

MINUTES OF SPECIAL MEETING OF THE BOARD
OF DIRECTORS

OF

MIDTOWN AT CLEAR CREEK METROPOLITAN
DISTRICT

Held: Wednesday, September 19, 2018 at 6:00 p.m.
The Shed at Midtown, 1625 W. 67th Ave., Denver,
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:

Matthew Zielinski
Sam Delp
Stephen B. Clark
Rachel Williams
Chris Petro

All Directors' absences are deemed excused unless a contrary notation is recorded in these minutes.

Also present were Kristen D. Bear, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law, District general counsel; Kimberly Johanns, Simmons & Wheeler, District accountant; Barrett Marrocco, IDES, District Engineer, and Desiree Wingo, MSI, LLC, District Manager.

Please see the attached sign in sheet for additional attendees.

Call to Order/Declaration of Quorum

Ms. Bear noted that a quorum of each Board was present and therefore called the meeting to order.

Director Disclosures

Ms. Bear 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 additional 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 were necessary to obtain a quorum or otherwise enable the

Boards to act pursuant to §24-18-109(3)(b).

Approval of Agenda

Ms. Bear presented the Boards with the proposed agenda for the meeting. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the agenda.

Approval of Minutes from July 25, 2018 Organizational Meeting

Ms. Bear presented the Minutes from the July 25, 2018 organizational meeting. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the minutes.

Committee Reports

Landscaping Committee

It was recommended that the Board undertake additional mowing during the year on District tracts and include the same as part of the 2019 budget process. There was a general discussion regarding water accumulation and drainage in front of private property and potential solutions. No formal District action was deemed necessary or appropriate by the Board given the private nature of the property involved. However, the Board did discuss engaging in further educational efforts on irrigation with homeowners and potential involvement of the County with regard to the same. There was discussion of snow removal and the County's responsibility on the main roads. It was noted that the County addressed snow removal on a tiered priority basis with roads such as those within the District on a lower priority. The Board discussed the location for the snow removal within the community for the upcoming winter.

Garden Committee

The Board was given a general update on the garden season. It was noted that the Committee is reviewing watering controls in the garden in an effort to make the same uniform and controlled through a central location. The Committee is undertaking continuing educational efforts with the community and will continue to do so. Discount cards have been offered through Committee to the community and the Committee will coordinate all accounting with the District accountant/manager as necessary

Shed/Social Committee

No Report.

Communication Committee

No Report.

District Manager's Report

Financials/Checks

The Board engaged in a general discussion.

Ratification Items

The Board reviewed irrigation repair approvals, Native Mowing, Midtown Montessori Academy Proposal, and Violation-Follow legal Counsel recommendation. Following discussion, upon motion duly made and seconded the Board ratified those items.

Management Items

The Board reviewed the Foy Glass bids with EAP Glass Services, Reflection Services, and Centennial Glass Deferred EAP Glass. Following discussion, upon motion duly made and seconded, the Board approved the Reflection Services Bid.

The Board reviewed the Remote Login System Replacement with M.R. Solutions Inc. Following discussion, the Board tabled the item and recommended the District Manager look into a maintenance agent. The District Manager is to research options and advise the Board with authorization to the Board President to enter into a login system replacement agreement as may be warranted.

The Board discussed the Century final walkthrough turnover process for filings 2, 4 and 8. The Board discussed the process and schedule date. No further action was necessary at this time.

The Board discussed lighting and electrical issues. It was noted that the District Manager was waiting on proposals to correct construction damage. The Board also discussed the possibility of numbering poles.

It was noted that there were no leaks found in the District irrigation system. Management is looking into solutions with regard to excessive homeowner watering. The District manager was requested to review the irrigation schedule that has been set by Emerald Isle.

The Board discussed waste management repairs. It was noted provider is looking into the possibility of using smaller trucks.

The Board discussed the alley maintenance and is working

with Brookfield regarding damages in Filings 3 and 8 that have been possibly caused by settlement issues.

The Board discussed the assessment and landscape fee for the single family townhomes. It was noted that Legal Counsel is to work with the manager to ensure all areas are covered by the applicable fee prior to the District taking over maintenance.

The Board discussed the commercial dumpster usage by residents. The District manager is to get information on amounts claimed by the commercial owner to be paid in connection with resident usage.

The Board discussed the roof top Garden and determined to table a solution for the same until December.

The Board discussed painting the Shed and determined to table the matter until December.

Architectural and Maintenance Applications

It was noted that the Board had reviewed seventeen design review request applications since July. The Board requested that the District manager work to have these matters further expedited in the future.

