
RECORD OF PROCEEDINGS

Minutes of the Special Meeting Of the Board of Directors of Mountain Sky Metropolitan District September 14, 2022

A special meeting of the Board of Directors of the Mountain Sky Metropolitan District was held at 1:30 P.M., September 14, 2022 remotely via Zoom.

Attendance

The following Directors were present and acting:

- Gene Osborne
- Jim Dignan
- Jordan Honea
- Kim Harrison
- Kim Herman

Also present and in attendance:

- Annette Kokoszka, resident
- JR Osborne, C3 Construction
- Angela Elliot, Teleos Management Company
- Cathy Baldwin, Teleos Management Company
- Joan Fritsche, Fritsche Law, LLC
- Eric Weaver, Marchetti & Weaver, LLC
- Rick Gonzales, Marchetti & Weaver, LLC
- Jennifer Anderson, Marchetti & Weaver, LLC

Call to Order

Director Osborne, noted a quorum of the Board was present, and that the Directors have confirmed their qualifications to serve, and therefore called the meeting of the Board of Directors of the Mountain Sky Metropolitan District to order at 1:40 P.M.

Disclosure

Ms. Fritsche advised 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 Board member disclosed their conflicts of interest, stating the fact and summary nature of any matters, as required under Colorado law, to permit official action to be taken at the meeting. The Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act.

Ms. Fritsche informed the Board that written disclosures for each of the Directors were filed with the Secretary of State and the Board prior to this meeting.

Public Comment

There was no public comment.

Minutes

Upon a motion duly made and seconded, it was unanimously

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RESOLVED, to approve the minutes of the June 1, 2022 regular meeting as presented.

Construction

JR Osborne reported that most infrastructure improvements, except for landscaping, are complete and landscaping will be completed by the end of the year. Mr. Osborne reported on the theft of an irrigation controller that has since been replaced, fire hydrants on CR12 and ½ that will need to be moved to conform with City standards, the drainage swale has been drained in order to address erosion control issues raised by the City, and perimeter fencing is completed except for those areas near DR Horton construction sites.

Covenant Compliance & ACC

Ms. Elliot informed the Board that Teleos currently bills 133 homes Ms. Honea informed the Board that D.R. Horton's count of homes sold is 130. Ms. Honea will review her reports. The Board then discussed status of development and impact on future tax revenue and the District's operating budget.

Chairman Osborne asked about the status of the letter from residents regarding landscaping and drainage issues. Mr. Osborne and Director Honea informed the Board they responded to the homeowners as representatives of the developer and homebuilder, respectively. Mr. Osborne stated he believes there was a misunderstanding by the homeowners about the developer's intent to finish certain landscaping improvements and the approved landscaping plan. Mr. Osborne stated that improvements are being constructed per the City approved development plan and the homeowners were asking for improvements above and beyond what the development plan requires, for which there is no funding available. Director Herman and Ms. Honea informed the Board that the developer and homebuilder response letter and the mitigation work currently underway seems to have been well received by homeowners.

Legal

Ms. Fritsche informed the Board that a revised scope of services for Teleos was requested at the last Board meeting as the community grows and Teleos becomes the first point of contact for homeowners. Following discussion and upon a motion duly made and seconded it was unanimously

RESOLVED, to approve the revised scope of services proposed by Teleos at a cost to the District of \$1,450 per month plus expenses related to periodic community email blasts.

Ms. Fritsche presented the Resolution Amending Design Guidelines. The amendments address inconsistencies in the Guidelines related to the allowable irrigated turf area per lot and fencing materials and fence design approval process.

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Following discussion and upon a motion duly made and seconded it was unanimously

RESOLVED, to approve the Resolution Amending Design Guidelines.

Ms. Fritsche presented the Resolution Appointing And Ratifying Architectural Control Committee. The purpose of the resolution is to update the members of the Architectural Control Committee (“ACC”). Upon a motion duly made and seconded it was unanimously

RESOLVED, to approve the Resolution Appointing And Ratifying Architectural Control Committee to approve Kim Herman and Jordan Honea as the members of the ACC.

Ms. Fritsche reviewed the 2022 Legislative Update provided by her office addressing changes in legislation that impact the District. Key changes reviewed were 1) SB-22-238 concerning changes in determining actual value and changes in assessed valuation rates for certain property classifications. Ms. Fritsche informed the Board that the District has authorization to adjust its mill levy rates to compensate for these changes. Ms. Fritsche stated that although the Mountain Sky Declarations specifically exempt the District from the Colorado Common Interest Ownership Act (“CCIOA”), she wanted the Board and consultants to be aware of changes in CCIOA. Ms. Fritsche recommended adhering to the changes beginning in 2023 even though the District is not subject to many of the CCIOA provisions. Ms. Fritsche had reviewed the District’s Fee and Fine Schedule and only the daily repetitious fine was in excess of the new statutory limits. Ms. Fritsche reviewed HB 22-1137 related primarily to violation and fee notice requirements, fee and fine collections and association foreclosures; HB-1139 prohibiting enforcement of covenants on public right-of-way, including public streets; and HB22-1040 requiring notice of restricted access to common areas. No action was taken by the Board.

Ms. Fritsche then informed the Board of legislation that failed to pass in 2022 affecting metropolitan districts. No action was taken by the Board.

Ms. Fritsche stated that all System Development Fees have been paid and all lots within the District have been released from the District’s lien.

The Board tabled conveyance of open space parcels.

Financials

Mr. Weaver presented the unaudited financial statements for the period ending

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August 31, 2022, noting that there will be tax revenue available to apply to developer advances and preliminary assessed values for next year's tax collection have increased from prior years particularly for oil and gas operations. Mr. Weaver also informed the Board that a preliminary budget for 2023 is included in the financial statements. Concerning the District's operating budget, Mr. Osborne informed the Board that the City is changing its snow removal procedures and will only plow arterial streets. Subdivisions are now responsible for interior, collector streets. Director Dignan asked Mr. Osborne to check with the City to see if a storage area for plowed snow needs to be identified and/or approved by the City. Following a brief discussion of the financial statements and preliminary budget and upon a motion duly made and seconded it was unanimously,

RESOLVED, to accept the unaudited financial statements for the period ending August 31, 2022 as presented.

Mr. Gonzales presented the claims paid report and called attention to the transfer of pledged revenue to the Bond Trustee of which approximately \$176,000 will be returned to the District under the terms of the Bond Indenture, and could be used to fund a payment on developer advances. Upon a motion duly made and seconded it was unanimously

RESOLVED, to ratify the claims paid in the amount of \$236,213.42.

Mr. Weaver informed the Board that FL Mountain Sky has requested a partial repayment of developer advances made for capital expenditures and that the District has \$176,301.18 of revenue available to repay capital advances. Upon a motion duly made and seconded it was

RESOLVED, to approve a \$176,301.18 repayment of capital advances to FL Mountain Sky LLC.*

*Chairman Osborne and Director Harrison abstained from the vote due to a conflict of interest.

Mr. Weaver referenced the memo in the Board packet related to the timing of budgeting.

Directors Matters Upon a motion duly made and seconded it was unanimously

RESOLVED, to elect the current slate of Board Officers to new terms.

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Next Meeting Date The next meeting of the Board will also be its 2023 budget hearing, scheduled for 1:30 P.M., Wednesday, November 2, 2022.

Adjournment There being no further business to come before the Board and upon a motion duly made and seconded it, was unanimously

RESOLVED, to adjourn the meeting at 3:00 P.M.

Respectfully Submitted



Rick Gonzales
Secretary to the meeting