

**MINUTES OF THE BOARDS OF DIRECTORS OF  
TALLYN'S REACH AUTHORITY AND TALLYN'S REACH  
METROPOLITAN DISTRICT  
NOS. 2 & 3**

**SPECIAL MEETING**

**Held: Thursday, November 29<sup>th</sup>, 2018 at 5:30 p.m.  
24900 E. Park Crescent Drive, Aurora, Colorado**

**Attendance**

The meeting referenced above was called and held in accordance with the applicable statutes of the State of Colorado. The following Directors were in attendance:

Authority Board Members:

David Patterson  
Craig Wagner  
Mike Dell'Orfano  
BJ Pell

District No. 2 Board Members:

BJ Pell

District No. 3 Board Members:

David Patterson  
Craig Wagner  
Mike Dell'Orfano

Also in attendance were:

Blair M. Dickhoner, White Bear Ankele Tanaka & Waldron  
Kim Herman, Jerel Sangster & Megan Liesmaki, CliftonLarsonAllen LLP  
Diane Wheeler; Simmons & Wheeler, P.C.  
Zach Bishop and Mike Sullivan, D.A. Davidson & Co.  
Kim Armitage; YMCA  
Harry Yosten, Resident  
Dewayne Ford, Resident  
Steve Frey, Resident  
Bill Barcus, Resident  
Clemence Luba, Resident  
Carol Coleman, Resident  
Dana Smith, Resident  
Nicole & Brian Baisch, Resident  
Ronda Horner, Resident  
Jennifer Gherandini, Resident  
Paul Dantzer, Resident  
Janie & John Magyar, Resident  
Mike Holland, Resident

**Call to Order and Declaration of Quorum**

It was noted that a quorum of the Authority Board, District No. 2 and District No. 3 were present. The meeting was called to order at 5:35 p.m.

**Director Qualification**

The Directors in attendance confirmed their qualification to serve.

**Disclosure Matters**

Mr. Dickhoner advised the Boards that pursuant to Colorado law, certain disclosures by the Directors may be required prior to taking official action at the meeting. The Boards reviewed the agenda for the meeting, following which each Director confirmed the contents of any written disclosure previously made stating the fact and summary nature of any matters as required under Colorado law to permit official action to be taken at the meeting. Additionally, the Boards determined that the participation of the Directors present was necessary to obtain a quorum or otherwise enable the Boards to act.

**Agenda**

Ms. Herman presented the Boards with the proposed agenda for the meeting.

Upon a motion duly made by Director Patterson, seconded by Director Pell and, upon vote, unanimously carried, the Authority Board approved the agenda, subject to moving item number 8 up on the agenda.

Upon a motion duly made by Director Pell, and, upon vote, unanimously carried, the District No. 2 Board approved the agenda, subject to moving item number 8 up on the agenda.

Upon a motion duly made by Director Patterson, seconded by Director Dell'Orfano and, upon vote, unanimously carried, the District No. 3 Board approved the agenda, subject to moving item number 8 up on the agenda.

**D.A. Davidson & Co. Presentation**

Mr. Bishop presented on behalf of D.A. Davidson & Co., regarding District Debt and Bonds. He noted that the bonds issued in 2007 have now become callable and can be refunded at a reduced interest rate and savings to District No. 3. He further noted the potential for a present value savings of approximately \$677,000 or 9% of the refunded bonds which equates to approximately \$50,000 per year in debt service savings to District No. 3.

The Board stated they would like to review further and will have Mr. Dickhoner reach out after review.

**Public Comments**

There was no Public Comment.

**Discuss & Consider Appointments to Fill District No. 2 and No. 3 Board Vacancies**

Discussion ensued among the Board regarding interested Board candidates. Brief statements were made from potential candidates to the Board, noting qualifications for service on the Boards.

Oaths of Office

Upon a motion duly made by Director Pell, upon vote, unanimously carried, the Board appointed Jenn Gherandini (2020 term), Brian Baisch (2022 term),

Bill Barcus (2022 term) and Carol Coleman (2020 term) to the District No. 2 Board of Directors.

