

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE VISTA RIDGE METROPOLITAN DISTRICT HELD MAY 25, 2023

A regular meeting of the Board of Directors (the “Board”) of the Vista Ridge Metropolitan District (the “District”) was convened on Thursday, May 25, 2023, at 5:30 p.m. at the Vista Ridge Community Center located at 2750 Vista Parkway, Erie CO 80516. The meeting was open to the public.

ATTENDANCE

Directors In Attendance:

Michael Lund, President
John Z. Ocwieja, Treasurer
Scott Wood, Assistant Secretary
Todd Sargent; Assistant Secretary

Absent: Valerie Swanson (excused)

Also In Attendance:

AJ Beckman and Shad Ortiz; Public Alliance, LLC
Jeffrey Erb, Esq.; Erb Law, LLC
Thuy Dam; CliftonLarsonAllen, LLP (“CLA”)

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

The meeting was called to order at 5:41 p.m.

Disclosure of Potential Conflicts of Interest: Annual conflict of interest disclosures were filed with the Secretary of State and deemed delivered to the Board. Attorney Erb requested that the Directors consider whether they had any new conflicts of interest which had not been previously disclosed. There were no additional disclosures made.

ADMINISTRATIVE MATTERS

Agenda: Mr. Beckman reviewed the agenda with the Board.

Following review, upon a motion made by Director Wood, seconded by Director Ocwieja, and, upon vote, unanimously carried, the Board approved the agenda, as presented. Additionally, it was confirmed that a quorum of the Board was in attendance and the meeting notice was posted on the District’s webpage at least 24-hours prior to the meeting.

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Update re Results of May 2, 2023 Election: Attorney Erb noted that Directors Lund, Ocwieja and Sargent were elected at the May 2, 2023 director election. Their terms will run through May 2027.

Conflict of Interest Disclosures and Statements of Qualification: Attorney Erb reviewed with the Board members the rules regarding disclosures of conflicts of interest, noting that any conflicts will need to be disclosed no less than 72-hours before a meeting and, in general, a conflicted director will not be able to participate in discussion or vote on matters in which there is a conflict or potential conflict of interest. Attorney Erb also reviewed the Statement of Qualification, which is a form used to confirm each Board member's qualification to sit on the Board. These forms are presented after each election and annually for review and updating. Each director is responsible for identifying and disclosing any conflicts. No director disclosed any conflicts.

Appointment of Officers: The Board entered into discussion regarding the appointment of officers. The Board is required to have a President, Treasurer and Secretary, although the Secretary is not required to a member of the Board.

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

President	Michael Lund
Treasurer	John Ocwieja
Secretary	AJ Beckman (District Manager)
Asst. Secretary	Todd Sargent
Asst. Secretary	Valerie Swanson
Asst. Secretary	Scott Wood

Minutes: The Board reviewed the minutes from the April 27, 2023 Regular Meeting.

Following discussion, upon motion duly made by Director Sargent, seconded by Director Wood and, upon vote, unanimously carried, the Board approved the minutes of the April 27, 2023 Regular Meeting, as presented.

Public comment: There was no public in attendance.

FINANCIAL MATTERS

Payment of Claims: Ms. Dam presented the payment of claims for the Board's review.

Following discussion, upon motion made by Director Ocwieja, seconded by Director Sargent and, upon vote, unanimously carried, the Board approved the

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payment of claims for the period ending May 17, 2023, in the amount of \$84,309.15.

Unaudited Financial Statements: Ms. Dam reviewed with the Board the unaudited financial statements through March 31, 2023 and schedule of cash position for the period ending March 31, 2023, updated as of May 12, 2023. She reviewed with the board the general and debt service funds, the conservation trust fund, tax receivables to-date, and total expenditures against the budget.

Following discussion, upon motion duly made by Director Ocwieja, seconded by Director Wood and, upon vote, unanimously carried, the Board accepted the unaudited financial statements and schedule of cash position for the period ending March 31, 2023, updated as of May 12, 2023.

Public Hearing on 2022 Budget Amendment: The President opened the public hearing at 6:15 p.m. to consider the Resolution to Amend the 2022 Budget and discuss related issues. The amendment was required because the Board determined to pay-off is C and B Bonds in full in 2022, which was not originally budgeted, as well as an increase in expenditures in the General Fund.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2022 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. There were no public comments on the amendment.

Following review, upon motion duly made by Director Ocwieja, seconded by Director Lund and, upon vote, unanimously carried, the Board approved the 2022 Budget Amendment.

2022 Audited Financial Statements: Ms. Dam presented the District's 2022 draft Audit to the Board. She discussed the audit process and how it is prepared. The Board discussed the water lease payment items, noting that this may be a combination of lease payments and consumptive use payments, which it would like broken out in future years.

Following discussion, upon motion made by Director Lund, seconded by Director Ocwieja and, upon vote, unanimously carried, the 2022 Audit was accepted, subject to final review by the District's Attorney and Accountant and receipt of an unmodified (clean) audit opinion.

The Board discussed the notice of its credit downgrade with Moody's based on the District's decision to use some of its savings on the landscape project, noting that practically, it does not make a difference since the District already issued its debt.

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LEGAL MATTERS

Town of Erie Non-Potable Irrigation Agreement: Mr. Erb reported to the Board that he sent a letter to the Town of Erie (the “Town”) declining the invitation to enter into an agreement that would impose penalties upon the District for irrigation outages affecting Columbine Mine Park. The Board then discussed water rates. Mr. Erb advised the Board that rates charged for water can be updated as necessary and should have a rational basis for the amount charged.

