

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
ASH MEADOWS METROPOLITAN DISTRICT (THE "DISTRICT")
HELD
FEBRUARY 27, 2023

A regular meeting of the Board of Directors of the Ash Meadows Metropolitan District (referred to hereafter as the "Board") was convened on Monday, February 27, 2023 at 4:00 p.m. This District Board meeting was held via Zoom. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Lucas Nishimoto, President
Kodi Patterson, Secretary/Treasurer

Also, In Attendance Were:

Celeste Terrell, Alex Clem, Ashley Heidt, and Alonso Duran Rodriguez;
CliftonLarsonAllen ("CLA")
Suzanne M. Meintzer, Esq.; McGeady Becher P.C.

Residents in Attendance:

Joy Vigil and Andrea Saldana

ADMINISTRATIVE MATTERS

Ms. Terrell called the meeting to order at 4:00 p.m.

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State. The members of the Board were requested to disclose any potential conflicts of interest regarding any matters scheduled for discussion at this meeting. It was noted that the members are residents, and no conflicts of interest were filed. No additional conflicts were disclosed at the meeting.

Quorum, Confirmation of Meeting Location, Posting of Notice, and

Agenda: A quorum was confirmed. The Board discussed the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. Following discussion, and upon motion duly made and seconded, and upon vote unanimously carried, the Board determined that this meeting will be held via Microsoft Teams without any individuals (neither District representatives nor the general public) attending in person. The Board further noted that the notice of the time, date, location, and attendance information for the meeting was duly posted and that no objections to the means of hosting the meeting were received from taxpaying electors within the District's boundaries.

The Board reviewed the agenda. Upon a motion duly made by Director

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Nishimoto, seconded by Director Patterson, and upon vote, unanimously carried, the Board approved the agenda.

Public Comment: Andrea Saldana had questions regarding the budget and mill levy, and whether the District will contemplate cost saving measures. Ms. Terrell addressed Ms. Saldana's concerns regarding the same.

Minutes from the December 5, 2022 Special Board Meeting: Following review, upon a motion duly made by Director Nishimoto, seconded by Director Patterson and, upon vote, unanimously carried, the Board approved the Minutes from the December 5, 2022 special board meeting.

FINANCIAL MATTERS

Payment of Claims: Mr. Duran Rodriguez reviewed the previous and current claims with the Board. Following review, upon a motion duly made by Director Nishimoto, seconded by Director Patterson and, upon vote, unanimously carried, the Board ratified the payment of claims in the amount of \$42,912.00.

December 31, 2022 Unaudited Financial Statements: Mr. Duran Rodriguez reviewed the financial statements with the Board. Following review, upon a motion duly made by Director Nishimoto, seconded by Director Patterson and, upon vote, unanimously carried, the Board approved the December 31, 2022 Unaudited Financial Statements.

Cash Position Report: Mr. Duran Rodriguez reviewed the Cash Position Report with the Board. Following review, upon a motion duly made by Director Nishimoto, seconded by Director Patterson and, upon vote, unanimously carried, the Board accepted the Cash Position Report.

Application for Exemption from 2022 Audit: Mr. Duran Rodriguez presented the District's Application for Exemption from the 2022 Audit to the Board. Ms. Saldana asked why the District chose to file an application for exemption from audit over conducting a full audit. Director Nishimoto and Mr. Duran Rodriguez responded to her questions, noting that the Board is mindful of budgetary concerns and given that the expense of a full audit is higher than an exemption, and that the District was eligible to file an exemption, the Board elected to file an exemption. Following discussion, upon a motion duly made by Director Nishimoto, seconded by Director Patterson and, upon vote, unanimously carried, the Board approved the preparation and filing of the Application for Exemption from the 2022 Audit.

Public Hearing on Amendment to 2022 Budget: Director Nishimoto opened the public hearing to consider an amendment to the 2022 Budget at 4:15 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

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was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

Mr. Duran Rodriguez noted the need to amend the 2022 budget from \$140,000 to \$170,000. Ms. Saldana requested time to review the financials and had questions on the legal services fees. It was noted that the additional legal fees were incurred due to the issue with the Ash Meadows Town Homes Association, Inc. water invoices.

Director Nishimoto closed the public hearing at 4:21 p.m.

Following review, upon a motion duly made by Director Nishimoto, seconded by Director Patterson and, upon vote, unanimously carried, the Board adopted Resolution No. 2023-02-01 to Amend the 2022 Budget.

LEGAL MATTERS

Other: Ms. Meintzer discussed the status of the May 2, 2023 Regular Director Election, noting that since there were not more candidates than seats available, the election will be canceled. New board members will assume their duties after May 2, 2023 upon completing the requisite Oaths of Office.

MANAGER MATTERS

Reserve Study: Ms. Terrell provided an update on the Reserve Study and informed the Board that information has been sent to Association Reserves – Colorado, LLC (“Association Reserves”). Director Nishimoto requested to have Association Reserves join the May Board Meeting.

Proposal for Fencing Issues Along 128th Ave: Ms. Terrell noted that she contacted Fence Consulting Services, Inc., who provided her with two fencing options. She noted that both fence options would cost approximately \$90 per foot. Following discussion, the Board deferred action on this item.

Pet Station Cleaning and Stocking Proposal from Duty Free Pets Pooper Scooper Service, LLC: Ms. Terrell reviewed the proposal with the Board. Following discussion, upon a motion duly made by Director Nishimoto, seconded by Director Patterson and, upon vote, unanimously carried, the Board approved the proposal for cleaning and stocking from Duty Free Pets Pooper Scooper Service, LLC.

Pet Station Cleaning and Stocking Proposal from Pet Scoop, Inc.: Ms. Terrell reviewed the proposal with the Board. Following discussion, the Board determined not to engage services from Pet Scoop, Inc.

Landscaping Maintenance Proposals: Ms. Terrell noted she has received one proposal from Emerald Isle Landscaping, Inc., in the amount of \$16,000. Ms. Terrell noted she will continue to contact landscaping companies to receive other

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proposals.

Drainage Issue Behind 12784 Building: Ms. Terrell provided an update to the Board, noting that Schedio Group LLC completed an onsite inspection and recommended that a grading survey be completed to determine what areas need to be addressed and regraded for proper drainage. The Board determined to defer the survey until the Reserve Study is completed and further requested that a visual inspection be performed by CLA to determine if there are other areas that have similar issues. Ms. Terrell will contact the insurance company regarding possible coverage for this issue.

Other: None.

OTHER BUSINESS

The Board discussed an abandoned vehicle in the community. Ms. Terrell noted she will follow up with the towing company.

ADJOURNMENT

There being no further business to come before the Board at this time, upon a motion duly made by Director Nishimoto, seconded by Director Patterson and, upon vote, unanimously carried, the Board adjourned the meeting at 5:00 p.m.

Respectfully submitted,

DocuSigned by:
By Kodi Patterson
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Secretary for the Meeting