Upon a motion duly made by Director Patterson, seconded by Director Dell'Orfano and, upon vote, unanimously carried, the Board appointed Harry Yosten (2022 term) and Dana Smith (2020 term) to the District No. 3 Board of Directors.

#### Election of Officers

This item was tabled for further discussion at the next board meeting.

#### **Discuss & Consider Appointments of Board Vacancy on to Authority Board**

Discussion ensued among the Board regarding interested Board candidates. Brief statements were made from potential candidates to the Board, noting qualifications for service on the Board.

#### Oaths of Office

Upon a motion duly made by Director Pell, seconded by Director Patterson and, upon vote, unanimously carried, the Board appointed Harry Yosten (term of 2022) to the Authority Board of Directors.

#### Election of Officers

This item was tabled for further discussion at the next board meeting.

#### **Approval of Consent Items**

- A. Minutes for September 24, 2018 Special Meeting, August 2, 2018 Special Meeting and August 28, 2018 Special Meeting
- B. Review, Ratify and Approval of Claims
- C. Review and Consider Adoption of 2019 Annual Administrative Matters Resolution

Upon a motion duly made by Director Dell'Orfano, seconded by Director Pell and, upon vote, unanimously carried, the Board approved the Consent Agenda, as presented.

#### **Legal Matters**

- A. Discuss Status of Dissolution of District No. 1

Mr. Dickhoner provided an update to the Board that the dissolution of District No. 1 is complete.

- B. Discuss Election Results for Mill Levy Ballot Issue (District Nos. 2 and 3)

Mr. Dickhoner informed the Board that the Mill Levy Ballot Issue was voted down in both District No. 2 and District No. 3 and that the issue of

revenue sources would need to be discussed at the time of the budget hearings later in this meeting.

C. Review and Consider Resolution Adopting Policies and Procedures Governing Recreation Amenities (Authority)

Mr. Dickhoner reviewed the resolution with the Board and presented the few remaining open items needing Board input.

Following discussion, upon a motion duly made by Director Pell, seconded by Director Wagner and, upon vote, unanimously carried the Board approved the Resolution Adopting Policies and Procedures Governing Recreation Amenities, subject to final revisions from legal.

D. Discuss Consumer Data Privacy Memorandum (Authority, District Nos. 2 and 3)

This memo was presented to the Boards for their review.

E. Review and Consider Adoption of Resolution Regarding Consumer Data Privacy Policy (Authority, District Nos. 2 and 3)

Upon a motion duly made by Director Pell, seconded by Director Wagner and, upon vote, unanimously carried, the Board approved adoption of the Resolution regarding Consumer Data Privacy Policy.

F. Review and Consider Approval of 2019 Tennis Court Maintenance Agreement with Sports Court of the Rockies (Authority)

Upon a motion duly made by Director Pell, seconded by Director Wagner and, upon vote, unanimously carried, the Board approved the 2019 Tennis Court Maintenance Agreement with Sports Court of the Rockies.

G. Review and Consider Approval of 2019 Service Agreement with Radiant Lighting (Authority)

Upon a motion duly made by Director Pell, seconded by Director Wagner and, upon vote, unanimously carried, the Board approved the 2019 Service Agreement with Radiant Lighting.

H. Acknowledge Continuing Services of Landscape Maintenance and Ratification of Snow Removal Agreement with CoCal Landscape (Authority)

Upon a motion duly made by Director Pell, seconded by Director Wagner and, upon vote, unanimously carried, the Board approved continuing services of landscape maintenance and ratification of Snow Removal Agreement with CoCal Landscape.

I. Review and Consider Approval of Water Controllers and Landscaping Maintenance Agreement with Fieldstone HOA (Authority)

Ms. Herman and Mr. Yosten reviewed the Water Controllers and Landscaping Maintenance Agreement with Fieldstone HOA, with the Board.

Upon a motion duly made by Director Pell, seconded by Director Patterson and, upon vote, unanimously carried, the Board approved the Water Controllers and Landscaping Maintenance Agreement with Fieldstone HOA, subject to final legal review.

J. Review and Consider Ratification of Addendum to Powell Restoration Agreement (Authority)

Upon a motion duly made by Director Dell'Orfano, seconded by Director Pell and, upon vote, unanimously carried, the Board ratified approval of the Addendum to the Powell Restoration Agreement.

