

RECORD OF PROCEEDINGS

**MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
CRYSTAL CROSSING METROPOLITAN DISTRICT**

HELD: Thursday, June 25, 2020, at 10:00 a.m. via telephone conference/zoom meeting in light of the COVID 19 Pandemic.

ATTENDANCE:

A regular meeting of the Board of Directors of the Crystal Crossing Metropolitan District was called and held as shown above and in accordance with the applicable statutes of the State of Colorado; with the following directors present and acting:

Ken Puncerelli (by phone)
Darren Oliver (unexcused)
Vacancy
Vacancy

Also, present by phone were: Lisa Mayers, District Counsel, Spencer Fane, LLP; Angela Elliott, District Manager; John Simmons, Simmons and Wheeler, Accountants for the District.

CALL TO ORDER:

On behalf of the Board, Director Puncerelli called the meeting to order at 10:06 a.m.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST:

The Board noted that disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State and with the Board of Directors of the District. Upon motion duly made, seconded and unanimously carried, the Board directed that said disclosures be incorporated herein.

Manager Elliott noted that 2019 audit review should be included on Agenda financials #c and also Manager Elliott noted that the items listed under legal should have been listed under Director Matters.

PUBLIC COMMENT: None.

APPROVAL OF MINUTES:

The Board reviewed the minutes of the meeting held by the Board of Directors of Crystal Crossing Metropolitan District on November 19, 2019. Following discussion and upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented and authorized Director Puncerelli to execute the minutes as constituting a true and correct record of the proceedings of the meeting.

ACKNOWLEDGE AND ACCEPT THE RESIGNATION OF KENT PEDERSEN:

Following discussion, upon motion made, seconded and upon vote, the Board acknowledged and accepted the resignation of Kent Pedersen.

FINANCIAL MATTERS:

Ratify Payment of Claims. The Board received the Payment of Claims, check #'s 2211 through #2266, totaling \$879,954.99 that have been paid and current payment of claims, check #'s 2250 through #2255, totaling \$21,739.69.

Following discussion, on motion duly made, seconded, and unanimously carried, the Board ratified the payment of claims in the amount \$879,954.99, and approved the current payment of claims in the amount of \$21,739.69.

Director Puncerelli noted that many citizens don't understand Metropolitan Districts/development costs of infrastructure and if developers did not have a mechanism for recouping these costs through bond issuance, the actual price of a home would be far higher.

Financial Statements. District Accountant Simmons distributed the March 31, 2020 Financial Statements to the Board and walked the board through the financials. The General fund as of March 31, 2020, was \$107,847 in general fund. As of end of March 31, 2020 the Capital fund balance was \$0.00 and \$1,091,136 in the Debt Service Fund.

Following discussion, upon motion duly made, seconded and unanimously carried, the Board accepted the financial statements as presented.

Discussion followed on landscaping company to buy reflectors for snow removal season so we do not experience high irrigation bills.

Following discussion, upon motion duly made, seconded and unanimously carried, the Board authorized Manager Elliott to have CPC purchase and install reflectors for snow season.

Resolution to Amend the 2019 Budget:

District Accountant Simmons discussed that from the audit review, the Capital Projects Fund needs to be amended from \$32,808.00 to \$555,000.00. The Public hearing was held in November for amending the budgets and therefore no need for publication in newspaper.

Following discussion, upon motion duly made, seconded, upon vote and unanimously carried, the Board approved the Resolution to Amend the 2019 Capital Funds Budget.

Review and consider for approval the 2019 Audit Statements.

District Accountant Simmons reviewed the 2019 draft Audit with the Board, prepared by Stratagem. He further walked the Board through the Audit and notes of the Audit.

Following discussion, upon motion made, seconded, upon vote and unanimously carried, the Board approved the 2019 Audit subject to District Counsel review and final comments by the auditor.

LEGAL MATTERS: None

DIRECTOR MATTERS:

Discussion and possible action on 2020 Landscaping Enhancement Bids.

Director Puncerelli discussed the bids received from Colorado Property Care for drainage drop structure; Burnham Trail and Donnington Circle pocket parks; restoration of Manorbrier Pocket Park; Crystal Valley Parkway, south side and landscape renovations and turf reduction.

Following discussion, upon motion duly made, seconded and upon vote and unanimously carried, the following bids were approved with a 10% discount due to COVID 19 times and multiple bids approved at once: 20-797; 20-798; 20-755; 20-799; and, 20-796.

The bid for drainage drop structure is tabled until other bids are received and identifying what is needed in the request for proposal.

