

RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
CONSERVATORY METROPOLITAN DISTRICT
HELD
JANUARY 27, 2020**

A Regular Meeting of the Board of Directors (referred to hereafter as “Board”) of the Conservatory Metropolitan District, (referred to hereafter as “District”), was convened Monday, the 27th day of January, 2020, at 9:00 a.m., at the Saddle Rock South Clubhouse, 6800 S. Liverpool Street, Suite A, Aurora, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Laverne Palmer
Birgit Baldwin
Pedro L. Moczo, Jr.
Nicole Tow
Janine Schilling

Also In Attendance Were:

David Solin; Special District Management Services, Inc. (“SDMS, Inc.”)

Jennifer Tanaka, Esq.; White Bear Ankele Tanaka & Waldron, P.C.

John Simmons; Simmons and Wheeler, P.C.

Brad Simons, PE, MMI Water Engineers, LLC

Members of the Public as reflected on the attached sign-in sheet

**DISCLOSURES OF
POTENTIAL
CONFLICTS OF
INTEREST**

Disclosures of Potential Conflicts of Interest: Attorney Tanaka advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. The Board reviewed the Agenda for the meeting, following which Directors Palmer, Baldwin, Moczo, Tow, and Schilling, along with each consultant, confirmed that they have no conflicts of interest in connection with any of the matters listed on the Agenda.

**PLEDGE OF
ALLEGIANCE**

Pledge of Allegiance: Director Palmer led the Board in reciting the Pledge of Allegiance.

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ADMINISTRATIVE MATTERS

Agenda: Director Palmer reviewed with the Board the proposed Agenda for the District's Regular Meeting.

Following discussion, upon motion duly made by Director Moczo, seconded by Director Baldwin and, upon vote, unanimously carried, the Agenda was approved, as amended.

Consent Agenda: The Board considered the following actions:

- Adopt Resolution No. 2020-01-01: Designating 24-Hour Posting Location.
- Adopt Resolution No. 2020-01-02: Amended and Restated Public Records Request Policy.

Following discussion, upon motion duly made by Director Moczo, seconded by Director Baldwin and, upon vote, unanimously carried, the Board approved the Consent Agenda, as amended.

Minutes: The Board reviewed Minutes of the October 21, 2019 Regular Meeting.

Following discussion, upon motion duly made by Director Moczo, seconded by Director Baldwin and, upon vote, unanimously carried, the Minutes of the October 21, 2019 Regular Meeting, were approved as amended.

COMMUNITY COMMENTS

HOA Reports and Updates: It was noted that there were no reports or updates provided. There were no community comments.

FINANCIAL MATTERS

Claims: Mr. Simmons reviewed with the Board the check register for the period ending December 20, 2019, including check numbers 3283 through 3317, totaling \$116,578.63.

Following discussion, upon motion duly made by Director Moczo, seconded by Director Tow and, upon vote, unanimously carried, the Board ratified the check register for the period ending December 20, 2019, including check numbers 3283 through 3317, totaling \$116,578.63.

Mr. Simmons then reviewed with the Board the check register for the period ending January 23, 2020, including check numbers 3318 through 3329, totaling \$22,570.46.

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Following discussion, upon motion duly made by Director Moczo, seconded by Director Baldwin and, upon vote, unanimously carried, the Board approved the check register for the period ending January 23, 2020, including check numbers 3318 through 3329, totaling \$22,570.46.

Financial Statements: Mr. Simmons reviewed with the Board the unaudited financial statements of the District for the period ending December 31, 2019.

Following discussion, upon motion duly made by Director Tow, seconded by Director Moczo and, upon vote, unanimously carried, the Board accepted the unaudited financial statements of the District for the period ending December 31, 2019.

Cash Position Schedule and Analysis of Projected Cash Balances for Operations: Mr. Simons reviewed with the Board the Cash Position Schedule as of January 27, 2020.

