

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE TRAILMARK METROPOLITAN DISTRICT HELD MAY 18, 2010

A regular meeting of the Board of Directors of the TrailMark Metropolitan District (referred to hereafter as "Board") was held on Tuesday, May 18, 2010 at 6:30 p.m., at the TrailMark Learning Center, 9743 South Carr Way, Littleton, Colorado. This meeting was open to the public.

ATTENDANCE

In attendance were Directors:

Timothy N. Strunk
Karen A. Millspaugh
Sherman Steed
Robert Chavez

Absent was Director Parsons, whose absence was excused.

Also in attendance were:

Cathy Noon and Sue Blair; Community Resource Services ("CRS")
Michael R. Rogers, Catherine H. LaClair and Richard A. Handley;
Directors-Elect
Community Members

CALL TO ORDER Director Strunk called the meeting to order at 6:36 p.m.

ADMINISTRATIVE Agenda: Ms. Noon presented the Board with the proposed
ITEMS agenda. Upon a motion by Director Chavez and a second by Director Millspaugh, the Board voted unanimously to approve the agenda as amended.

Minutes: The minutes of the April 20, 2010 regular Board meeting were presented to the Board. Upon a motion by Director Chavez and a second by Director Steed, the Board voted unanimously to approve said minutes as amended.

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Public Comments: It was noted there would be a community garage sale on June 11th and 12th.

FINANCIAL ITEMS

Review and Approve Payment of Claims: After review, upon a motion by Director Steed and a second by Director Millspaugh, the Board voted unanimously to approve the claims as submitted.

Review Cash Position: Ms. Noon reviewed the cash position with the Board for the period ending April 30, 2010 and the Board accepted the cash position as presented.

Financial Statements - Ms. Noon reviewed the financial statements dated April 30, 2010. Director Millspaugh asked if there would be much more in "Election Costs" to finalize the May 4, 2010 election. Ms. Blair indicated the majority of the costs had already been incurred. After review, the Board accepted the financial statements as presented.

NEW BOARD MEMBER OATH OF OFFICE

Comments by Director Strunk - Director Strunk addressed the Board on his tenure stating that he had worked for ten and one-half years on behalf of the TrailMark residents with eight years of that time as a Board member. His main goal was to pay off the Shea loans to the District and he was proud that three years ago that was accomplished. Additionally, the bonds have been refinanced resulting in change of interest rate from 7.5% to 3.125 % Director Strunk felt his greatest accomplishment for the District was negotiating the IGA with South Suburban Park & Recreation District in which they agreed to take over responsibility of the trails and parks in TrailMark with the added benefit of eliminating the recreation fee to residents.

Election Wrap-Up – Election Official Sue Blair reviewed the election, indicating that as of election day on May 4, 2010;

- 1,431 ballots had been mailed;
- 596 ballots had been returned;
- 84 ballots were undeliverable
- 43 calls were received from residents who did not receive ballots. Of the 43 voters sent replacement ballots, only 3 mailed in the replacement ballots they had requested

Director Steed presented gifts of appreciation to Directors Strunk, Chavez and Millspaugh.

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Administration of Oaths – Ms. Blair administered the Oaths of Office to Directors-Elect Michael R. Rogers, Catherine H. LaClair and Richard A. Handley.

Remarks By New Board Members – Directors Rogers, Handley and LaClair thanked the former Board and those who supported them during the election.

Election of Officers – Director LaClair moved and Director Steed seconded the motion to nominate Director Rogers as Board President. Said motion passed unanimously.

Director Rogers moved and Director Handley seconded the motion to nominate Director LaClair as Board Vice-President. Said motion passed unanimously.

Director Rogers moved and Director LaClair seconded the motion to nominate Director Handley for Board Secretary. Said motion passed unanimously.

Director Rogers moved and Director LaClair seconded the motion to nominate Director Steed for Board Treasurer. Said motion passed unanimously.

Director Rogers moved and Director LaClair seconded the motion to nominate Director Parson for Board Assistant Secretary. Said motion passed unanimously.

MAINTENANCE AND OPERA- TIONAL ITEMS

Update on Fence Painting: The Board was informed that bids for the painting of Filing 4 fences were sent out and are due by June 4, 2010. Director Handley inquired about the threshold for mandatory bidding. Ms. Blair and Ms. Noon indicated that projects of \$60,000 or more require a public bid, but that competitive bidding is always allowed. Director Steed updated the Board regarding the paint testing approved at the April Board meeting. After consulting paint professionals, it was determined that the new product being considered would not produce good results when applied over the existing product. The Board agreed to the continued use of the current type of product. Discussion took place as to whether the 4-year rotation of sections of fence painting was appropriate. It was decided to remain on that cycle.

Maintenance Responsibility – Director Steed updated the Board on talks with the HOA and asked for agreement on a 50/50 split on fencing repair, maintenance and replacement including the Star

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Canyon Fencing. Director Steed explained to the Board the current practice where the HOA pays the District one-half of the fence painting and the District pays the HOA for maintenance of three landscaping parcels. The Board asked that Director Steed work with the District's attorney, Mr. Rowley, and bring a draft agreement for review to the June 8, 2010 special Board meeting. Director Steed informed the Board that Mr. Rowley stated that insurance coverage on the fences would be a separate matter.

Update on Weed and Tamarisk Control with South Suburban Park & Recreation District – Director Steed reported that South Suburban Park & Recreation District would not be able to undertake weed spraying on the TMMD property. It was noted that Iris Mitigation had subcontracted for this service in the past.