Discussion and possible action on 2020-2021 split rail painting bids. The District budgeted \$15,000 for split rail painting and with the linear feet neither company could do that. Manager Elliott also noted that the 2021 seemed high and she asked bidder for linear feet.

Following discussion, upon motion duly made, seconded and upon vote and unanimously carried, the following bids were denied. Director Puncerelli asked Manager Elliott to contact Bidders and Genesis who painted the 6' privacy last year and get bids that are for \$12K only, allowing \$3K for board repairs. Also to delete the power washing from the bid proposal.

MANAGEMENT MATTERS:

2020 Posting Place.

District Manager Elliott noted that at the first meeting of the year special districts are required by statute to identify an official posting location for notices of meetings of the Board of Directors.

Following discussion, upon motion made, seconded and upon vote, the Board confirmed its 2020 physical posting location at the pool house.

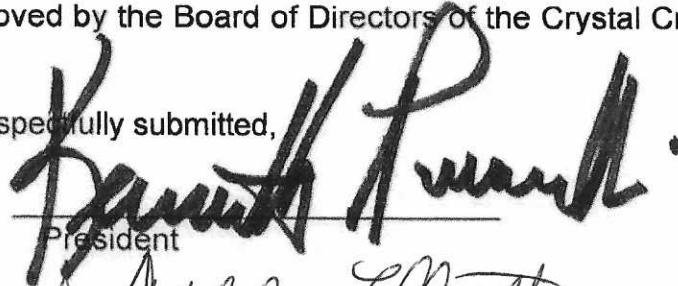
OTHER: None

ADJOURNMENT:

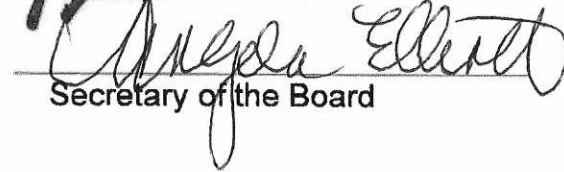
There being no further business to come before the Board, the meeting was adjourned at 11:16 a.m.

The foregoing minutes constitutes a true and correct copy of the minutes of the above-referenced meeting and was approved by the Board of Directors of the Crystal Crossing Metropolitan District.

Respectfully submitted,

A large, bold, handwritten signature in black ink, appearing to read "Kenneth P. Smith". The signature is written over a horizontal line.

President

A handwritten signature in black ink, appearing to read "Angela Elliott". The signature is written over a horizontal line.

Secretary of the Board

RECORD OF PROCEEDINGS

**MINUTES OF THE REGULAR MEETING AND BUDGET HEARING
OF
THE BOARD OF DIRECTORS
CRYSTAL CROSSING METROPOLITAN DISTRICT**

HELD: Thursday, November 19, 2020, at 10:00 a.m. via telephone conference/zoom meeting in light of the COVID 19 Pandemic.

ATTENDANCE:

A regular meeting of the Board of Directors of the Crystal Crossing Metropolitan District was called and held as shown above and in accordance with the applicable statutes of the State of Colorado; with the following directors present and acting:

Ken Puncerelli (by videoconference/phone)
Darren Oliver (by videoconference/phone)
Vacancy
Vacancy

Also, present by videoconference/phone: Lisa Mayers, District Counsel, Spencer Fane, LLP; Angela Elliott, District Manager; John Simmons, Simmons and Wheeler, Accountants for the District.

CALL TO ORDER:

On behalf of the Board, Director Puncerelli called the meeting to order at 10:05 a.m.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST:

The Board noted that disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State and with the Board of Directors of the District. Upon motion duly made, seconded and unanimously carried, the Board directed that said disclosures be incorporated herein.

PUBLIC COMMENT: None.

APPROVAL OF MINUTES:

The Board reviewed the minutes of the meeting held by the Board of Directors of Crystal Crossing Metropolitan District on June 25, 2020. Following discussion and upon motion duly made by Director Puncerelli, seconded by Director Oliver, and unanimously carried, the Board approved the minutes as presented and authorized Director Puncerelli to execute the minutes as constituting a true and correct record of the proceedings of the meeting.

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FINANCIAL MATTERS:

Ratify Payment of Claims. The Board received the Payment of Claims, check #'s 2256 through #2280, totaling \$113,731.69 for ratification.

Discussion followed on the interest payment to WIPFLI of \$46.75.

