

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE STONE CREEK METROPOLITAN DISTRICT (THE “DISTRICT”) HELD APRIL 4, 2022

A Special Meeting of the Board of Directors (referred to hereafter as the “Board”) of the District was convened on Monday, the 4th day of April, 2022, at 10:00 a.m. The District Board meeting was held by Zoom without any individuals (neither District representatives nor the general public) attending in person. The meeting was open to the public.

Directors In Attendance Were:

Patrick L. Lyng
Peter J. Klymkow (for a portion of the meeting)
Eric Kubly
Mauricio Barbera

Also In Attendance Were:

Peggy Ripko; Special District Management Services, Inc. (“SDMS”)

Elisabeth A. Cortese, Esq. and Suzanne Meintzer, Esq.; McGeady Becher P.C.

Gigi Pangindian; CliftonLarsonAllen LLP (“CLA”)

Michael Sanders; Choke Cherry Investors, LLC

Denise Fulham, Anne Messner, Lisa Hagstrom, Ashley Racich, Amanda Roper, Jesse Peterson, Greg and Ryan; Residents of the District

**ADMINISTRATIVE
MATTERS**

Disclosures of Potential Conflicts of Interest: Attorney Cortese discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State. The Board noted that disclosures of potential conflict of interest statements for each of the Directors were filed with the Secretary of State seventy-two hours in advance of the meeting. Attorney Cortese requested that the Directors consider whether they had any additional conflicts of interest to disclose. Attorney Cortese noted for the record that there were no new disclosures made by the Directors present at the meeting and incorporated for the record those applicable disclosures made by the Board Members prior to this meeting and in accordance with the statutes.

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Quorum/Confirmation of Meeting Location/Posting of Notice: Ms. Ripko confirmed the presence of a quorum.

The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. Following discussion, upon motion duly made by Director Barbera, seconded by Director Lyng and, upon vote unanimously carried, the Board noted that the District Board meeting was held by Zoom without any individuals (neither District representatives, nor the general public) attending in person. The Board further noted that notice providing the date, time and means of hosting the meeting was duly posted and that they have not received any objections, or any requests that the means of hosting the meeting be changed by taxpaying electors within the District's boundaries.

Agenda: Ms. Ripko distributed for the Board's review and approval a proposed Agenda for the District's Special Meeting.

Following discussion, upon motion duly made by Director Barbera, seconded by Director Lyng and, upon vote, unanimously carried, the Agenda for the District's Special Meeting was approved, as presented.

Designation of 24-Hour Posting Location: Following discussion, upon motion duly made by Director Barbera, seconded by Director Lyng, and upon vote unanimously carried, the Board determined that notices of meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted at least 24 hours prior to each meeting on the District's website at: <https://stonecreekmd.colorado.gov/>, or if posting on the website is unavailable, notice will be posted at the following physical location within the District's boundaries: on the telephone pole on Scott Avenue and Interlocken Street.

Public Comment: There was no public comment.

Re-Appointment of Director: The Board considered the re-appointment of Ashley Racich to fill a vacancy on the Board.

Following discussion, upon motion duly made by Director Barbera, seconded by Director Lyng and, upon vote, unanimously carried, Ashley Racich was re-appointed to fill the vacancy on the Board. The Oath of Office was administered.

Appointment of Officers: The Board entered into discussion regarding the appointment of officers.

Following discussion, upon motion duly made by Director Lyng, seconded by Director Barbera and, upon vote, unanimously carried, the following slate of officers was appointed:

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President	Patrick L. Lyng
Treasurer	Peter J. Klymkow
Secretary	Peggy Ripko
Assistant Secretary	Eric Kubly
Assistant Secretary	Mauricio Barbera
Assistant Secretary	Ashley Racich

Minutes: The Board reviewed the Minutes of the November 17, 2021 Special Meeting.

Following discussion, upon motion duly made by Director Barbera, seconded by Director Lyng and, upon vote unanimously carried, the Board approved the Minutes of the November 17, 2021 Special Meeting.

FINANCIAL MATTERS

Claims: The Board considered approval of the payment of claims released for the periods as follows:

Fund	Claims Released November 16 2021 – February 23, 2022
Total	\$ 51,323.90

Following discussion, upon motion duly made by Director Barbera, seconded by Director Kubly, upon vote, unanimously carried, the Board approved the payment of claims released.

The Board then considered approval of the payment of claims, in the amount of \$41,169.24.

Following review and discussion, upon motion duly made by Director Barbera, seconded by Director Lyng and, upon vote, unanimously carried, the Board approved the payment of claims, in the amount of \$41,169.24.

Unaudited Financial Statements: Ms. Pangindian presented the Unaudited Financial Statements for the period ending December 31, 2021, Schedule of Cash Position for the period ending December 31, 2021, updated January 31, 2022, and the Property Tax Reconciliation.

Following review and discussion, upon motion duly made by Director Barbera, seconded by Director Kubly and, upon vote, unanimously carried, the Board accepted the Unaudited Financial Statements for the period ending December 31, 2021, schedule of cash position for the period ending December 31, 2021, updated January 31, 2022, and the Property Tax Reconciliation.

Aging Report: There was no report available at this time.

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2021 Audit: The Board reviewed the proposal from Wipfli LLP to perform the 2021 Audit.

Following discussion, upon motion duly made by Director Barbera, seconded by Director Klymkow and, upon vote, unanimously carried, the Board approved the engagement of Wipfli LLP to perform the 2021 Audit, for an amount not to exceed \$4,400.