Covenant Enforcement

It was noted that there are currently eighty-six violations and one account is pending with legal counsel.

Reports from Midtown LLC

Update on Status of Developer Items

Director Petro provided a general update regarding development within the community and noted that the sidewalks were being monitored for drainage and algae accumulation. Director Petro also noted that the western dog park would be finalized in the fourth quarter of the year.

Report from Declarant's Architectural and Maintenance Committee

The Board engaged in a general discussion. No action was taken.

Discuss Lease Agreement Between Midtown LLC and Midtown Academy, LLC

The Board engaged in a general discussion. No action was taken.

Public Comment

There was public comment regarding food truck parking.

Mr. Petro indicated that he would look into what it might take to alter the location of the handicapped parking lots.

Ms. Bear advised the Board that she would be happy to respond to the various allegations and complaints in a direct conversation with the Board as part of executive session given the confidentiality and attorney client privilege associated with these matters.

Ms. Mullin discussed the possibility of including irrigation limiters to encourage water conservation in the community.

Mr. Smith read a letter to the board signed by himself and one other committee member regarding complaints associated with the District's current legal counsel, attached hereto. The Board discussed the same and their understanding that the complaints were not supported by all committee members. The Board indicated that it was moving forward with an RFP for legal services as a good business measure and not due to complaints or concerns with legal counsel. Ms. Bear indicated that she would be happy to discuss any of the matters set forth in the letter with the Board at its request as part of an executive session given that the various matters were subject to attorney client privilege with the District.

Ms. Mullin discussed the possibility of using water limiters in the community for purposes of controlling drainage and irrigation issues.

Liability Management

Consider Approval of Proposal for Workers Compensation Coverage for 2018

The Board unanimously approved the proposal for Workers Compensation Coverage insurance.

Legal Matters

Consider Approval of Form Access and Maintenance Easements (Filing Nos. 9 and 11)

The Board determined to defer any action on the Access and Maintenance Easements for purposes of further discussion at the work session and special meeting at which the specific improvements are proposed for acceptance.

Discuss and Consider Plans to

Director Petro discussed the proposed plans for relocation of the ADA parking spaces and the requisite ramp and

Re-Locate ADA Accessible Parking Space and Ramp Access	restriping that would need to occur. The board recommended that Director Petro proceed with getting bids for the work, which is estimated at approximately \$2k.
Discuss and Consider Approval of Maintenance Cost Share Agreement with Midtown, LLC	The Board discussed the proposed Maintenance and Cost Share Agreement with Brookfield for snow removal and maintenance around the commercial area. After further discussion, and motion duly made and seconded, the Maintenance and Cost Share Agreement was approved by all board members with Director Petro abstaining from the vote.
Re-Authorization of Committees, and amendments to current Authorization Resolutions	The Board indicated its intent to encourage volunteerism in the community through the committees on a solely advisory basis to the Board. It was noted that the Board would like to see more communication relative to when the committees meet and public involvement in the same. The Board requested revisions to the current Resolutions relative to clarifying the scope of authorization/discretion to take people off the committee and disband as deemed necessary by the Board. Legal counsel was asked to make necessary revisions to the Resolutions for consideration at the work session and special meeting.
Discuss and Consider Adoption of Resolution Regarding Formation of Park Advisory Committee	No action was taken on this matter.
Discuss and Consider a Request for Proposals for District Legal Services; Discuss and Consider a Request for Proposals for District Accounting Services	After discussion, the Board authorized an RFP for both legal services and accounting services to be issued on 10/1 with responses due on 10/26.
Review and evaluate Agreements with Emerald Isle and Related Maintenance Contracts	After discussion, the Board authorized an RFP for landscaping services and asked the District manager to work with general counsel and the District construction manager to draft an RFP for submission to interested parties on 10/1 with responses due 10/31.
Discuss and evaluate Agreement with MSI, LLC	The Board engaged in a general discussion regard the scope of the MSI agreement. No action was taken at this time.

