

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
LITTLETON VILLAGE METROPOLITAN DISTRICT NO. 2
HELD
AUGUST 2, 2023

A special meeting of the Board of Directors (the “Board”) of the Littleton Village Metropolitan District No. 2 (the “District”) was convened on Wednesday, August 2, 2023, at 5:30 p.m. via Zoom. The meeting was open to the public.

ATTENDANCE

Directors In Attendance:

Jim Bowlby, Jr., President
Maria McAfee, Treasurer
Zach Tedeschi, Secretary*
Phil Cernanec, Assistant Secretary

Also In Attendance:

AJ Beckman, Geol Scheirman and Kate Innes; Public Alliance
Joan Fritsche, Esq.; Fritsche Law, LLC
Tyler Simonson; Morain Bakarich, CPAs
Isabelle Lockwood, AMLI
Lynne Christensen
Laci Knowles, D.A. Davidson*
Andrew Wheeler, D.A. Davidson*

ADMINISTRATIVE MATTERS

Call to order and approval of agenda: Mr. Beckman called the meeting to order at 5:33 p.m.

Following review, upon a motion made by Director Cernanec seconded by Director Bowlby and, upon vote, unanimously carried, the Board approved the agenda, as amended.

Quorum, location of meeting and posting of meeting notices: A quorum of the Board was present, and the meeting location (Zoom) and meeting notice posting were confirmed.

Disclosures of potential conflicts of interest: None.

Resignation of Holly Bundschu from the Board of Directors: Following discussion, upon a motion made by Director Cernanec seconded by Director Tedeschi and, upon vote, unanimously carried, the Board acknowledged the resignation of Holly Bundschu from the Board of Directors.

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Special District Association 2023 Annual Conference: Mr. Beckman discussed conference with the Board. Director Cernanec advised the Board that in his opinion there is not an abundance of information presented at the annual conference applicable to Metropolitan Districts. There were no requests by Directors to attend the conference.

Discussion Regarding Public Comment: Director Bowlby advised members of the public that placing the Public Comment section toward the end of agenda is not intended to curtail public comment, but instead improve the efficiency of Board meetings since many of the topics addressed in Public Comment tend to be agenda items that will be addressed as part of the scheduled District business. He further explained that members of the public may submit comments via the District's website anytime to get questions answered between meetings. Questions will be addressed by the management team or sent to the Board or appropriate committee as necessary.

CONSENT AGENDA

April 25, 2023 Regular Board Meeting Minutes: Director Bowlby noted that Ms. Christensen advised the Board of grant opportunities at the April 25, 2023 Board meeting and that the minutes should be amended to reflect her comments.

Following discussion, upon a motion made by Director Bowlby seconded by Director Cernanec and, upon vote, unanimously carried, the Board approved the April 25, 2023 Regular Board Meeting minutes, as amended.

May 31, 2023 Special Board Meeting Minutes: Following discussion, upon a motion made by Director Bowlby seconded by Director Cernanec and, upon vote, unanimously carried, the Board approved the May 31, 2023 Special Board Meeting minutes, as presented.

FINANCIAL MATTERS

Presentation by D.A. Davidson concerning Refinancing the District's Series 2015 and Series 2018 Bonds: Director McAfee advised the Board that she, Ms. Fritsche and Mr. Beckman previously discuss the potential refinancing with Ms. Knowles. She advised the Board that the goal of the refinancing is to reduce taxes and accelerate the retirement of debt. She then asked Ms. Knowles to review with the Board two proposed refinancing options; the first option to refund the District's existing debt with a short term loan, which would be refinanced at the end of a five year loan period. The second option would be a bond refinance. Ms. Knowles discussed the possibility of including an additional \$1,000,000 of new money. She clarified that issuing any new money to be used for capital improvements is optional. Mr. Martinelli inquired as to the use of such proceeds. Director Bowlby explained that landscaping and irrigation improvements to reduce water consumption as well as remediation of the sink hole and ongoing maintenance items could be addressed with additional capital. Mr. Martinelli asked about the term of the new debt. Ms. Knowles explained that the term for a new bond issuance would be 30 years, however the Board

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could retire the debt earlier, depending upon the annual debt service mill levy as determined by the Board. Director Tedeschi asked if there is a deadline for the Board to make a decision. Ms. Knowles advised the Board that it would be best to make a decision soon so that the debt could be issued prior to the December 15th deadline for certifying the District's mill levy for the upcoming budget year.

* Ms. Knowles and Mr. Wheeler left the meeting.

Accounts Payable Through July 18, 2023, Cash Sheet and Property Tax Schedule: Mr. Simonson presented the list of accounts payable. Following review and discussion, upon a motion duly made by Director McAfee, seconded by Director Tedeschi and, upon vote, unanimously carried, the Board ratified approval of the accounts payable dated April 1, 2023 to July 17, 2023 in the amount of \$161,415.20.