K. Other

None.

**Consultant Contracts**

A. Review and Consider Approval of 2019 Engagement Letter with White Bear Ankele Tanaka & Waldron for District Legal Counsel Services (Authority, District Nos. 2 and 3)

Mr. Dickhoner reviewed the 2019 Engagement Letter with White Bear Ankele Tanaka & Waldron for District Legal Counsel Services, with the Boards.

Upon a motion duly made by Director Dell'Orfano, seconded by Director Pell and, upon vote, unanimously carried, the Authority Board approved the 2019 Engagement Letter with White Bear Ankele Tanaka & Waldron.

Upon a motion duly made by Director Pell and, upon vote, unanimously carried, the District No. 2 Board approved the 2019 Engagement Letter with White Bear Ankele Tanaka & Waldron.

Upon a motion duly made by Director Dell'Orfano, seconded by Director Pell and, upon vote, unanimously carried, the District No. 3 Board approved the 2019 Engagement Letter with White Bear Ankele Tanaka & Waldron.

B. Review and Consider Approval of 2019 Engagement Letter with CliftonLarsonAllen LLP of District Management Services (Authority, District Nos. 2 and 3)

Ms. Herman reviewed the 2019 Engagement Letter with CliftonLarsonAllen LLP for District Management Services, with the Board.

Upon a motion duly made by Director Pell, seconded by director Dell'Orfano and, upon vote, unanimously carried, the Authority Board approved the 2019 Engagement Letter with CliftonLarsonAllen LLP.

Upon a motion duly made by Director Pell, upon vote, unanimously carried, the District No. 2 Board approved the 2019 Engagement Letter with CliftonLarsonAllen LLP.

Upon a motion duly made by Director Pell, seconded by director Dell'Orfano and, upon vote, unanimously carried, the District No. 3 Board approved the 2019 Engagement Letter with CliftonLarsonAllen LLP.

C. Review and Consider Approval of Cash Access Addendum with CliftonLarsonAllen LLP (Authority)

Upon a motion duly made by Director Pell, seconded by Director Dell'Orfano and, upon vote, unanimously carried, the Board approved the Cash Access Addendum with CliftonLarsonAllen LLP, listing Director Pell as the primary signer and Director Dell'Orfano as secondary.

D. Review and Consider Approval of 2019 Engagement Letter with Simmons & Wheeler District Accounting Services (Authority, District Nos. 2 and 3)

Ms. Wheeler reviewed the 2019 Engagement Letter with Simmons & Wheeler for Accounting Services, with the Boards.

Upon a motion duly made by Director Dell'Orfano, seconded by Director Pell and, upon vote, unanimously carried, the Authority Board approved the 2019 Engagement Letter with Simmons & Wheeler.

Upon a motion duly made by Director Pell and, upon vote, unanimously carried, the District No 2 Board approved the 2019 Engagement Letter with Simmons & Wheeler.

Upon a motion duly made by Director Dell'Orfano, seconded by Director Pell and, upon vote, unanimously carried, the District No. 3 Board approved the 2019 Engagement Letter with Simmons & Wheeler.

E. Review and Consider Approval of 2019 Agreement with YMCA (Authority)

Ms. Armitage reviewed the 2019 Agreement with YMCA with the Boards.

Upon a motion duly made by Director Pell, seconded by Director Dell'Orfano and, upon vote, unanimously carried, the Board approved the 2019 Agreement with YMCA, subject to legal finalization. Director Wagner informed the Board that he has a potential conflict of interest involving the matter discussed above, and he recused from voting on the matter.

**Financial Matters**

A. Conduct Public Hearing to Consider Amending the 2018 Budget; Consider Adopting of Resolution to Amend 2018 Budget Resolution (if needed) (Authority, District Nos. 1, 2 and 3)

Upon a motion duly made by Director Dell'Orfano, seconded by Director Wagner and, upon vote, unanimously carried, the public hearing was opened at 7:46 p.m. No public comments. Upon a motion duly made by Director Dell'Orfano, seconded by Director Wagner and, upon vote, unanimously carried, the public hearing was closed at 7:50 p.m.

