

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE STONE CREEK METROPOLITAN DISTRICT (THE “DISTRICT”) HELD SEPTEMBER 9, 2022

A Special Meeting of the Board of Directors (referred to hereafter as the “Board”) of the District was convened on Friday, the 9th day of September, 2022, at 1:00 p.m. The District Board meeting was held via Zoom video / telephone conference. The meeting was open to the public.

Directors In Attendance Were:

Ashley Racich
Peter J. Klymkow
Amanda Roper

Following discussion, upon motion duly made by Director Klymkow, seconded by Director Racich and, upon vote, unanimously carried, the absences of Directors Jenkins and Barbera were excused.

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 and Alonso Duran Rodriguez; CliftonLarsonAllen LLP (“CLA”)

Eric Watson; Caretaker, Inc. d/b/a Caretaker Landscape and Tree Management

Jason Mercer, Russ Roberson, Amber and Anthony Zambai, Anne Messner, Richard Schroeder, Kyle Christensen, Mehl residence, Chrys Lyttle, Holly Green, Claudia Lynch, Jonathan Mahendran, Danielle Bunch, Richard Schroeder, Amber Zambia, Cliff Waters, Sandy Otersen, Jennell Woods, Dana Black, Casey Razka, J. Neumann and others in attendance who did not wish to be identified

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 Directors Barbera and Klymkow were filed with the Secretary of State seventy-two hours in advance of the meeting. Attorney Cortese then explained the statutory requirements requested that the

RECORD OF PROCEEDINGS

Board members consider whether they had any 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.

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. It was noted that the District Board meeting was held by Zoom video / telephone conference. 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 Klymkow, seconded by Director Racich and, upon vote, unanimously carried, the Agenda for the District's Special Meeting was approved.

Minutes: The Board reviewed the Minutes of the May 18, 2022 Special Meeting.

Following discussion, upon motion duly made by Director Klymkow, seconded by Director Roper and, upon vote unanimously carried, the Board approved the Minutes of the May 18, 2022 Special Meeting.

PUBLIC COMMENT The Board received public comments related to the condition of landscaping on public tracts and lack of communication and accountability/responsibility from Choke Cherry Investors, LLC ("CCI"), the District and SDMS regarding status of the clubhouse and pool. Mr. Zambai informed the Board that he and his wife bought the tract their house is located on from CCI, and that CCI did not disclose, and their realtor did not notice, that the tract is zoned for public/open space, so they cannot move in, and therefore, are not inclined to address the weeds on their property.

OPERATIONS AND MAINTENANCE **Pool/Clubhouse Operations:** Ms. Ripko provided an update to the Board, noting that the temporary Certificate of Occupancy had been extended through October 11, 2022.

Landscape Maintenance Matters:

RECORD OF PROCEEDINGS

District Open Space and Drainage Tracts: Attorney Cortese presented a map depicting an overview of the District's open space and drainage tracts.

Landscape Invoice: The Board deferred discussion of this matter until later in the meeting.

Service Agreement by and between the District and Metro Pools Service & Supply for Pool Maintenance Services: The Board entered into discussion regarding the Service Agreement by and between the District and Metro Pools Service & Supply for pool maintenance services.

Following discussion, upon motion duly made by Director Klymkow, seconded by Director Racich and, upon vote unanimously carried, the Board acknowledged the Service Agreement by and between the District and Metro Pools Service & Supply for pool maintenance services.

Service Agreement by and between the District and Caretaker, Inc. d/b/a Caretaker Landscape and Tree Management for Maintenance Services: The Board deferred discussion of this matter.

Service Provider Committee Regarding 2022-2023 Service Agreements:

Clubhouse Cleaning: The Board deferred discussion of this matter until later in the meeting.

Street Lighting Maintenance: The Board deferred discussion of this matter until later in the meeting.

GESC Services: The Board deferred discussion of this matter until later in the meeting.

Trash Collections at Parks: The Board deferred discussion of this matter until later in the meeting.

Dog Waste Stations: The Board deferred discussion of this matter until later in the meeting.

General Maintenance/Minor Repair Items: The Board deferred discussion of this matter until later in the meeting.

District Updates / Community Information: The Board entered into discussion regarding the dissemination of District updates/community information.

Email Blasts: The Board entered into discussion regarding provision and frequency

RECORD OF PROCEEDINGS

of email blasts. The Board directed staff to add the email blast information to the District website and directed that email blasts occur on a weekly basis.

Postcard Mailing: The Board discussed the possibility of a postcard mailing regarding the District's website and email addresses. No action was taken by the Board.

