcement Issues: Covenant

Enforcement/Architectural control Committee Update. Ms. Early reviewed the detailed list of covenant violations at 1903 Sagittarius Dr., in which the resident has not responded to them.

Status on Collection Procedures. Ms. Early informed the Board that legal can no longer enforce covenant violations as they are now being perceived as a collection agency. Ms. Early suggested utilizing Altitude Community Law going forward and that resident at 1903 Sagittarius Dr. should be turned over to collections. Following review and discussion, upon motion duly made by Director Holsapple, seconded by Director Ealey and, upon vote, unanimously carried it was

RESOLVED to submit resident at 1903 Sagittarius Dr. to collections and to engage Altitude Community Law.

LEGAL MATTERS

2023 Annual Administrative Matters Resolution: Ms. Early presented the 2023 Annual Administrative Matters Resolution to the Board and answered questions. Following review and discussion, upon motion duly made by Director Ealey, seconded by Director Mere and, upon vote, unanimously carried it was

RESOLVED to approve the 2023 Annual Administrative Matters Resolution, as presented.

2023 Meeting Resolution: Ms. Early presented the 2023 Meeting Resolution to the Board and answered questions. Following review and discussion, upon motion duly made by Director Ealey, seconded by Director Holsapple and, upon vote, unanimously carried it was

RESOLVED to approve the 2023 Meeting Resolution as amended to change the time to 10:30 a.m.

2023 Election Resolution: Ms. Early presented the 2023 Election Resolution to the Board and answered questions. Following review and discussion, upon motion duly made by Director Ealey, seconded by Director Holsapple and, upon vote, unanimously carried it was

RESOLVED to approve the 2023 Election Resolution.

DIRECTOR'S ITEMS

There were no Director's Items presented to the Board for consideration.

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OTHER
BUSINESS

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

ADJOURNMENT

Upon a motion by Director Rappe, seconded by Director Holsapple, and upon unanimous vote, the meeting was adjourned at 12:40 p.m.

Respectfully submitted,



Nicole Wing,
Secretary for the Meeting