

LEWIS POINTE METROPOLITAN DISTRICT

Special Board Meeting Minutes

Meeting Date: Thursday September 24, 2020

Meeting Time: 5:32pm to 7:26pm

Meeting Location: Online video conference

I. Roll Call (5:32 pm)

A regular meeting of the Board of Directors of the Lewis Pointe Metropolitan District (District) was called and held as shown above and in accordance with the statutes of the State of Colorado. The following Directors were in attendance:

Directors	Office	Attendance
Pete Adler	President	Present
Amy Jones	Treasurer	Present
Robert Maples	Assistant Secretary	Present
Anthony Garcia	Assistant Secretary	Present
Vacancy		

Also, in attendance was Charles Wolfersberger (District Manager) and Jennifer Brink, Wolfersberger, LLC, Michael Davis from Miller & Associates (District's general counsel) and one homeowner: Shane Sena (4986 E 141st Ave).

II. Call to Order

Meeting was called to order by Director Adler. Director Adler noted that a quorum of the Board was present, and the Directors confirmed their qualification to serve and, therefore, called the special meeting of the Board of Directors of the District to order.

III. Present disclosures of potential conflicts of interest

The District Manager reminded the board that pursuant to Colorado law, certain disclosures by the Board members may be required prior to taking official action at the meeting. The Board reviewed the agenda for the meeting, following which all directors reported no conflicts of interest. The District Manager indicated the public notice regarding the meeting was posted in a timely manner at 144th Avenue and Holly Street and posted on the District's website.

IV. Public Comments – None

V. Administrative and Contractual Matters

- 1) Review and consider the minutes for the August 17, 2020 board meeting: Director Jones motioned to defer review and approval of the minutes to the next Board meeting. Director Garcia seconded the motion and the Board voted 4-0 to approve the motion.

- 2) Review and consider candidates to fill vacancy on the Board: The Board noted that since the last Board meeting one homeowner has expressed interest in serving on the Board. Mr. Sena addressed the Board and expressed his interest serving on the Board. Director Jones motioned to appoint Shane Sena to the Board and Director Garcia seconded the motion. The Board voted 4-0 to approve the motion.

Action Item #1: The District Manager will file Director Sena's oath with the Department of Local Government.

- 3) District management transition - status update: The District Manager reported that he is waiting on CliftonLarsonAllen to provide (1) deposit detail information for August and (2) copies of contractor invoices paid in 2019 and 2020. Regarding the Q4 maintenance fees that will be assessed on October 1st, the District Manager indicated his office will be mailing out a management company introduction letter with the billing statements.

Director Adler recommended the Board consider shortening the payment deadline for quarterly fees from 80 days to 30 days. Director Maples motioned to change the payment deadline for quarterly maintenance fees from 80 days to 30 days. Director Garcia seconded the motion and the Board voted 5-0 to approve the motion.

The District Manager and the Board discussed whether to fund the District's operations entirely from property taxes in 2021. The District manager pointed out that once the District's debt is refinanced, revenue required to fund District operations and debt service should remain relatively flat year over year. One advantage to funding District operations entirely from property taxes is that the State of Colorado matches property taxes collected with an approximately 8% matching "specific ownership tax" revenue contribution. The Board noted that if the District's bonds are refinanced this year, DA Davidson is projecting an average annual savings per homeowner of between \$595/year and \$955/year. The Board also agreed that if the District's debt was refinanced and such refinance generated at least \$600/year savings for homeowners, the Board would eliminate the annual \$660 fee assessed on each home and only make minor downward adjustments to the property tax revenue collected from homeowners.

Action Item #2: The District manager will send out Q4 billing statements and an introduction letter to District residents as of October 1st.

- 4) Status update- reimbursement due to District from damages to District landscaping caused by Adams 12 School District utility boring project: The District Manager reported that an insurance claim has been filed with CSDPLP and he reviewed the claim and acknowledgement received from CSDPLP. He noted the District has listed the District's sprinkler systems as covered property at a value of \$250,635. The District Manager will notify the Board when CSDPLP determines whether the claim is a covered claim that will be paid out under the District's property insurance.
- 5) Review and consider engagement letter from Paul Rufien, PC: The Board reviewed and discussed whether to change the District's counsel from Miller & Associates to Paul Rufien,

PC. Director Maples motioned to hire Paul Rufien as general counsel for the District and to terminate services with Miller & Associates effective September 25th. Director Jones seconded the motion and the Board voted 5-0 to approve the motion.

