

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE TRAILMARK METROPOLITAN DISTRICT HELD May 20, 2014

A regular meeting of the Board of Directors of the TrailMark Metropolitan District (referred to hereafter as "Board") was held on Tuesday, May 20, 2014 at 6:30 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:

Mike Rogers
Catherine H. LaClair
Richard A. Handley
Lori Tolle

Absent was Director Curtis Fankhouser, whose absence was excused.

Also present were:
Cathy Noon; Community Resource Services
Members of the Community

CALL TO ORDER

Director Rogers called the meeting to order at 6:31 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 LaClair and a second by Director Handley, the Board voted unanimously to approve the agenda as presented.

Minutes: The minutes of the March 18, 2014 Board meeting were presented to the Board. Upon a motion by Director Tolle and a second by Director LaClair, the Board voted unanimously to approve said minutes as presented.

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Public Comments: Tim Strunk read a letter to the Board (made a part of these minutes) with rebuttal comments to statements made on campaign websites. Bob Chavez commented that it could be slander to accuse a former board of "gross mismanagement of public funds".

FINANCIAL ITEMS

Review and Approve Ratification and Payment of Claims: After review, upon a motion by Director LaClair and a second by Director Handley, the Board voted unanimously to ratify the April 2014 claims represented by check numbers 3832 – 3840 totaling \$16,688.69 and approve the current claims represented by check numbers 3841 - 3843 – 3831 and Auto payment totaling \$ 9,561.21 as presented.

Review Cash Position: Ms. Noon reviewed the cash position with the Board for the period ending April 30, 2014. After review, upon a motion by Director Tolle and a second by Director Rogers the Board accepted the cash position as presented

Financial Statements: Ms. Noon reviewed the financial statements dated April 30, 2014. After review, upon a motion by Director Tolle and a second by Director Rogers the Board accepted the financial statements noting changes that might be needed regarding coding of expenses.

NEW BOARD MEMBER OATH OF OFFICE

Election Wrap-up: Ms. Noon reviewed the election results. Due to the close votes, a recount was held May 9. On May 16, in accordance with statute, a lot drawing was held for the tie vote between Catherine LaClair and Mike Wooldridge with Ms. La Clair chosen as the winner.

Comments by outgoing Directors: Director Handley made parting comments and wished the new board well. Director Rogers made parting comments and congratulated the new board members. Director LaClair thanked Directors Handley and Rogers for their service to the district.

Administration of Oaths: President Rogers administered the Oaths of Office to Directors-Elect Lori Tolle, Catherine H. LaClair, James Russell and Todd Roser.

Remarks by New Board Members: Director Roser, made comments thanking the outgoing board. Director Russell thanked the outgoing board and voters for being involved. His major areas

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of focus are the safety, cleanliness and infrastructure of the district. Director Tolle stated she is excited about the board's representation of the community and the conversation the elections brought to TrailMark. Director LaClair gave a brief biography and stated she is glad to serve the community another four years.

Election of Officers: Director Russell moved and Director Roser seconded a motion for Director Tolle to serve as President. With Directors Russell, Roser, and Tolle voting AYE and Director La Clair voting NAY, the motion passed. Director Roser nominated Director Fankhouser as Vice-President. With a second and AYE vote by Director LaClair, and NAY votes by Directors Russell, Tolle, and Roser, the motion failed. Director Tolle moved and Director Roser seconded a motion to nominate Director Russell as Board Vice-President. Said motion passed with Directors Tolle, Roser and Russell voting AYE and Director LaClair voting NAY.

Director Russell moved and Director Tolle seconded a motion to nominate Director Roser as Treasurer. Said motion passed with AYE votes by Directors Russell, Tolle, and Roser and a NAY vote by Director LaClair.

Director LaClair motioned, Director Roser seconded for Director Fankhouser to be Secretary and Director LaClair to be Assistant Secretary. Said motion passed unanimously.

MAINTENANCE AND OPERATIONAL ITEMS

Discussion on 2014 Filing 4 Fence Painting: Ms Noon provided the progress on the fence painting which should be completed within the next few weeks, weather permitting.

Pond Maintenance for Fairview #1 & #2: The Board discussed findings regarding tree removal and aeration maintenance by Directors Fankhouser and Handley's meeting with Tami Schneck of Aquatic Associates. Director La Clair motioned, Director Roser seconded and a motion was unanimously passed for Aquatic Associates to perform aeration and filter maintenance and pond tree removal not to exceed \$1000.00 and to confirm if there will be an additional cost to remove the Russian olive trees.

Pond Update from Aquatics Associates: For Fairview #2, treatment for duckweed and Algecide started. Fairview #1, Pond G, and Pond A not treatment required yet. Outlet of Pond

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G was cleared of debris. It was decided on the walk through visit that the Russian Olive trees on shore line were not an issue at this time. Fill dirt will be dumped to cover the exposed aeration line on south shore. Richard Handley provided his feed-back on pumps and filters and Tami with Aquatic will provide filters as part of her maintenance duties.

LEGAL ITEMS

Update on HOA Maintenance Agreement: Board would like to review the red-line and final versions of the HOA Agreement and asked Ms. Noon to send. The TrailMark HOA and TMMD still need to sign the revised agreement.

MANAGEMENT ITEMS

Ms. Noon offered New Board Member Training Opportunities by attending the SDA 2014 Board Member and District Manager Workshops and a CRS Dinner & Training specific to the TMMD Board. Board members will confirm scheduling.