Ms. Wheeler reviewed the 2018 Budget Amendments with the Boards.

It was determined that no budget amendment was needed for the Authority.

Upon a motion duly made by Director Pell, unanimously carried, the Board approved the Resolution Amending the 2018 Budget for District No. 2 by increasing the Debt Service Fund to \$1,010,000.

Upon a motion duly made by Director Wagner, seconded by Director Dell'Orfano and, upon vote, unanimously carried, the Board approved the Resolution Amending the 2018 Budget for District No. 3 by increasing the Debt Service Fund to 3,560,000.

B. Conduct Public Hearing to Consider Adoption of 2019 Budget, Appropriate Expenditures and Certify Mill Levies; Consider Approval of the 2019 Budget, Appropriate Expenditures, and Certify Mill Levies Resolution (Authority, District Nos. 2 and 3)

Upon a motion duly made by Director Dell'Orfano, seconded by Director Wagner and, upon vote, unanimously carried, the Board opened the public hearing for District No. 3 at 7:56 p.m. No public comments. Upon a motion duly made by Director Dell'Orfano, seconded by Director Wagner and, upon vote, unanimously carried, the Board closed the public hearing for District No. 3 at 8:03 p.m.

Ms. Wheeler reviewed the 2019 Budget with the Board.

Upon a motion duly made by Director Dell'Orfano, seconded by Director Wagner and, upon vote, unanimously carried, the Board approved the Resolution Adopting the 2019 Budget, Appropriating Expenditures and Certifying Mill Levies for District No. 3, as presented.

Upon a motion duly made by Director Pell, unanimously carried, the Board opened the public hearing for District No. 2 at 8:04 p.m. No public comments. Upon a motion duly made by Director Pell, unanimously carried, the Board closed the public hearing for District No. 2 at 8:19 p.m.

Ms. Wheeler reviewed the 2019 Budget with the Board.

Upon a motion duly made by Director Pell, unanimously carried, the Board approved the Resolution Adopting 2019 Budget, Appropriating Expenditures and Certifying Mill Levies for District No. 2, as presented.

Upon a motion duly made by Director Pell, seconded by Director Wagner and, upon vote, unanimously carried, the Board opened the public hearing for the Authority Board at 8:21 p.m. No public comments. Upon a motion duly made by Director Pell, seconded by Director Wagner and, upon vote, unanimously carried, the Board closed the public hearing for the Authority Board at 8:41 p.m.

Ms. Wheeler reviewed the 2019 Budget with the Board, noting the budget included an increase in quarterly homeowner fees from \$186 per home per quarter to \$200 per home per quarter. Ms. Wheeler explained that this increase in quarterly fees was needed to make up for the mill levy revenue that would be lost as a result of the ballot measure failing to be approved by voters. Ms. Wheeler explained that the revenue generated is what is necessary to cover the ongoing operational expenses of the Authority.

Upon a motion duly made by Director Wagner, seconded by Director Pell and, upon vote, unanimously carried, the Board approved the Resolution Adopting the 2019 Budget, Appropriating Expenditures and Certifying Mill Levies for the Authority Board, as presented.

C. Review and Consider Approval of Engagement Letter with Stratagem Certified Public Accountants for 2018 Audit Services (Authority, District Nos. 2 and 3)

Upon a motion duly made by Director Dell'Orfano, seconded by Director Pell and, upon vote, unanimously carried, the Authority Board approved the Engagement Letter with Stratagem Certified Public Accountants for 2018 Audit Services, as presented.



Upon a motion duly made by Director Pell and, upon vote, unanimously carried, the District No. 2 Board approved the Engagement Letter with Stratagem Certified Public Accountants for 2018 Audit Services, as presented.

Upon a motion duly made by Director Dell'Orfano, seconded by Director Pell and, upon vote, unanimously carried, the District No. 3 Board approved the Engagement Letter with Stratagem Certified Public Accountants for 2018 Audit Services, as presented.

D. Review and Consider Approval of September 30, 2018 Unaudited Financial Statements (Authority, District Nos. 2 and 3)

Upon a motion duly made by Director Dell'Orfano, seconded by Director Wagner and, upon vote, unanimously carried, the Authority Board accepted the September 30, 2018 Unaudited Financial Statements.