Financial Matters

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| Consider Approval/Ratification of Payables | Ms. Johanns presented the payables and checks as of September 19, 2018 to the Board. Following discussion, upon motion duly made and seconded, the Board approved the payables. |
| Consider Approval of 2018-06-30 Financials | Ms. Johanns presented the June 30, 2018 financials to the Board. Following discussion, upon motion duly made and seconded, the Board approved the payables. |
| Review and Discuss Status of Current and Prior Budgets | The Board engaged in a general discussion. No action was taken. The Board determined to hold the Budget hearing on December 12, 2018. |

Construction Matters

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| Discuss Status of Acceptance of Public Improvements | The Board deferred action at this time. |
| Discuss Scheduling Special Meeting for Purpose of Review and Acceptance of Additional Public Improvements | The Board determined to hold a work session followed by a special meeting on November 1, 2018 at 6:00 and 7:30, respectively to discuss District public improvements and acceptance of the same and a budget workshop. |

Resident Communication

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| Discuss and Consider Establishment of an independent District Website; Establish Working Group to Advise on Design and Content of Website | The Board engaged in a general discussion and authorized the District manager to move forward with establishing a website and to add such scope of work to the MSI agreement. |
| Discuss Notification to District Residents | After reconvening into public session, the Board instructed the District manager to obtain District specific email addresses for each director. |

Executive Session

Pursuant to 24-6-402(4)(b), C.R.S., upon motion duly made and seconded, the Board convened an executive session to discuss Board meeting process and legal considerations regarding the same.

Next Meeting

A special meeting will be held on November 1, 2018 at 7:30 p.m.

There will be a work session held on November 1, 2018 at 6:00 p.m.

Adjourn

There being no further business to come before the Boards and upon motion duly made, seconded, and unanimously carried, the meeting was adjourned.

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


Secretary for the Meeting

CLEAR CREEK STATION METROPOLITAN DISTRICT NOS. 1-3

Board Meeting Attendance
September 19, 2018

NAME	ADDRESS	TELEPHONE	EMAIL	Would you like to speak? (Y/N)
David Alsu				
Andrew Barrilleaux				
Randy Copeland				
ROBERT PICKERING				
Sarah Blair				
Kathy Mc				
Nick Dooley				
Scott Shellen				

TO THE MIDTOWN COMMUNITY AND MEMBERS OF THE BOARD

We would like to bring to the attention of the Midtown community and members of the board concerns about the representation of White Bear Ankele. Outlined in this statement are three issues that we consider to be grievous actions by the firm that call into question their ability in representing the district and the home owners of Midtown.

1. Lack Of Enforcement

- a. For four years, there was a well-known illegal marijuana grow house at 1913 W 67th Ave. White Bear Ankele and MSI were informed more than 50 times by phone and email about the marijuana grow house. Adams County Sheriff's department was informed of the issue but directed the community to work with the local district legal representation to enforce the community rules in conjunction with their criminal investigation.
- b. In addition, the front, side and back yard of the illegal marijuana grow house at 1913 W 67th Ave. has gross violation of community rule for maintaining their property. The side yard was a weed and mud pit for over 3 years. The front yard had dead grass for all 4 years. The front and back yard had 4 foot weeds growing.
- c. We the home owners of Midtown didn't even get the courtesy of a call back or acknowledgment from White Bear Ankele.

2. Billing Issues

- a. Lack of billing transparency to the members of the community. One resident requested a copy of the law firms billing to Midtown. The firm denied the request. The resident filed a CORA request and again the request was denied. Only after the resident stated that she was prepared to file a grievance with both DORA and the Colorado Bar association did the firm relent. The billing is a public debt and could not be denied to anyone who requested it. As part of its opposition to compliance with the request for billing, the firm billed for legal work at its rate of \$450. Only after complaints by a group of residents, did the firm cancel a portion of its billing. Nonetheless, when the firm received a subsequent request for billing records, the prior pattern continued.
- b. We have not yet reviewed billing from Jan 2018 to the present. We have reason to believe that White Bear has NOT changed its practice.

3. Bill Padding

- a. In reviewing the billing of the firm, we believe that serious questions are raised about the fairness of the billing in relation to the work performed. During our recent election, the Board retained the services of another law firm with the goal

of reducing legal fees. Distinct differences exist in the billing practice of each firm:

Bear White

- Bills \$450 an hour
- Bills for travel
- Bills for paralegal, associate, and partner work. Bills for internal communication among the 3 levels of staff and for any work done by any member of the professional/paraprofessional staff.
- MAY BE Billing in 10 minute increments.

Other Colorado Metro District Law Firms

- Bills \$350 an hour
- Does not bill for travel
- Does not bill for internal communication but only for partner work
- Bills in other increments.

By way of simple example, for one board meeting lasting 2 hrs legal fees would be billed accordingly:

Bear White:

1 hrs of travel and 2 hrs of attendance: \$1,350

Other Law Firm:

1 hrs of travel and 2 hrs of attendance: \$700

We request that the Metro District Board to address these issues and concerns with the law firm of White Bear Ankele in a timely and objective manner.


