

LEWIS POINTE METROPOLITAN DISTRICT

Regular Board Meeting Minutes

Meeting Date: Monday November 16, 2020

Meeting Time: 5:32pm to 7:54pm

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
Anthony Garcia	Secretary	Present
Robert Maples	Assistant Secretary	Present
Shane Sena	Assistant Secretary	Present

Also, in attendance was Charles Wolfersberger (District Manager) and Jennifer Brink, Wolfersberger, LLC; Matthew Chorske and Shane Miner with BBVA Compass Bank; Susie Ellis (Covenant Enforcement Manager) from Community Preservation Specialists, Inc.; and the following homeowners: Matthew Avila (14345 Forest St).

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, Director Adler called the regular 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 each director reported no conflicts of interest with the business to be conducted at this meeting.

IV. Public Comments

Mr. Avila discussed his design request form to install a shed in his backyard. He indicated his shed complied with the Design Guidelines with one exception – he is requesting his shed be located 2 feet from the fence line. Section 2.62 of the Design Guidelines require shed be set back 8 feet from property lines. He indicated the Architectural Review Committee denied his request because of his request to locate the shed within 8 feet of his property line. Director Jones noted the Architectural Committee will be submitting a proposal to the Board to consider reducing the 8-

foot setback requirement. However, until and if the Board approves the proposed rule change, the Architectural Committee has agreed to deny the design request submitted by Mr. Avila.

Director Adler requested Mr. Avila email a written appeal to the Board for consideration.

V. Administrative and Contractual Matters

1. Review and consider the minutes for the August 17, 2020 board meeting: The Board reviewed the meeting minutes drafted by the District Manager. Director Jones motioned to approve the minutes as presented and Director Maples seconded the motion. The Board voted 5-0 to approve the motion.
2. Review and consider the minutes for the September 24, 2020 board meeting: The Board reviewed the meeting minutes drafted by the District Manager. Director Jones motioned to approve the minutes as presented and Director Maples seconded the motion. The Board voted 5-0 to approve the motion.
3. Review and consider the minutes for the October 27, 2020 board meeting: The Board reviewed the meeting minutes drafted by the District Manager. Director Jones motioned to approve the minutes as presented and Director Maples seconded the motion. The Board voted 5-0 to approve the motion.
4. Review and consider 2021 administrative resolution: The District Manager presented and reviewed with the Board the 2021 Administrative Resolution. The discussion regarding the resolution included the following topics:
 - (a) establishing the physical posting location for meeting notices at the community mailboxes on the west side of Grape Street and E 140th Drive;
 - (b) Appointing Shane Sena as an assistant secretary and leaving all other office positions as currently constituted;
 - (c) Establishing regular meeting dates in 2021 to occur on the first Monday of February, May, August and November.

Director Maples motioned to approve the resolution as modified by the Board. Director Garcia seconded the motion and the Board voted 5-0 to approve the motion.

5. Review and consider 2020 audit engagement letter from BF Borgers CPA: The Board reviewed and discussed the 2020 financial statement audit engagement letter submitted by BF Borgers CPA. Director Jones motioned to approve the engagement letter as presented and Director Maples seconded the motion. The Board voted 5-0 to approve the motion
6. Review and consider schedule of 2020 director fees: The District Manager presented the 2020 director fees schedule. Director Jones motioned to approve the schedule as presented. Director Maples seconded the motion and the Board voted 5-0 to approve the motion.

VI. Financial Matters

- 1) Invoice review and approval process: The Board reviewed and discussed with the District manager the process for approving contractor invoices. The Board agreed that after invoices are reviewed and approved by the District Manager, the Board Treasurer (Director Jones) will be responsible for reviewing and approving contractor invoices before payment is issued on each invoice. If the Treasurer is not available to review invoices, the Board President will review and approve invoices before the District Manager issues payment on such invoices.
- 2) Review and consider proposals to refinance the Districts' Series 2015 and 2017 bonds: The Board reviewed and considered proposals submitted by (1) Stifel Nicolaus & Company, (2) Piper Sandler and (3) BBVA Compass Bank. Matthew Chorske with BBVA presented BBVA's refinancing proposal and answered questions from the Board. The Board agreed the new debt should be comprised of level annual repayments, reflect \$100,000 of new money to fund the District's capital project account Director Adler motioned to call a special meeting on December 7th at 5:30pm for the purpose of continuing the discussion and decision regarding refinancing the District bounds. Director Maples seconded the motion and the Board voted 5-0 to approve the motion.

VII. Landscaping Matters

- 1) Review and discuss holiday lights decorating the neighborhood monument signs: Director Jones has a meeting scheduled with the landscape manager (Chris Moe) on Friday to discuss placement of the lights. The landscape manager informed Director Jones that commercial-grade lights should be hung around the monument signs.