Media Issues: Director Palmer opened the floor for a frank conversation regarding recent media coverage and current Metropolitan District perceptions. Attorney Tanaka discussed the formation of the Metro District Educational Coalition which is being formed for the purpose of providing better public awareness of and education regarding Metropolitan Districts.

LEGAL MATTERS

There were no legal matters to discuss at this time.

OPERATIONS MATTERS

Manager's Report: Mr. Solin reviewed with the Board the District Manager's Report.

Detention Pond Committee Report: No report was offered at this time, as the Board was planning to receive legal advice on Pond matters during Executive Session later in the meeting.

Kiosk 2020 Maintenance: Mr. Solin and Director Moczo discussed with the Board the Kiosk 2020 maintenance. Director Moczo will prepare an inventory and scope of work for Mr. Solin to obtain proposals.

District Insurance Policy: Mr. Solin reported to the Board that the August 2019 incident has been settled with the exception of \$127.85.

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LANDSCAPING MATTERS

Landscape Expenditure Budget Tracking Matrix: The Board reviewed the Landscape Expenditure Budget Tracking Matrix. The Board made some additional revisions and the report is to be shared with BrightView as soon as the final version is available.

BrightView Report: Mr. Solin reviewed with the Board the BrightView Report. The Board directed Mr. Solin research signs to post for community awareness of native areas.

Landscaping Committee Report:

Monument Repairs: Director Palmer discussed with the Board. She noted that the monument at South Conservatory Parkway and South Nepal Way was completed and inspected in October 2019. The Board requested that Mr. Solin inspect a few additional areas that are in need of repairs.

Tree Replacements: The Board deferred discussion to the March meeting.

Winter Watering: The Board discussed the proposal from BrightView Landscape Services for winter watering.

Following discussion, upon motion duly made by Director Tow, seconded by Director Baldwin and, upon vote, unanimously carried, the Board ratified approval of the proposal from BrightView Landscape Services for winter watering, in the amount of \$4,000.

Pond 6 Cleanup: The Board discussed the proposal from BrightView Landscape Services for Pond 6 cleanup.

Following discussion, upon motion duly made by Director Baldwin, seconded by Director Moczo and, upon vote, unanimously carried, the Board ratified approval of the proposal from BrightView Landscape Services for Pond 6 cleanup, in the amount of \$5,065.35.

Tree Wrapping: The Board discussed tree wrapping cost with BrightView Landscape Services. No action was taken.

BOARD MEMBER INPUT

President Palmer: Director Palmer reported to the Board that the Pond 6 cleanup is still being done on a weather dependent basis, some kiosks need work and that some residents are still using salt near Kiosks.

Director Palmer also discussed stone repairs on pillars and monuments throughout the community. She noted that the District needs to talk with

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the adjacent property owners to see if there is damage on the inside portion of these areas. Director Palmer noted that this will likely be a 2021 project and requested that the information be obtained for discussion with the 2021 budget. The Board requested that Mr. Solin work to obtain proposals for this purpose and discussion.

Treasurer Baldwin: Director Baldwin and Director Schilling reviewed with the Board some bare spot areas in rock beds and have asked BrightView Landscape Services for a proposal.

Secretary Moczo: Director Moczo had nothing to report.

Assistant Secretary Tow: Director Tow had nothing to report.

Assistant Secretary Schilling: Director Schilling had nothing to report.

OTHER BUSINESS

Community Outreach: The Board discussed items for Community Outreach.

District fencing is being cut and snares have been reported to Parks and Recreation.

Upcoming Election.

Installation of new trees will occur at the end of May.

Kiosk maintenance is being reviewed.

Wall maintenance is being reviewed and an inventory and project list is being prepared.

Homeowners to review the condition of the interior walls and let the District know of any areas needing attention.