Financial Statements: Mr. Simonson explained that no additional financial reports are available at this time and that access to the bank accounts needs to be set up for Morain Bakarich.

Process and Status of Updating Bank Account Signers: Mr. Simonson explained that it will be necessary for Director Cernanec to complete the paperwork at a local FirstBank branch in order for additional authorizations to be granted. Mr. Beckman will coordinate with Directors Cernanec, McAfee and Bowlby to get the necessary paperwork signed. Attorney Fritsche suggested the Board approve a resolution establishing authorized signers for the District's checking account and authorize execution of the resolution by Director Bowlby because FirstBank will require evidence of official Board action to change the authorized signatories.

MANAGER MATTERS

Manager Report: Mr. Beckman reviewed the Manager's Report with the Board.

District Manager change, and introduction of David Rees with Public Alliance for Property Management and Covenant Control Services: Mr. Beckman advised the Board that he will be the lead manager and primary contact for the District going forward. Mr. Rees then introduced himself and advised the Board that he will be performing covenant and common area inspections and performing covenant enforcement. Director Bowlby welcomed Mr. Rees to the District and requested that he include members of the Design Review Committee in the review of covenant enforcement letters.

Design Guidelines as they relate to Xeric landscaping, and design review process: Mr. Beckman advised the Board that he would like to review the covenants with the Committee to discuss possible updates to clarify the

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requirements for Xeric plantings and compliance with new legislation. Mr. Beckman will follow up with the Committee.

BrightView Landscaping Report: Mr. Bedford reviewed his report with the Board.

Xeriscaping Plan and Water Wise Planting Options: Mr. Bedford reviewed a multi-year plan with the Board. The Highlights of the plan include replacement of irrigation controllers, conversion to rock mulch in planted beds, and annual tree and shrub replacements.

2023 Tree Replacements: Mr. Bedford reported that the trees included in the proposal approved earlier this year have been planted. They will be closely monitored. Director Bowlby advised Mr. Bedford that one of the newly planted trees along Dry Creek Road appears to not be doing very well.

Removal of Dead Shrubs and Grasses and Continuation of Larger Scale Project: Mr. Bedford reviewed the proposal with the Board. The proposal was deferred since there was no current financial information available.

Dead Tree Removal Along North End of the Storm Water Pond in District No. 3: Mr. Beckman advised the Board that a request to remove the trees has been placed with District No. 3.

Removal of Willows at Inlets to Fenton Pond: Mr. Bedford reviewed the proposal with the Board. The proposal was deferred since there was no current financial information available.

Wyatts Parking Management Towing Agreement: Director Bowlby advised members of the public that vehicles illegally parked in fire lanes may be reported to Wyatt's Towing at the number noted on the signs. The information is also included on the District's website.

Engagement of Contractor(s) for General Maintenance: Director Bowlby discussed the idea of hiring small local contractors to perform various maintenance tasks. He explained that the contractor or contractors could be engaged via a contract tailored toward sole proprietor business.

Other: None.

OTHER BUSINESS

Board Vacancy: Director Bowlby advised the Board that he has been in contact with two well-qualified and interested candidates. Neither was able to join the meeting tonight, however letters of interest should be available for the next Board meeting.

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AMLI progress with City of Littleton (“the City”) on new construction (Isabelle Lockwood): Ms. Lockwood reported that the change in zoning was approved earlier this week by the City Council. She reviewed the site plan with the Board and reported that AMLI has performed a sanitary sewer capacity study and is waiting on the Sewer provider to verify the capacity and condition of the main line. She advised the Board that AMLI will add pedestrian lighting on Sherman Street and will maintain the landscaping and sidewalks around the buildings.

Dog Park Renovations Design by AMLI: Ms. Lockwood reviewed and discussed the plans for the dog park renovation. She reported that the plans were submitted to the City last week for review. The changes include re-orientation of the entrances and the addition of a sidewalk around the park. The updated layout will include two areas, one for larger and one for smaller dogs.

E. Hinsdale Street opening and settlement issue between the concrete wall and the existing dog park: It was noted that the City of Littleton has completed repairs to E. Hinsdale Street. The dog park improvements by AMLI are expected to address the sidewalk on the north side of the dog park.

Commercial Development District No. 3:

Rino 38th bar, grill, and music venue: Director Bowlby advised the Board the owner of the venue is working with the City to obtain plan approval.

Daddy’s Chicken Shack: Director Bowlby advised the Board that site improvements are in progress.

Formation of Social Committee: Mr. Scheirman reported that there are two interested residents. Mr. Beckman asked if the committee would rather be informal and resident organized, or if it would operate according to a charter and as an official committee of the Board. The Directors gave suggestions for the Social Committee to consider including, Director McAfee envisions the organization of food trucks and one or two holiday events as being the general scope. Director Cernanec suggested holding an event for residents to meet the Board. Director McAfee suggested that partnering with AMLI on events.. Director McAfee volunteered to work with community volunteers through the end of the year. Ms. Innes noted she will put Director McAfee in touch with the volunteers. The Board discussed establishing a budget and funding. Director Cernanec suggested that the District contribute \$500 toward a Fall event.

