

# RECORD OF PROCEEDINGS

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## MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE ORCHARD FARMS METROPOLITAN DISTRICT

HELD

NOVEMBER 2, 2022

A special meeting of the Board of Directors of the Orchard Farms Metropolitan District (referred to hereafter as the “Board”) was convened on Wednesday, November 2, 2022 at 5:00 p.m. via Microsoft Teams. The meeting was open to the public.

### ATTENDANCE

#### **In Attendance were Directors:**

Ben Reiter, President  
Randall Stutz, Treasurer  
Brian McNelly, Secretary  
Nate Watkins, Assistant Secretary

Ayshan Ibrahim, Assistant Secretary was absent and excused.

#### **Also in Attendance were:**

Stephanie Odewumi and Lindsay Ross; CliftonLarsonAllen LLP (“CLA”)  
Megan Murphy, Esq. General Counsel; White Bear Ankele Tanaka and  
Waldron (“WBA”)  
Susie Ellis; Community Preservation Specialists, Inc.  
Member of the Public

### ADMINISTRATIVE MATTERS

**Call to Order:** The meeting was called to order at 5:02 p.m. by Ms. Odewumi.

**Quorum & Disclosures:** Ms. Murphy reported that disclosures for those Directors that provided White Bear Ankele Tanaka & Waldron with notice of potential or existing conflicts of interest were filed with the Secretary of State’s Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Ms. Murphy inquired into whether members of the Board had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

**Agenda:** Following discussion, upon a motion duly made by Director Stutz, seconded by Director Reiter and, upon vote, unanimously carried, the Board approved the agenda, as presented, and excused the absence of Director Ibrahim.

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**Public Comment:** None.

**Resolution No. 2022-11-01 Regarding 2023 Annual Administrative Matters:** Following review and discussion, upon a motion duly made by Director Reiter, seconded by Director Stutz and, upon vote, unanimously carried, the Board approved Resolution No. 2022-11-01 Regarding 2023 Annual Administrative Matters.

**Compliance for 2023 District Transparency Notice:** Following discussion, upon a motion duly made by Director Stutz, seconded by Director Watkins and, upon vote, unanimously carried, the Board directed CLA to ensure compliance regarding the 2023 District Transparency Notice.

**Insurance Renewal:** Following discussion, upon a motion duly made by Director McNelly, seconded by Director Watkins and, upon vote, unanimously carried, the Board approved the purchase of excess liabilities coverage for a total of \$6,000,000 in general liability coverage.

Following discussion, upon a motion duly made by Director Stutz, seconded by Director Reiter and, upon vote, unanimously carried, the Board approved the purchase of workers compensation insurance coverage.

Following discussion, upon a motion duly made by Director McNelly, seconded by Director Reiter and, upon vote, unanimously carried, the Board approved the 2023 insurance renewal documents, as amended.

CONSENT  
AGENDA

**October 5, 2022 and October 26, 2022 Minutes:  
Claims Payable in the amount of \$127,952.72:**

Following review and discussion, upon a motion duly made by Director Stutz, seconded by Director Reiter and, upon vote, unanimously carried, the Board approved the consent agenda, as presented.

FACILITIES  
MANAGEMENT /  
DISTRICT  
OPERATIONS

**District Manager's Report:**

**CliftonLarsonAllen LLP Statements of Work for 2023:** Following discussion, upon a motion duly made by Director Stutz, seconded by Director McNelly and, upon vote, unanimously carried, the Board approved the CliftonLarsonAllen LLP Statements of Work for 2023.

**Committee Reports:**

**Social Committee:** Director Watkins presented a report to the Board, including two optional events and related costs. Director Watkins reported the total budget allocated for the Social Committee has been used year to date. He also noted the storage unit is reserved and shelving was purchased along with gate codes and keys. Gate Codes

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and 3 keys were obtained. Following discussion, upon a motion duly made by Director McNelly, seconded by Director Stutz and, upon vote, unanimously carried, the Board approved the Social Committee to have a budget in 2023 of \$15,000 for events and \$1,500 for Dumpster Day.

**Landscaping Committee:** Director Stutz reported the sprinklers have been blown out and pest removal was completed in the park. Director Stutz provided an update on the stocking of pet waste stations and trash can removal. No action was taken.

**Advisory Committee:** Director Reiter reported the Advisory Committee met last month and reviewed jellyfish lighting and stipulations for approval and usage in order to provide recommendations to the Board. The Advisory Committee will perform an inspection at night in the case of a complaint.

The Advisory Committee recommends no longer pursuing the discussion of permitting chickens in backyards.

The Advisory Committee will present a resolution amending the Residential Improvement Guidelines for the Board's consideration at the Board meeting next month. Revisions to hot tub screening, lawn and tree enforcement time frames, patio and deck covers and community little libraries will be proposed. No action was taken.