Upon a motion duly made by Director Pell, upon vote, unanimously carried, the District No. 2 Board accepted the September 30, 2018 Unaudited Financial Statements.

Upon a motion duly made by Director Dell'Orfano, seconded by Director Wagner and, upon vote, unanimously carried, the District No. 3 Board accepted the September 30, 2018 Unaudited Financial Statements.

E. Other

None.

**Manager Matters**

A. Manager's Report (Authority)

Ms. Herman reviewed the Manager's Report with the Boards. She stated she is working with Aspen Reserves to have the Reserve Study updated, reporting it will cost an estimated \$5,000.

1. Landscaping Update

Ms. Herman provided a Landscaping update to the Boards.

Upon a motion duly made by Director Pell, seconded by Director Wagner and, upon vote, unanimously carried, the Board approved the CoCal Landscape Agreement, as presented.

2. Playground Update

Ms. Herman provided a playground update to the Board, noting the playground had been inspected by the Special District Insurance Pool and was found to be in good operating condition.

B. YMCA Report

Ms. Armitage reviewed the YMCA Report with the Board.

1. Clubhouse Update

Ms. Armitage provided a clubhouse update to the Board.

2. Pool Update

Ms. Armitage provided a pool update to the Board.

C. Review and Consider Approval of 2019 Insurance, Insurance Schedules and Renewal of Special District Association (“SDA”) Membership (Authority, District Nos. 2 and 3)

Ms. Herman reviewed the 2019 Insurance, Insurance Schedules and Renewal of SDA Membership with the Boards.

Upon a motion duly made by Director Pell, seconded by Director Patterson and, upon vote, unanimously carried, the Authority Board approved 2019 Insurance, Insurance Schedules and Renewal of SDA Membership.

Upon a motion duly made by Director Pell, upon vote, unanimously carried, the District No. 2 Board approved 2019 Insurance, Insurance Schedules and Renewal of SDA Membership.

Upon a motion duly made by Director Pell, seconded by Director Patterson and, upon vote, unanimously carried, the District No. 3 Board approved 2019 Insurance, Insurance Schedules and Renewal of SDA Membership.

D. Discuss Section 32-1-809, C.R.S. Reporting Requirements (Transparency Notice) and Mode of Eligible Elector Notification (post on SDA website) (Authority, District Nos. 2 and 3)

Ms. Herman reviewed the reporting requirements and Mode of Eligible Elector Notifications with the Boards, noting CliftonLarsonAllen will file these reports per State Statute.

E. Discuss 2019 Meeting Schedule for the Districts and the Authority

Following discussion, the Authority Board approved the second Tuesday of March, July, September and November at 6:00 p.m. for the 2019 meeting schedule. District Nos. 2 & 3 will meet the second Tuesday of November at 6:00 p.m.

F. Other

None.

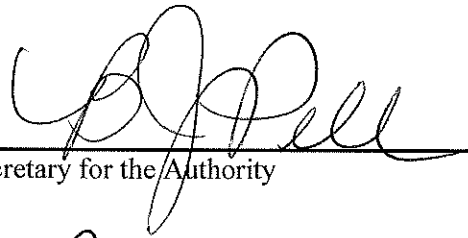
**Next Regular Meeting**

The Board confirmed quorum for a Working Session on January 22, 2019 at 6:00 p.m.

**Adjournment**

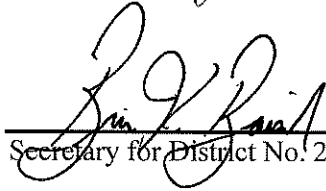
There being no further business to come before the Boards and upon a motion duly made, seconded and unanimously carried, the meeting was adjourned at 9:16 p.m.

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



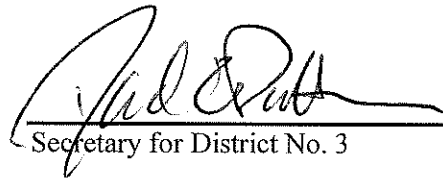
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Secretary for the Authority



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Secretary for District No. 2



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Secretary for District No. 3