Master Service Agreement for Accounting Services between the District and CliftonLarsonAllen LLP and related Statement(s) of Work: The Board deferred action on this matter. Ms. Pangindian was directed to provide the Master Service Agreement to the Board in advance of the May meeting.

CAPITAL IMPROVEMENTS

Project Status Report: Mr. Sanders updated the Board regarding the repair of 3 solar lights and status of the installation of the traffic signal at Parker Road and Scott Avenue, noting that CDOT had provided verbal approval relative to the traffic signal, and that he anticipated receipt of formal approval upon obtaining a traffic control plan and insurance coverage.

EXPENDITURE VERIFICATION/ COST CERTIFICATION

Pay Applications under the Hudick Excavating, Inc. (“HEI”) Contract: Ms. Ripko informed the Board that she is still working to compile the Pay Applications under the HEI Contract.

LEGAL MATTERS

May 3, 2022 Regular Election for Directors: Attorney Cortese provided an update to the Board on the cancellation of the May 3, 2022 Regular Election for Directors. It was noted that Ashley Racich, Stacey Jenkins and Amanda Roper were each elected by acclamation to 3-year terms ending in May, 2025.

Shortfall Funding Agreement by and among the District, Choke Cherry Investors, LLC (“CCI”), Richmond American Homes of Colorado, Inc., Taylor Morrison of Colorado, Inc., and KB Home of Colorado, Inc. (“Shortfall Funding Agreement”): Attorney Cortese reviewed the Shortfall Funding Agreement with the Board.

Following discussion, upon motion duly made by Director Barbera, seconded by Director Klymkow and, upon vote, unanimously carried, the Board approved the Shortfall Funding Agreement, subject to final legal review.

Seventh Amendment to Operation Funding Agreement by and between the District and CCI (“Original Seventh Amendment”): Attorney Cortese explained that the Original Seventh Amendment, approved at the November 17, 2021 meeting does not reflect the current intent of the parties, following the approval of the Shortfall Funding

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Agreement and that a new Seventh Amendment to Operation Funding Agreement would be presented for consideration at this meeting.

Following discussion, upon motion duly made by Director Barbera, seconded by Director Klymkow and, upon vote, unanimously carried, the Board rescinded approval of the Original Seventh Amendment to Operation Funding Agreement.

Seventh Amendment to Operation Funding Agreement by and between the District and CCI (“New Seventh Amendment”): Attorney Cortese reviewed the New Seventh Amendment with the Board, noting that the terms corresponded to the terms agreed upon pursuant to the Shortfall Funding Agreement.

Following discussion, upon motion duly made by Director Barbera, seconded by Director Klymkow and, upon vote, unanimously carried, the Board approved the New Seventh Amendment.

Amended and Restated Facilities Acquisition Agreement by and between the District and CCI (“A/R Facilities Acquisition Agreement”): Attorney Cortese reviewed the A/R Facilities Acquisition Agreement with the Board.

Following discussion, upon motion duly made by Director Barbera, seconded by Director Klymkow and, upon vote, unanimously carried, the Board approved the A/R Facilities Acquisition Agreement.

OPERATIONS AND MAINTENANCE **Pool/Clubhouse Completion and Timeline for Opening**: Mr. Sanders gave an update regarding the status of the Pool & Clubhouse completion, noting that all interior clubhouse work has been completed and is pending final inspection. Mr. Sanders further informed the Board that the pool is anticipated to be open for resident use over Memorial Day weekend. Ms. Ripko was directed to work with Mr. Sanders and Mr. Lyng to grant SDMS access to address alarms and security system issues.

Landscape Maintenance Matters: Mr. Sanders noted that Mayberry Builders is currently handling landscaping maintenance. Ms. Ripko was directed to work with Mr. Sanders, Mr. Lyng and Mayberry Builders on creation of a scope to bid. Ms. Ripko was further directed to obtain proposals for the following additional services:

- i. Pool Operations/Maintenance;
- ii. Landscaping Services;
- iii. Clubhouse Cleaning;
- iv. Street Light Maintenance;
- v. GESG Services;
- vi. Trash at Parks;

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- vii. Dog Waste Stations; and
- vii. General Maintenance / Minor Repair Items.

Following discussion, Directors Racich and Klymkow were appointed to serve on the Pool/O&M committee to work with Ms. Ripko to obtain proposals and report back to Board.

Addition of Bike Lane Adjacent to the Existing Pathways for the Stone Creek Ranch Area: It was noted that the area in question is not owned by the District and therefore this is not a request that the District can address.

Resident Inquiries: The Board addressed resident inquiries relative to the status of native areas, standing water and drainage issues. Ms. Ripko was directed to schedule a walkthrough including District and resident representatives to review and address native areas and standing water issues. Director Kubly indicated that he would add installation of a grate / chase for drainage near Director Racich's residence to his inspection list to alert the inspector of the issue, and for installation to be added to the list of items to be resolved during the final inspection process.

COVENANT ENFORCEMENT/ DESIGN REVIEW

Community Management: Ms. Ripko presented an update to the Board regarding Community Management matters, noting that with the arrival of warmer months, SDMS will be onsite to perform landscape inspections twice per month. Director Klymkow inquired about fencing color, noting that white fences are not an approved option. Ms. Ripko stated that residents were facing supply chain issues in obtaining the approved sandstone colored fencing, and that she would monitor the situation.


OTHER BUSINESS

No other business was discussed.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Klymkow, seconded by Director Kubly and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By  Secretary for the Meeting