**Covenant Enforcement Report:** Ms. Ellis provided a report to the Board, noting that there are 220 open covenant violations, a majority of which are regarding lawn maintenance and weeds.

**Other:** None.

### LEGAL MATTERS

**Resolution No. 2022-11-02 Calling a Regular Election for Directors on May 2, 2023, DEO and DEO to Perform All Tasks Required for the Conduct of a Mail Ballot Election:** Following discussion, upon a motion duly made by Director Watkins, seconded by Director Stutz and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-02 Calling a Regular Election for Directors on May 2, 2023, appointed Ashley B. Frisbie as the DEO and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election. The Board directed the DEO to post the call for nomination on the District's website and include the call for nominations in a newsletter.

**Lennar Tract Acceptance:** Ms. Murphy noted that she has requested documents from Lennar but has not yet received a response.

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**Resolution Amending Design Guidelines:** Ms. Murphy reported the Design Guidelines are being reviewed and refreshed based on changes requested by the Advisory Committee and will be presented at the next Board meeting.

**Other:** None.

### FINANCIAL MATTERS

**Public Hearing to Consider Amendment of the 2022 Budget. Resolution No. 2022-11-03 to Further Amend the 2022 Budget:** Upon a motion duly made by Director Reiter, seconded by Director Stutz and, upon vote, unanimously carried, the Board opened the public hearing to consider the amendment of the 2022 Budget at 5:58 p.m.

It was noted that publication of Notice stating that the Board would consider amendment of 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 the public hearing.

Ms. Ross reviewed the 2022 Budget amendment with the Board.

No public comments were received. Upon a motion duly made by Director Watkins, seconded by Director Reiter and, upon vote, unanimously carried, the Board closed the public hearing to consider the amendment of the 2022 Budget at 6:03 p.m.

Upon a motion duly made by Director Reiter, seconded by Director Watkins and, upon vote, unanimously carried, the Board approved amending the Operations Fee Fund to \$430,000 and adopted Resolution No. 2022-11-03 to Further Amend the 2022 Budget.

**Public Hearing on the Proposed 2023 Budget and Resolution No. 2022-11-04 to Adopt the 2023 Budget and Appropriate Sums of Money:** Upon a motion duly made by Director Reiter, seconded by Director Watkins and, upon vote, unanimously carried, the Board opened the public hearing to consider the proposed 2023 Budget at 6:04 p.m.

It was noted that publication of Notice stating that the Board would consider amendment of 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 the public hearing.

Ms. Ross reviewed the proposed 2023 Budget with the Board.

No public comments were received. Upon a motion duly made by Director Stutz, seconded by Director Reiter and, upon vote, unanimously carried, the Board closed the public hearing on the proposed the 2023 Budget at 6:11 p.m.

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Upon a motion duly made by Director Reiter, seconded by Director McNelly and, upon vote, unanimously carried, the Board approved the 2023 Budget, subject to the additional changes noted above for the Social Committee, and adopted Resolution No. 2022-11-04 to Adopt the 2023 Budget and Appropriate Sums of Money.

**Board member to Sign the DLG 70 Certification of Tax Levies:**

Following discussion, the Board appointed Director Reiter to sign the DLG 70 Certification of Tax Levies.

**Engagement Letter to Prepare the 2022 Audit:**

Following discussion, upon a motion duly made by Director Stutz, seconded by Director McNelly and, upon vote, unanimously carried, the Board engaged Wipfli to prepare the 2022 Audit in an amount not to exceed \$5,000, subject to final legal review upon receipt of engagement letter.

**Other:**

Ms. Ross reviewed the September 30, 2022 Unaudited Financial Statements with the Board. Following discussion, upon a motion duly made by Director Stutz, seconded by Director Watkins and, upon vote, unanimously carried, the Board accepted the September 30, 2022 Unaudited Financial Statements, as presented.

**DIRECTORS'  
MATTERS**

**Transitioning Design Review Committee from CLA to Homeowners:**

Director Stutz proposed making a call for volunteers among homeowners to create a Design Review Committee to assist with speeding up the process of review. Directors Reiter and Stutz will discuss the processes further with Ms. Terrell and Ms. Murphy. No action was taken.

**Other:** None.

**OTHER MATTERS**

**Other:** None.

**ADJOURNMENT**

There being no further business to come before the Board at this time, following discussion, upon a motion duly made by Director Reiter, seconded by Director Watkins and, upon vote, unanimously carried, the Board adjourned the meeting at 6:44 p.m.

Respectfully submitted,

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Secretary for the Meeting

The foregoing minutes were approved on the 7<sup>th</sup> day of December 2022.