Landscaping Tracts from the Town of Erie via Quit Claim Deed: Attorney Erb reported he is working with the Town. He noted that he has prepared a list of all tracts owned by the Town and will distribute to the Board tomorrow.

Resolution regarding 2023 System Development Fees: Attorney Erb reviewed with Board and discussed the calculations noting a cost of \$18,867.28 per acre. Following discussion, upon motion made by Director Ocwieja, seconded by Director Wood and, upon vote, unanimously carried, the Board approved the Resolution regarding 2023 System Development Fees.

Pond A20 Update on Discussions with Town of Erie: Mr. Beckman reported that he and Mr. Ortiz met with the representatives of the Town and Colorado National Golf Club (“CNGC”) regarding Pond 20A. In the meeting they learned that the land is owned by CNGC, however the pond is part of the stormwater drainage system owned by the Town. The Town confirmed that it does not own water rights necessary to hold water in Pond 20A. Mr. Beckman explained that pursuant to an IGA with the Town, the District is responsible for managing water quality for the pond. Discussion ensued regarding ongoing maintenance responsibilities. Mr. Beckman advised the Board that he will continue pond maintenance as required by the IGA.

Other: There were no other Legal matters to discuss.

OPERATIONS AND MAINTENANCE MATTERS

Update from Arrowhead Landscaping: Mr. Freiner reported the rock border project is completed. Also, Backflow prevention devices for clean water irrigation are in service. He further reported that smart controller installation is in process. Arrowhead will have a crew on site next week focusing on weed mitigation. Discussion ensued regarding the contractual requirements. Mr. Freiner explained that pursuant to the contract, weeds over 4” are to be pulled by hand, and those under 4” will be sprayed. Mr. Freiner advised the Board the abnormally wet conditions have dramatically accelerated weed growth. The Board discussed adding rock mulch on Skyline and Mountain View where weed barrier is exposed. Mr. Freiner explained that a new weed barrier should be installed. Discussion ensued regarding mitigation efforts prior to the anticipated capital project including adding rock in medians and tree lawns in areas where turf or vegetation has died.

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Following discussion, upon motion made by Director Wood, seconded by Director Sargent and, upon vote, unanimously carried, the Board authorized Public Alliance to approve proposals for rock mulch in medians and tree lawns within previously established limits of a maximum of \$5,000. The Board directed Arrowhead to install rock in barren areas in tree lawns and medians.

Second Amendment to Service Agreement for Landscape Services between the District and Arrowhead Landscape Services, Inc.: The Board reviewed the Second Amendment to Service Agreement for Landscape Services between the District and Arrowhead Landscape Services, Inc.

Following discussion, upon motion made by Director Wood, seconded by Director Ocwieja and, upon vote, unanimously carried, the Board approved the Second Amendment to Service Agreement for Landscape Services between the District and Arrowhead Landscape Services, Inc.

Manager Report: Mr. Ortiz reviewed the May 25, 2023 Field Services Report with the Board. Mr. Ortiz reported on the status of the failed transducer in Variable Frequency Drive (“VFD”) panel. The part is needed to operate the pump and irrigation system. The transducer is expected to arrive on June 9, 2023. Mr. Ortiz is looking into alternative sources for the part. Mr. Beckman and Mr. Ortiz reported that the system needs to be operational in order to complete irrigation design.

Town of Erie Waterline Extension Phase 2B Update: There was nothing new to report.

Chemical Shed/Utility Shed: Mr. Ortiz reported that the District may be able to rent storage space from the CNGC once they complete renovations of their garage facilities.

Underground Utility Permitting Process: There was nothing new to report.

2023 Landscaping Project: Mr. Beckman and Mr. Ortiz advised the board that the landscaping plans being prepared by Norris Designs are nearly complete.

Irrigation Design by Hydro Systems: Mr. Beckman reported that the irrigation design is in process however Hydro Systems has advised Mr. Ortiz that they need to observe the system in operation to continue the design work. The system cannot be operated until pump repairs are complete. The parts are expected by June 9, 2023. The irrigation design will include the pump station and all parts of the system.

First Amendment to Agreement for Services with Norris Design: The Board reviewed the First Amendment to Agreement for Landscape Architecture Services.

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Following discussion, upon motion made by Director Sargent, seconded by Director Ocwieja and, upon vote, unanimously carried, the Board ratified approval of the First Amendment to Agreement for Landscape Architecture Services with Norris Design.

Agreement for Tree Care Services between the District and Tree Keepers: The Board reviewed the Agreement for Tree Care Services between the District and Tree Keepers, LLC.

Following discussion, upon motion made by Director Sargent, seconded by Director Ocwieja and, upon vote, unanimously carried, the Board ratified approval of the Agreement for Tree Care Services between the District and Tree Keepers, LLC.

Tree Health Care Proposal: The Board directed Public Alliance to get a second opinion on the need for the full scope of health care services proposed.

Following discussion, upon motion made by Director Ocwieja, seconded by Director Wood and, upon vote, unanimously carried, the Board approved tree pruning in the amount of \$7,500 pending verification that there will be no additional equipment charges.


**OTHER
MATTERS**

There were no other items at this time.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made, seconded and, upon vote, unanimously carried, the meeting was adjourned at 8:00.

Respectfully submitted,

DocuSigned by:


Secretary for the Meeting