Following discussion, upon a motion duly made by Director Cernanec, seconded by Director Bowlby and, upon vote, unanimously carried, the Board authorized funding, subject to final approval by Director McAfee.

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August 5, 2023 Community Dumpster Day: Ms. Innes reported dumpsters have been arranged for the event. The community has been advised via eblast. She will send another Eblast prior to the event. She also noted that the information is on the website.

Other: None.

Addition of “No Parking” Sign at Fremont Street and Pennsylvania Avenue:

Director Bowlby reported that the curve at Fremont and Pennsylvania is very dangerous. Mr. Martinelli explained that in his opinion, the same problem exists at Logan and Fremont. Mr. Martinelli suggested a stop sign be installed at the Fremont and Pennsylvania intersection. The Board requested that Mr. Beckman reach out to the City of Littleton about installing No Parking signage. Director Cernanec noted that City will require a traffic study before moving forward with the installation of the signage. Director Cernanec then raised the issue of people parking partially in alley ways and partially in the street. Director McAfee suggested that the Board explore the option of implementing a parking permits for on-street parking.

October 24, 2023 Board Meeting: The Board discussed holding the October 24, 2023 Board meeting in person with the option to log in via Zoom. Director Bowlby suggested the meeting be held at the Southglenn Golf Course, and noted that the Board would need sufficient tech support to hold a hybrid meeting at the suggested location. Mr. Beckman will verify the capabilities of the suggested location.

PUBLIC COMMENT

Director Bowlby discussed community outreach and noted that there are approximately 300 residents that receive the eblasts sent by Public Alliance.

Ms. Christensen advised the Board that in her opinion putting the public comment section toward the end of the meeting is fine since residents were able to comment on individual agenda items.

Ms. Christensen asked about water detention in the current monument area, at Dry Creek Road and Broadway in District No. 3. She asked if the District No. 3 Developer will be installing an underground cistern. None of the Directors or consultants had additional information.

Ms. Christensen asked about sink hole and how it will be paid for. Director Bowlby reported that AMLI will contribute up to \$55K to remove the sidewalk in the area and replace it with landscaping. He then noted that AMLI needs approval from the City for a construction plan.

**EXECUTIVE
SESSION**

Pursuant to Section 24-6-402(4)(b), C.R.S. upon motion duly made by Director Cernanec, seconded by Director Bowlby and, upon an affirmative vote of at least

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two-thirds of the quorum present, the Board convened in executive session at 8:17 p.m. for the purpose of receiving legal advice and obtain Board direction on contract negotiations related to potential debt refunding, pursuant to §§ 24-6-402(4)(b) and (e), C.R.S. Furthermore, pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., no record or electronic recording will be kept of those portions of the executive session that, in the opinion of the Board's attorney, constitutes privileged attorney-client communication pursuant to Section 24-6-402(4)(b), C.R.S.

The Board reconvened in regular session at 9:01 p.m.

LEGAL MATTERS

Engagement of DA Davidson as Underwriter: The Board deferred discussion.

Engagement of Ballard Spahr as Bond Counsel: The Board deferred discussion

Engagement of North Slope Capital Advisors as Financial Advisor: The Board discussed the engagement of North Slope Capital Advisors as the District's Financial Advisor.

Following discussion, upon a motion duly made by Director Cernanec, seconded by Director McAfee and, upon vote, unanimously carried, the Board engaged North Slope Capital Advisors as the District's Financial Advisor.

2023 Legislative Update: *Annual Meeting Pursuant to New Legal Requirements.* Attorney Fritsche discussed new legislation and the requirement for metropolitan districts to hold an annual meeting. She suggested that the meeting could be held at 5:00 p.m., immediately prior to the District's October 24th Board meeting.

Temporary Construction Easement for Dog Park Improvements by AMLI: The Board discussed a Temporary Construction Easement for the dog park improvements by AMLI and considered authorizing execution by the Board President.

Following discussion, upon a motion duly made by Director Bowlby, seconded by Director McAfee and, upon vote, unanimously carried, the Board authorized Director Bowlby to execute a Temporary Construction Easement for the dog park improvements by AMLI.

Upon a motion duly made by Director Cernanec, seconded by Director Bowlby and, upon vote, unanimously carried, the Board authorized Director Bowlby to execute a resolution approving a change in the FirstBank checking account authorized signers by removing Director Cernanec and adding Directors Bowlby and McAfee to the account.

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ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director McAfee, seconded by Director Cernanec and, upon vote, unanimously carried, the Board adjourned the meeting at 9:15 p.m.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.

Respectfully submitted,

DocuSigned by:

EACH Tedeschi

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Secretary for the Meeting