LEGAL ITEMS

No Executive Session was needed.

OTHER BUSINESS

Discuss Scope of Service and Approve Hiring of Rick Kinkel for Field Supervision - Discussion followed on the position of Field Supervisor and whether to get additional bids for this position. A list of "duties" discussed with Mr. Kinkel during a walk-through of the District with former Director Strunk will be obtained. Director Handley moved and Director Steed seconded a motion to use Mr. Kinkel for thirty days to monitor hours and activities and re-evaluate the position at that time.

Insurance of TMMD Property: Ms. Noon informed the Board that there is currently no coverage on property owned by the District. Items to cover and their value would need to be determined before coverage could be purchased. The Board would like the insurance broker, Mark Carlson of T. Charles Wilson Insurance Services to attend the June 15, 2010 Board meeting.

Discuss Relationship Between the District and It's Service Providers - Ms. Noon provided copies of the contracts with Iris Mitigation, Community Resource Services and White, Bear & Ankele, PC for the Board to review. Attorney Rowley will be asked to attend the June Board meeting to meet the new Board members.

Director LaClair inquired about the withholding being deducted from Board member checks. Ms. Blair will provide a memo regarding the IRS regulations concerning this issue.

Discuss Transparency Communication: The Board discussed both internal and external communication. The TrailMark Tracks HOA Newsletter will allow TMMD to place information in each edition. Director Handley volunteered to write the June article. The

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newsletter is currently mailed to each household, but will be sent in electronic format within a few months. Director Rogers suggested having additional opportunities to communicate with TMMD residents such as an email blast list or a monthly “chat with a Board member”. The Board will discuss web posting of “draft” versions of meeting minutes with the District’s attorney at the June 15, 2010 Board meeting. Director Rogers will be responsible for the official posting of meeting notices and agendas on the bulletin boards. Internal communication between Board members and the District Manager were discussed and a memo on email communication from Mr. Rowley was distributed to each Director. Webmail to board@tmmd.org will be forwarded to Directors Steed, LaClair, Handley and Rogers.

Discuss Special Meeting with TrailMark HOA – The Board indicated they would like to have a special meeting on June 8, 2010 at 7:00 p.m. with the TrailMark HOA.

Discussion Regarding Sink, Combs, Dethlefs – Director Steed questioned when the “120-day hold” previously approved by the Board would expire and what direction the new Board wanted to pursue. It was agreed that Directors Steed and Rogers would arrange a meeting with the Littleton City Attorney to review options available regarding the community center and pool project and obtaining control over the school site. They will also inquire into how long an approved site plan remains valid.

Discussion of Special District Association – Director Steed spoke on the value of the Special District Association classes and annual conference and encouraged new Board members to attend. The conference will begin September 22, 2010 in Keystone. New Board members will begin receiving information from SDA directly as well as from CRS.

Domain Registrant – Ms. Noon and Mr. Chavez explained that the TMMD website was registered in Mr. Chavez’s name when originally set up and that it is problematic to change the registrant at this point. The Board also held discussion on how the website will be maintained going forward. Follow up on these items will continue.

Equestrian Trail Use – The Hildebrand Open Space equestrian trail opened in early May and the question has been posed regarding

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equestrian use of the TrailMark trails. Ms. Noon inquired with South Suburban Park & Recreation District ("SSPRD"), who currently maintains the trails. SSPRD indicated they would allow equestrian use if TMMD wants it and will provide signage to clarify where horses are allowed. The Board feels horse usage on TMMD trails would not be the desire of the residents and asked that Ms. Noon contact SSPRD to have signs reflect no equestrian traffic on TMMD trails. The Board will also contact Terry Smith (TMMD resident and volunteer with Jeffco Open Space who made the inquiry on behalf of Hildebrand) concerning signage on the Hildebrand property to direct horse riders.

Governing Documents for TMMD – Director Rogers would like to have by-laws for the District that reflect how the District is governed. Examples from other districts will be provided to the Board by Ms. Noon. Ms. Noon distributed the following TMMD governing documents:

- The TMMD May, 1998 election results reflecting term limits, tax authorization among other items;
- Resolution 2006-08-1 Policy on Recording of Public and Executive Session Meetings;
- Executive Session guidelines from Mr. Rowley

ADJOURNMENT

There being no further business to come before the Board, upon motion duly made by Director Rogers, seconded by Director Steed, and passed unanimously, the meeting was adjourned at 9:40 p.m.

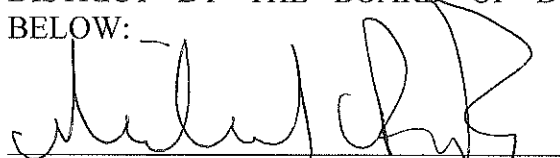
Respectfully submitted,



Secretary for the Meeting

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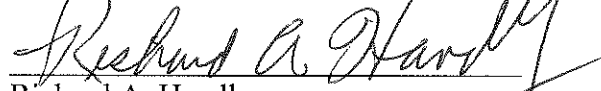
THESE MINUTES ARE APPROVED AS THE OFFICIAL MAY 18, 2010 MINUTES OF THE TRAILMARK METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:




Michael R. Rogers



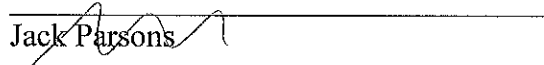
Catherine H. LaClair



Richard A. Handley



Sherman Steed



Jack Parsons