Following discussion, on motion duly made by Director Puncerelli, seconded by Director Oliver, and unanimously carried, the Board ratified the payment of claims in the amount \$113,731.69, less the interest to WIPFLI. District Accountant will seek a credit from the auditors for the interest payment of \$46.75.

Financial Statements. District Accountant Simmons distributed the September 30, 2020 Financial Statements to the Board and walked the Board through the financials. The General Fund as of September 30, 2020, was \$55,811. As of end of September 30, 2020 the Capital Fund balance was \$0.00 and \$1,210,923 in the Debt Service Fund.

District Accountant Simmons noted that all property taxes have been collected and the expense line items of utilities and landscaping are over budget.

Further discussion followed on the "call date" on the bonds and District Accountant Simmons will advise the board on the date.

Following discussion, upon motion duly made by Director Puncerelli, seconded by Director Oliver, and unanimously carried, the Board accepted the financial statements as presented.

Conduct Public Hearing on the proposed 2021 Budget and consider adoption of Resolution to adopt the 2021 Budget, Set Mill Levies and Appropriate Sums of Money.

Upon motion duly made by Director Puncerelli, seconded by Director Oliver, and unanimously carried, the Board authorized District Counsel Mayers to open the public hearing.

On behalf of the Board, District Counsel Mayers opened the public hearing to consider the proposed 2021 Budget and discuss related issues.

It was noted that the publication of Notice stating that the Board would consider adoption of the 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.

Director Puncerelli noted the water bills are substantial and the District Manager and he will meet to come up with putting together a master plan for low usage water for the turf areas.

District Counsel Mayers discussed there are no legal issues with the Town in developing such a plan for water conservation.

Crystal Crossing Metropolitan District
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Director Puncerelli also discussed the list with Colorado Property Care of items still outstanding: 1) removing tree stakes; 2) repairing the erosion in large detention area; and, 3) sub meter on Crystal Valley Parkway to bill Crystal Valley.

No further comments were made and upon motion duly made by Director Puncerelli, seconded by Director Oliver, and unanimously carried, the public hearing was closed.

Following discussion, the Board considered the adoption of the Resolution to adopt the 2021 Budget, Set Mill Levies and Appropriate Sums of Money for the District, with the suggested changes. Upon motion duly made by Director Puncerelli, seconded by Director Oliver, and, upon vote, unanimously carried, the District (1) approved the 2021 budget, (2) approved the appropriation and expenditure of funds as detailed therein, (3) approved and adopted a mill levy of 74.625 mills to be certified by the District for collection in 2021, (4) authorized Director Puncerelli as President to sign the necessary documentation, and (5) directed District Accountant Simmons and Manager Elliott to submit the certification of tax levy to the Board of County Commissioners of Arapahoe County no later than December 15, 2020 and to file the 2021 budget with the Division of Local Government prior to January 30, 2021.

Conduct Public Hearing on the Amendment to the 2020 Budget.

Upon motion duly made by Director Puncerelli, seconded by Director Oliver, and unanimously carried, the Board authorized District Counsel Mayers to open the public hearing.

On behalf of the Board, District Counsel Mayers opened the public hearing to consider the proposed 2020 Budget and discuss related issues.

It was noted that the publication of Notice stating that the Board would consider an amendment to the 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 further comments were made and upon motion duly made by Director Puncerelli, seconded by Director Oliver, and unanimously carried, the public hearing was closed.

Following discussion, upon motion duly made by Director Puncerelli, seconded by Director Oliver, and unanimously carried, the Board amended the 2020 Capital Fund from \$0 to \$382,540.

Fee Agreement for Audit. District Account Simmons discussed he had not received the final fee agreement from WIPFLI for the 2020 Audit.

Following discussion, on motion duly made by Director Puncerelli, seconded by Director Oliver, and unanimously carried, the Board approved the proposed Audit Fee Agreement with WIPFLI not to exceed \$4800.00.

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Consider approval of Bill.com.

District Accountant Simmons discussed utilizing Bill.com to expedite payment of claims electronically and eliminating the need to mail out checks for signature on a monthly basis. There is a monthly cost associated with the software, but it offers transparency and security as well.

Discussion followed on online banking errors. Director Oliver discussed that he has been using bill.com for years and has nothing but positive results. Also, any errors fall on bill.com and not on the District.

Following discussion by the Board, upon motion made by Director Puncerelli, seconded by Director Oliver, the Board moved to approve utilization of Bill.com. after the first of the calendar year.

Further discussion followed and upon motion made, seconded and unanimously carried, Directors Puncerelli and Oliver, President and Treasurer, respectively, will be designated as the authorized signatories.