VIII. Covenant Enforcement

- 1) Review covenant enforcement reports: Ms. Ellis reviewed the enforcement report with the Board. For the 10-month period ending on October 31st, Ms. Ellis has levied 5 fines and issued 315 violation notices across the 373-home neighborhood for property maintenance violations and for violations of the design Guidelines. Ms. Ellis reviewed and discussed with the Board changes to the Board's enforcement policy to encourage homeowners to more quickly respond to violation notices. The Board, Ms. Ellis and the District Manager reviewed and discussed changing the frequency of assessing fines for open violation notices. Director Jones motioned to revise the Board's enforcement policy to (1) allow daily fines of \$15 to be assessed on properties with open property maintenance violations for up to 100 days and (2) turn over to the District's attorneys for legal action any properties that fail to correct violations during the 100-day fine period. Director Sena seconded the motion and the Board voted 5-0 to approve the motion.

Director Garcia left the meeting at 7:00pm.

- 2) Architectural Committee—Status update: No report provided by the Architectural Committee.

- 3) Review and consider changes to the Design Guidelines: Director Jones reported that she has not yet drafted the proposed changes to the Design Guidelines for the Board to consider.
- 4) Review and consider proposed revised and restate Board Enforcement Policy: The Board agreed to defer discussion of this proposal to the February 2021 board meeting.

Director Sena left the meeting at 7:14pm.

IX. 2021 Budget

- 1) 2021 Budget – Public Hearing: Director Adler motioned to open 2021 Budget public hearing at 7:14pm. Director Jones seconded the motion and the Board voted 3-0 to approve. The District Manager reviewed the proposed 2021 budget. Highlights from the review included the following:
 - Preliminary assessed valuation for the operating district increased approximately \$269,000 from \$14.9 million to \$15.2 million – all of which was related to new construction.
 - Quarterly maintenance fees assessed on homeowners will no longer be assessed on homeowners beginning in 2021. This reduction in fee revenue of approximately \$246,180 will be replaced with an increase in property tax revenue to fund the general operations and services of the District. Property tax revenue to fund general operations will increase approximately \$176,700 in 2021 over 2020. The reduction in fee assessments combined with an increase in property tax assessments represents a net reduction in assessments on homeowners of \$69,500 (or an average savings of \$186/year per household).
 - The District’s Series 2015A bonds and Series 2017B and C bonds require the District to maintain a mill levy of 55.664 in 2021. Such mill levy will generate \$846,700 in property tax revenue – an approximately \$15,000 increase over 2020 tax revenue. Because assessed home values remained flat in 2021 compared to 2020, the increase in tax revenue is entirely related to property taxes collected on newly constructed home lots.
 - The capital project fund will be funded in 2021 with transfers from the operating fund totaling \$25,000 and with a one-time \$100,000 transfer from the new debt refinance transaction anticipated to close in January 2021.
 - The 2021 budget reflects an anticipated refinancing of the District’s debt (Series 2015A, Series 2017B and Series 2017C bonds totaling approximately \$11.6 million) in January 2021. The principal and interest payments on the new debt is projected to be approximately \$590,000/year for 27 years. This new debt service would require the District to establish a debt mill levy that would generate approximately \$566,500/year in tax revenue from homeowners. Considering tax revenue generated under the debt mill levy to fund the “old” debt totals \$846,700 for 2021, the new debt service requirements represents a reduction in annual tax assessments on households of approximately \$280,200 (or an average savings of \$751/year per household).

- Total budgeted expenditures for general and administrative functions, landscape maintenance, trash pick-up service, covenant enforcement and other district services to residents is budgeted at \$487,000 in 2021. The District Manager indicated additional cost savings may be identified in the operating budget in 2021 as the new homeowner-controlled board works with its new landscaper (Environmental Design) and its new management company (Wolfersberger, LLC) in 2021.

Director Adler motioned to close the 2021 Budget public hearing at 7:15pm. Director Maples seconded the motion and the Board voted 3-0 to approve the motion.

- 2) Consider resolution to adopt 2021 budget, appropriate funds, set mill levies: The District Manager presented the resolution to adopt the 2021 budget, set mill levies and appropriate funds Director Adler motioned to approve the resolution as presented. Director Maples seconded the motion and the Board voted 3-0 to approve the motion.

X. Certification of Fees to the County Treasurer

- 1) Public hearing on proposed resolution to certify to the County Treasurer the collection – through the 2021 property tax collection process – of certain accrued and unpaid fees and charges on property accounts in accordance with 32-1-1101 CRS: Director Adler motioned to open 2021 public hearing at 7:46pm regarding the certification of accrued, unpaid fees on property accounts to the Adams County Treasurer for collection. Director Maples seconded the motion and the Board voted 3-0 to approve the motion. The Board noted no property owners were present to address the Board. Director Adler motioned to close the public hearing at 7:47pm. Director Maples seconded the motion and the Board voted 3-0 to approve the motion.
- 2) Review and consider resolution to certify to the County Treasurer the collection of certain accrued and unpaid fees and charges on property accounts in accordance with 32-1-1101: Director Adler motioned to approve the resolution regarding certification of accrued, unpaid fees on property accounts to the County Treasurer for collection in 2021. Director Maples seconded the motion and the Board voted 3-0 to approve the motion.

XI. Director Matters- None

XII. Executive Session – None

XIII. Adjournment (7:54 pm)

There being no further business to come before the Board, and upon motion duly made by Director Adler, seconded by Director Maples and unanimously carried, the meeting was adjourned. The next board meeting will be held online at 5:30 pm on Monday December 07, 2021.

DocuSigned by:

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 Secretary

2/1/2021

Date