

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE TRAILMARK METROPOLITAN DISTRICT HELD July 21, 2015

A regular meeting of the Board of Directors of the TrailMark Metropolitan District (referred to hereafter as "Board") was held on Tuesday, July 21, 2015 at 6:34 p.m., at the TrailMark Learning Center, 9743 South Carr Way, Littleton, Colorado. This meeting was open to the public.

ATTENDANCE

The regular meeting of the Board of Directors of the TrailMark Metropolitan District was called and held, as shown, in accordance with Colorado law. The following directors were present:

Todd Roser
James Russell
Curt Fankhouser
Catherine LaClair

Absent was Director Tolle, whose absent was excused.

Also present were:

Cathy Noon; Community Resource Services
Neil Schilling, CPA- Schilling & Company
Members of the Community

CALL TO ORDER

Director Russell called the meeting to order at 6:34 p.m. Introductions of the Board and community members were made.

ADMINISTRATIVE ITEMS

Agenda: Ms. Noon presented the Board with the proposed Agenda. Upon a motion by Director Roser and a second by Director Fankhouser, the Board voted unanimously to approve the agenda as amended to move II.D. Presentation of the Audit to II. A..

Minutes: The minutes of May 19, 2015 Board meeting were presented to the Board. Upon a motion by Director Fankhouser and a second by Director Roser, the Board voted unanimously to approve said minutes as presented.

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Public Comment: There was none

FINANCIAL ITEMS

2014 Audit- Neil Schilling: Mr. Schilling presented the 2014 Audit and answered questions from the Board. Director Fankhouser motioned to accept the 2014 Audit with revision to the Debt Chart on page 39. Following a second by Director Roser and upon unanimous vote, the 2014 Audit was accepted. Mr. Shilling will work with Ms. Noon for filing the Audit with the State of Colorado.

Review and Approve Ratification and Payment of Claims: After review, upon a motion by Director Roser and a second by Director Russell, the Board voted unanimously to ratify the June 2015 claims represented by check numbers 3909 - 3916 totaling \$7,455.79 and approve the current claims represented by check numbers 3917 - 3921 totaling \$33,271.43 as presented.

Review Cash Position: Ms. Noon reviewed the cash position with the Board for the period ending June 30, 2015. After review, upon a motion by Director Roser and a second by Director La Clair the Board accepted the cash position as presented.

Financial Statements: Ms. Noon reviewed the financial statements dated June 30, 2015. After review, upon a motion by Director Roser and a second by Director La Clair, the Board accepted the financial statements as presented.

Preliminary Budget Discussion: – Fence Replacement Reserve and Pond Maintenance: Director Fankhouser opened the discussion with an update on the HOA Reserve Study work which impacts the District due to shared asset replacement cost obligations. The Study projects that each filing's fences will be replaced beginning in 2022. The cost projections indicate the District's share is approximately \$500,000 for the fences plus 11% of irrigation equipment. Given that information as a base, Director Fankhouser shared his budget worksheets laying out the District's projected costs, assessed valuations, and mill levy options. Point of discussion was increasing the Asset Replacement Reserve contribution to \$45,000 annually. (Currently \$25,000). Looking long range at the storm water system/ponds, the Board would like to obtain an estimate for the need/cost to dredge one of the ponds. Director Fankhouser will ask SSPRD what their experience has shown. As part of the 2016 Budget discussion at the September Board meeting, items such as dredging, which entity decides when/if the fences are replaced,

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should funds be reserved for the walls and monuments, and maintaining or lowering the mill levy for 2016 will be explored in more depth. Also for further discussion is how to/ whether to restrict the use of reserves in the future, i.e. a Service Plan amendment.

MAINTENANCE AND OPERATIONAL ITEMS

Pond Update: Electric strikes/surges have been flipping the breakers on the FR#1 Aeration system. Director Fankhouser has been re-setting them & will review the system with Director Roser for backup. Ms. Noon relayed Aquatics Associates report. Ponds FR2 and G required regular treatments (every two weeks) for surface algae mats throughout June-July. So far this season one major algae/pondweed treatment was done on 6/9/15 on Fairview Res. #1. Pond A was also treated for algae and pondweed in June and July. Otherwise nothing unusual to report on TMMD's pond management. Director Fankhouser reported that SSPRD isn't available to clean out the FR#2 outlet. The Board instructed Ms. Noon to inquire with Aquatic Associates for their availability.

BOARD MEMBER ITEMS

Emergency Response Times in TrailMark: Director Russell relayed Director Tolle's report for May and June. During the two months, response times ranged from 8-12 minutes. There is a possibility that the City of Littleton may terminate their IGA with West Metro Fire in the spring of 2016.

Communications: Director Roser reported the following have been completed: 1) website organization and clean-up including archival of old documents; and 2) increased content for residents such as Mill Levy/Tax information and FAQs on property tax. It was also noted that the District has had a consistent presence in TrailMark Newsletter via an article. Director LaClair brought up the idea of an annual mailing to each home with District updates and information. Further discussion on this will be part of the 2016 Budget discussion at the September meeting.

HOA Maintenance Agreement: Director Fankhouser reported that the HOA's work on their Reserve Study brought up a question regarding a section of the current Third Amended TMMD/HOA Maintenance Agreement where it states the HOA will share in 50% of the cost to maintain the solar

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aeration system. Following discussion, the Board felt this was not the intent, but rather that the HOA share 50% on the “maintenance, replacement and repair of the fence surrounding/enclosing the solar aeration system”. Ms. Noon was instructed to work with Attorney Rowley for the necessary change. Director Fankhouser will help in gathering signatures on the updated agreement.

LEGAL ITEMS

None.

MANAGEMENT ITEMS

2015 Notification of Coordinated Election: Ms. Noon shared the Jefferson County request for action on the 2015 Notification for a Coordinated Election. As no Election is planned for November 2015, the Board instructed Director Russell to sign the form stating so.

OTHER BUSINESS

None Public Comment: A resident questioned the Fence cost estimate for the Reserve Study – would further competitive bids be obtained? Director Fankhouser explained that the HOA was the lead on this project and to his knowledge three bid requests were sent out but the companies declined to bid as work isn't planned for many years. There are hopes to obtain more including use of composite material instead of wood.

ADJOURNMENT

There being no further business to come before the Board, upon motion duly made by Director Fankhouser, seconded by Director Roser, and passed unanimously, the meeting was adjourned at 8:57 p.m.

Respectfully submitted,

Secretary for the Meeting

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THESE MINUTES ARE APPROVED AS THE OFFICIAL July 21, 2015
MINUTES OF THE TRAILMARK METROPOLITAN DISTRICT BY
THE BOARD OF DIRECTORS SIGNING BELOW:

Lori Tolle

James Russell

Todd Roser

Curtis Fankhouser

Catherine H. LaClair