Mr. Davis expressed appreciation on behalf of Miller & Associates to serve the District as its general counsel since the District was formed in 2008. The Board expressed their appreciation as well to Mr. Davis and his firm for their service.

VI. Financial Matters

- 1) Review and discuss status of Willow Bend water meter bills paid by District: The District Manager indicated he has not made progress on researching this issue. He is waiting on CLA to provide vendor invoices paid in 2020.

Action Item #3: Director Adler will provide the water bills to the District Manager for review.

VII. Landscaping Matters

- 1) Review and discuss landscape maintenance issues: The Board reviewed and discussed two bids submitted by Double Eagle. One bid was to aerate the turf areas. The second bid was to add mulch to the planter beds along the west side of Fairfax Ave. The Board discussed the mulch bid and agreed to defer consideration of this project until Spring of 2021. Director Jones motioned to approve Double Eagle's turf aeration bid and Director Garcia seconded the motion. The Board voted 5-0 to approve the motion.

Action item#4: District Manager will forward the approved aeration bid to Double Eagle.

The Board noted the tree stump dumped at the intersection of E 141st Place and Dahlia Way has not yet been removed by Ms. Ellis.

Action item #5: District manager will contact the landscape manager and request the tree stump be removed and disposed.

- 2) Review and consider 2021 landscape maintenance bids: The Board reviewed and discussed bids from three landscape companies to provide landscape maintenance services for the District in 2021. The bids reviewed by the Board were submitted by Singing Hills, Emerald Isle and Environmental Designs. Director Maples motioned to approve the bid from Environmental Designs. Director Garcia seconded the motion and the Board voted 5-0 to approve the motion.

Action item #6: The District Manager will notify all landscape companies that submitted bids regarding the Board's decision.

VIII. Bond Refinancing

Status Update – Bond Refinancing Proposals: The District Manager reported that two banks (Vectra Bank and BBVA Compass Bank) are working on submitting debt refinance proposals for

the Board to consider. One underwriting firm – DA Davidson – has submitted a bond refinancing proposal and engagement letter to the Board in March.

The District Manager reported that an issue exists regarding the refinancing of the Junior Lien Bonds. The bonds were issued in March 2017 at a significant discount. The District only received cash totaling \$327,205 from issuing the \$536,000 Junior Lien Bonds. Interest accrues at 9% annually on these bonds and total accrued, unpaid interest on these bonds will be approximately \$203,000 by the end of 2020. If the junior lien bonds are repaid in 2020 at face value plus accrued interest, the net effective interest rate on the bonds would be approximately 32%. The District's service plan and voter-authorized debt is limited to debt accruing interest at no greater than 18%. The District Manager reported that he discussed this issue earlier this week with Ken Guckenberger at Kutak Rock – the bond counsel that structured the junior lien bonds when they were issued in March 2017. Mr. Guckenberger will research the issue of repaying these bonds at less than face value so the District can comply with the District's maximum interest rate cap.

Action item #7: The District Manager will continue to work on collecting bond refinance proposals from the banks/underwriter for the Board to consider.

IX. Director Matters

Director Jones reported the Social Committee Chairperson resigned. She discussed possible events the District could sponsor around Halloween and asked the Board for event ideas. She also discussed the social committee budget for 2020 and 2021.

Action item #8: Director Jones will collect ideas for a District-sponsored Halloween event and submit to the Board for consideration.

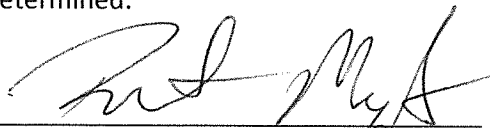
The Board discussed their goal to decorate the monument sign at 144th Avenue and Fairfax Drive this holiday season. The District Manager reported that installing an electric meter behind the monument sign appears to be a better option than trenching a 2-foot deep line from the electric meter at E 142nd Avenue & Fairfax Drive.

Action item #9: The District Manager will follow up with Xcel Energy, determine when Xcel Energy will install an electric meter behind the monument sign and report his findings to the Board.

X. Executive Session – None

XI. Adjournment (7:26 pm)

There being no further business to come before the Board, and upon motion duly made by Director Adler, seconded by Director Garcia and unanimously carried, the meeting was adjourned. The next board meeting will be held at 5:30 pm on Monday November 16, 2020 location to be determined.


Secretary

11/20/20
Date