LEGAL MATTERS:

Consider adoption of Exclusion of Workers Compensation Coverage Resolution.

District Counsel Mayers discussed this Resolution is annually adopted stating the appointed officials of the District are not deemed employees.

Following discussion, upon motion duly made by Director Puncerelli, seconded by Director Oliver, and unanimously carried, the Board adopted the Resolution Excluding Workers Compensation Coverage.

DIRECTOR MATTERS:

Director Puncerelli discussed four issues he would like to see the District accomplish in the near future: 1) native seed conversion on turf areas; 2) street tree planting across from the new townhome area on the Plum Creek Parkway and landscaping enhancements in Filing 1; 3) develop a landscape improvement plan in 2021; and 4) deer crossing signs. Director Puncerelli directed District Manager Elliott to contact the Town of Castle Rock for signs (or direct who we call) for: Donnington; Crosshaven; Crystal Valley Parkway by the bridge; and EVA at the end of Castlemaine that is entered off Crystal Valley Parkway at the north end of the district.

Director Puncerelli asked District Counsel Mayers the mechanics of conveying the fences to the Homeowners Associations after all of the fences have been repaired and stained over the next year. District Counsel Mayers said that private funds were used to build the improvements and therefore it needs to be transferred to another private entity. She further discussed that uniformity is lost and some homeowners may not take care of their fences thus affecting property values.

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MANAGEMENT MATTERS:

2021 MEETING DATES:

The Board discussed holding 2021 meetings on the 3rd Thursday of June and November, 2021 (June 17 and November 18, 2021) at 10:00 a.m. The location of the meetings will be at the Philip Miller Library, 100 S. Wilcox Street, Castle Rock, CO., or some other facility in Castle Rock, subject to the health, safety and welfare of the public, meetings may be held virtually.

Following discussion and upon motion duly made by Director Oliver, seconded by Director Puncerelli, and unanimously carried, the Board approved the above meeting dates, time and location.

ADMINISTRATIVE RESOLUTION:

District Manager Elliott presented the Resolution concerning 2021 Annual Administrative Matters for Manager, Accountant, Legal Counsel and Bond Counsel to perform certain tasks on a recurring basis in the operation of the District.

The Board discussed appointing the following 2021 officers: Ken Puncerelli, President/Chairman and Darren Oliver, Treasurer/Secretary, and further discussed retaining the same newspaper and the posting place online.

Following discussion, upon motion made by Director Puncerelli, seconded by Director Oliver, and unanimously carried, the above Directors were elected to their positions.

The Board further discussed retaining the same newspaper and the posting place online.

Following discussion and upon motion duly made by Director Puncerelli, seconded by Director Oliver, and unanimously carried, the Board approved the 2021 Administrative Resolution.

Ratify 2020-2021 Snow Removal Contract:

District Manager Elliott included the executed snow removal contract with Colorado Property Care, LLC in the meeting packet.

Following discussion and upon motion duly made by Director Puncerelli, seconded by Director Oliver, and unanimously carried, the Board ratified the 2020-2021 snow removal contract by and between the Crystal Crossing Metropolitan District and Colorado Property Care, LLC.

Consider approval of Fence Painting bid for 2021:

District Manager Elliott presented the 3 contracts for painting the perimeter split rail fence in Filing 2, ranging from \$49,928 to \$29,008. District Manager Elliott had further discussions with the following:

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CertaPro Painters updated their bid to \$23,000 for 7100 lineal feet which does not include board repairs. The cost to repair boards will not exceed \$6000. They also drop off flyers to the homeowners stating they will be in the area, and if chicken wire is on the interior when the painters are doing the exterior, it may get on the inside. They clean the area of any brush, but if a bush is there, they do not paint that area. They will do a walk through before proceeding with board and/or manager.

Director Puncerelli directed District Manager Elliott to contact Colorado Property Care to trim around the fence lines, for a pathway to get the fences painted.

Following discussion, upon motion made by Director Puncerelli, seconded by Director Oliver, and unanimously carried, the Board approved the fence painting bid to CertaPro Painters.

OTHER: District Manager Elliott told Director Puncerelli she will forward documents for signature after the Thanksgiving holiday.

ADJOURNMENT:

There being no further business to come before the Board, the meeting was adjourned at 11:25 a.m.

The foregoing minutes constitutes a true and correct copy of the minutes of the above referenced meeting and was approved by the Board of Directors of the Crystal Crossing Metropolitan District.

Respectfully submitted,



President



Secretary of the Board