OTHER BUSINESS

Coffee in the Park; Fairview Clean-Up: Director Tolle opened discussion on the Coffee in the Park events. As attendance has been dwindling, the Coffee in the Park 2014 dates were not scheduled at this time. The Fairview Clean-up has been done for two years with less trash and minimal attendance in 2013. Mike Rogers stated that times for the clean-up are in the Spring before the growth occurs gives the best opportunity for the trash pickup and in the Fall, more fishing line is found and therefore need of removal. Discussion occurred about the opportunity for a Scout Troop to help with this ongoing and Director Tolle will explore this option. At the July meeting this topic will be reviewed again. Director Roser mentioned having Board members be available at the Concert in the Park on June 22nd. Consensus was for TMMD Board members to be available prior to the event for questions and information regarding the District and the event will be posted for compliance. Other 2014 concert dates in TrailMark are July 20th and August 31st.

TMMD Meeting Location: Director Russell informed the Board and community members that the TrailMark Learning Center was not closing so future meetings of the TMMD could still be held at the location.

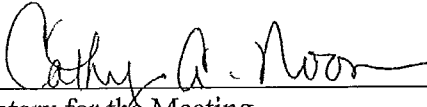
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Public Comment: Former board members Chavez, Strunk, and Ms. Millspaugh commented that SDA classes are invaluable. Mrs. Handley stated that it was a close election and hopes the community can work together and be unified. Also noted by Mr. Chavez was that payoff of the bond debt was important to the community. Ms. Millspaugh commented that TMMD Board members attending TrailMark HOA meetings helps maintain positive communication.

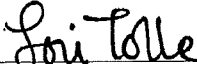
ADJOURNMENT

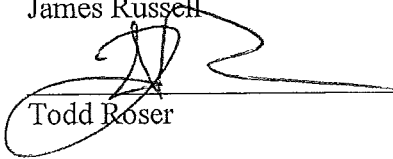
There being no further business to come before the Board, upon motion duly made by Director LaClair, seconded by Director Roser, and passed unanimously, the meeting was adjourned at 8:30 p.m.

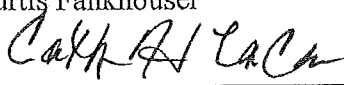
Respectfully submitted,


Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL May 20, 2014
MINUTES OF THE TRAILMARK METROPOLITAN DISTRICT BY
THE BOARD OF DIRECTORS SIGNING BELOW:


Lori Tolle

James Russell

Todd Roser

Curtis Fankhouser

Catherine H. LaClair

A Rebuttal to Accusations

Three current board members (Rogers, Hanley & Le Clair) in their re-election campaign levied charges of "gross mismanagement of public funds" upon the previous board. This is a felony crime under Metro District Law in Colorado.

I would argue that the prior boards documented record on fiscal issues is quite the opposite. Let me elaborate!

In 2002 Bob Chavz and Tim Strunk became the first Homeowners on the TMMD Board, at which time the district owed Bonds & Shea \$10.6 Million. After a year of learning the ropes actions began; First was the Bond Refinance from 5.8% to an average of 3.25% with no change in the maturity date (2018). This action saved the district Tens of Thousands of dollars. Those savings and other reductions in operating costs were then applied to paying off the Developer Advances (\$2.5M).

This hunt for savings lead to the next largest expenditure, the Open Space Maintenance Agreement between the District and SSPRD. The district received 80% of the collected Tax revenue from SSPRD but spent three time that amount to maintain the Open Space to the "SSPRD Standard". Against long odds. Bob & Tim negotiated an agreement by which TMMD would make several capital improvements, then turn the maintenance responsibilities and tax revenue back to SSPRD. Over the life of Trailmark this saved the district Millions of Dollars.

In 2006 the District Paid Off the remaining balance for Developer Advances to Shea Homes and put the district in financial position to consider additional development and/or Tax reductions.

In summary lets review:

In 2002 upon becoming board members the district owed \$10.6 Million and did not have sufficient income to pay the bills, a maximum Mill Levy (66 mils) and a "Recreation Fee" on top of that. Upon leaving the board in 2010 the District owed \$5.1 Million (Bonds), had a reserve of \$1 Million, Tax levies of 42.5 mils (a reduction of 35%) and no Rec. Fee.

Under this boards "accusations" this is "Gross Mismanagement of Public Funds".

Moving on - Under accomplishments in these same Campaign documents this board claims: Settled a Water Rights Case (I would argue that these case are never truly Solved).

Initiated "Coffee in the park".

Reduced Taxes – I would argue that they reduced Mil Levies as they had no significant areas where they reduced cost to save the district money.

I would also argue that their most significant achievement was the undoing of any agreements for the Metro District to have a "shared use agreement" between the School District, City of Littleton, and SSPRD to have a say over what could happen on the School Site. Not having such an agreement stopped even basic development of a Trail or Tennis Court or Frisbee Golf Course, etc. TMMD now has NO Say in the school sites possible development.

I believe in Honest Communications and always have. This boards agenda has always been to block any development in Trailmark - period. This is a fair and justified position to hold, but this board has refused to acknowledge that this is their position and instead is willing to Lie about the facts and levee personnel attacks in an effort to stop development and be elected to the Board. They have used an Ends-justifies-the-Means approach to advance their desires, not the districts.

Service is doing things that are in the best long term interest of the district and beyond that, the things a majority of the District wants whether you personally agree with it or not. Most of the prior board members believed in these ideals. I know the current board can't make the same claim.

I applaud the majority of the incoming Board Members for honestly and up front stating their positions to the voters and their subsequent victories.

To the leaving Board Members I would only say,
Yet again that "Special Interest" seems to be in the majority and
Trailmark has Spoken!

Tim Strunk
Former TMMD Board President