LEGAL MATTERS

Insurance Matter: Ms. Tanaka reviewed the District's prior decision with regard to insurance provided by contractors and consultants and noted that Special District Management Services, Inc., had indicated that any increase in costs would be passed along to the District. Director Palmer asked what the difference would be in costs to the District if Special District Management Services, Inc. increased its General Liability coverage to \$2 million. Mr. Solin will follow up to provide this information for discussion at the March meeting.

Developer Representative Presentation on Tract V Conveyance: Ms. Hunsche discussed the desire of the Developer to convey Tract V to the District and offered a payment of \$75,000 to address maintenance needs. The Board thanked Ms. Hunsche for her offer and request and determined to discuss the offer in executive session.

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Election Update: Attorney Tanaka gave an update to the Board on the May 2020 Election. Ms. Palmer and Ms. Tow both noted they do not intend to run for re-election.

EXECUTIVE SESSION

Executive Session: Pursuant to Sections 24-6-402(4)(b) and (e), C.R.S., upon motion duly made by Director Schilling, seconded by Director Tow and, upon an affirmative vote of at least two-thirds of the quorum present, the Board convened in executive session at 11:22 a.m. for the purpose of receiving legal advice and to determine positions relative to matters that are subject to negotiation, as authorized by Sections 24-6-402(4)(b) and (e), C.R.S.

Pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., no record will be kept of the remaining portion of this executive session that, in the opinion of the District's attorney, constitutes privileged attorney-client communication pursuant to Section 24-6-402(4)(b), C.R.S.

The Board reconvened in regular session at 12:27 p.m.

Following discussion, upon motion duly made by Director Schilling, seconded by Director Moczo and, upon vote, unanimously carried, the Board directed Mr. Simons to design for Pond 6 Trickle Channel forebay and embankment, in an amount not to exceed \$32,000 and to proceed with obtaining bids for consideration at the March meeting. The Board also approved the addendum to the MMI Water Engineers, LLC contract for this additional scope of services.

Following discussion, upon motion duly made by Director Schilling, seconded by Director Tow and, upon vote, carried with Directors Schilling, Tow, Palmer and Moczo voting "Yes" and Director Baldwin voting "No", the Board approved the offer of a payment of \$75,000 for conveyance of Tract V, subject to finalization of the necessary deed and bill of sale and receipt of payment.

Director Palmer noted that due to a particular busy business travel schedule in the upcoming months, she is resigning as President.

Following discussion, upon motion duly made by Director Tow, seconded by Director Schilling and, upon vote, unanimously carried, the Board appointed Director Baldwin as President and Director Palmer as Treasurer.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Palmer, seconded by Director

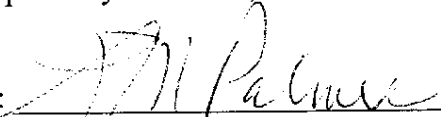
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ADJOURNMENT

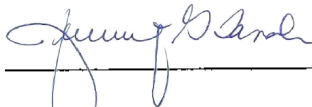
There being no further business to come before the Board at this time, upon motion duly made by Director Palmer, seconded by Director Schilling and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By: 
Secretary for the Meeting

**Attorney Statement
Regarding Privileged Attorney-Client Communication**

Pursuant to § 24-6-402(2)(d.5)(II)(B), C.R.S., I attest that in my capacity as the attorney representing the Conservatory Metropolitan District (the "District"), I attended the Executive Session on January 27, 2020, for the sole purpose of conferencing with the District's Board of Directors for the purposes of giving legal advice on specific legal questions and discussing matters subject to negotiation as authorized by §§ 24-6-402(4)(b) and (e), C.R.S. I further attest that it is my opinion that all or a portion of the executive session discussion constituted attorney-client privileged communication as provided by § 24-6-402(4)(b), C.R.S., and based on that opinion, no further record, written or electronic, was kept or required to be kept pursuant to § 24-6-402(2)(d.5)(II)(B), C.R.S.



Jennifer Gruber Tanaka, Esq.
General Counsel