CAPITAL IMPROVEMENTS

Project Status Report: The project status was discussed earlier in the meeting.

Landscape Management Agreement between the District and Cox Professional Landscape Services LLC: The Board deferred discussion until later in the meeting.

COVENANT ENFORCEMENT / DESIGN REVIEW

Community Manager's Update: None.

5623 Saddle Skirt Street Appeal: The Board deferred discussion until a new Design Review Committee has been established.

Role of the Metropolitan District: The Board entered into discussion regarding the role of the District and Ms. Ripko answered homeowner questions as needed.

LEGAL MATTERS

EXECUTIVE SESSION: Pursuant to Sections 24-6-402(4)(b) and (e), C.R.S., and upon a motion made by Director Roper, seconded by Director Racich and, upon vote, unanimously carried, the Board convened in Executive Session at 2:51 p.m. for the sole purpose of receiving legal advice regarding potential negotiations related to landscaping, pool, and clubhouse matters. The executive session was adjourned at 4:23 p.m. Following the executive session, upon a motion by Director Roper, seconded by Director Racich, and upon vote unanimously carried, the Board issued the following directives:

1. Create the following committees, to consist of two or less Board Members (Director Roper and/or Director Racich), along with interested community members (SDMS to send an email blast advising community members to notify SDMS of their interest):
 - a. Landscaping;
 - b. Social;
 - c. Design Review Committee;
 - d. Clubhouse/Pool; and
 - e. Budget and Finance.

RECORD OF PROCEEDINGS

2. The Landscaping Committee is to walk the project and solicit proposals within the District budget for correction/remediation of landscaping issues. It was noted that all landscaping agreements and invoices on the agenda are deferred until the landscaping walk happens.

FINANCIAL MATTERS

Claims: The Board considered approval of the payment of claims, in the amount of \$259,560.39.

Following discussion, upon motion duly made by Director Klymkow, seconded by Director Roper, upon vote, unanimously carried, the Board approved the payment of previous claims, as presented and deferred approval of payment of current claims, pending the landscaping walk and related budget discussion.

Unaudited Financial Statements: The Board discussed the Unaudited Financial Statements for the period ending July 31, 2022 Schedule of Cash Position for the period ending July 31, 2022, updated September 6, 2022, and the Property Tax Reconciliation.

Following review and discussion, upon motion duly made by Director Racich, seconded by Director Klymkow and, upon vote, unanimously carried, the Board accepted the Unaudited Financial Statements for the period ending March 31, 2022, Schedule of Cash Position for the period ending July 31, 2022, updated September 6, 2022, and the Property Tax Reconciliation.

2021 Budget Amendment Hearing: The President opened the public hearing to consider the Resolution to Amend the 2021 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2021 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No public comments were received, and the public hearing was closed.

Following discussion, the Board determined that an amendment of the 2021 Budget was not necessary.

2021 Audit: Ms. Pangindian reviewed the 2021 Audited Financial Statements with the Board.

Following review and discussion, upon motion duly made by Director Klymkow, seconded by Director Roper and, upon vote, unanimously carried, the Board approved the 2021 Audited Financial Statements, subject to final legal review and issuance of a clean auditor's opinion and authorized execution of the representations letter.

RECORD OF PROCEEDINGS

2023 Budget Workshop: Attorney Cortese explained that the Budget Committee would have the opportunity to review the projected 2023 available funds and anticipated expenditures.

OTHER BUSINESS

Park Grading: Mr. Mercer expressed his opinion that the park is not graded correctly, and informed the Board that he brought this to the attention of CCI and Mayberry Builders, LLC two years ago.

ADJOURNMENT

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

Respectfully submitted,

By Amanda Roper
Assistant Secretary

RECORD OF PROCEEDINGS

ATTORNEY STATEMENT REGARDING PRIVILEGED ATTORNEY-CLIENT COMMUNICATION

Pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., I, Elisabeth A. Cortese, attest that, in my capacity as the attorney representing Stone Creek Metropolitan District, I attended the executive session meeting that the Board of Directors for Stone Creek Metropolitan District convened at 2:51 p.m. on September 9, 2022 for the sole purpose of receiving legal advice regarding potential negotiations related to landscaping, pool and clubhouse matters, as authorized by Section 24-6-402(4)(e), C.R.S. I further attest it is my opinion that all or a portion of the executive session discussion constituted a privileged attorney-client communication as provided by Section 24-6-402(4)(b), C.R.S., and, based on that opinion, no further record, written or electronic, was kept or required to be kept pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S.

Signed

Elisabeth A. Cortese
Elisabeth A. Cortese

Dated:

September 9, 2022