

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF

PAINTED PRAIRIE METROPOLITAN DISTRICT NO. 1

Held: Wednesday, March 11, 2020 at 9:00 a.m. at 5750 DTC Parkway, Suite 210, Greenwood Village, CO 80111.

The special meeting referenced above was called and held in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve, were in attendance:

Christopher Fellows
Tim O'Connor
Dustin Anderson

Director Douglas Hatfield was absent.

Also present were Clint C. Waldron, Esq. and Megan J. Murphy, Esq., White Bear Ankele Tanaka & Waldron, District General Counsel; Diane Wheeler, Simmons & Wheeler, P.C., District Accountant; Barney Fix, Merrick & Company, District Engineer; Sabrina Lopez, HG Management, District Manager; and Matt Ruhland, Collins Cockrel & Cole.

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| Meeting Notice and Posting | Ms. Murphy noted that the meeting had been noticed and posted in accordance with Colorado law. |
| Call to Order/Declaration of Quorum | Director Fellows noted that a quorum of the Board was present and called the meeting to order. |
| Director Conflict of Interest Disclosures | Mr. Waldron advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. Waldron reported that disclosures for those directors with 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. Mr. Waldron 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. The Board determined that the participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act. |

Approval of Agenda

The Board reviewed the proposed agenda. Following discussion, upon motion duly made and seconded, the Board unanimously approved the agenda as amended.

Public Comment

None.

Consent Agenda

Director Fellows reviewed the items on the consent agenda with the Board. Mr. Waldron advised the Board that any item may be removed from the consent agenda to the regular agenda upon the request of any director. No items were requested to be removed from the consent agenda. Upon a motion duly made and seconded, the following items on the consent agenda were unanimously approved, ratified and adopted:

- February 11, 2020 Special Meeting Minutes
- Claims Payable
- Change Order Nos. 15-17 with HEI Civil
- Revised Change Order No. 9 with ECI
- Merrick Work Order No. 2020-003
- Acceptance of Tracts from Painted Prairie Owner Phase I via Special warranty Deed
- Authorize Execution of Declaration of Payment In Lieu of Taxes
- Change Order No. 13 with HEI Civil in the amount of \$285,427
- Contract Extension with Civitas (Change Order Nos. 4-8 and Change Order No. 15)

Development Matters

Discuss Construction Updates

Director Fellows updated the Board on the status of construction noting that inclement weather has been impacting the construction schedule. Director Fellows also noted that the District received a notice of violation from the City of Aurora regarding erosion control. The Board discussed hiring a contractor to address erosion control. Following discussion, upon a motion duly made and seconded, the Board unanimously approved an Independent Contractor Agreement with Omerta Storm Water Management, Inc. for Erosion Control Services subject to final review of scope by Director O'Connor and final legal review.

Director Fellows provided an update to the Board on the status of the alleyway damage. Director Fellows stated that CenturyLink has indicated that they are not responsible for the damage to the alleyway and that the subcontractor has admitted responsibility, but their ability to pay for damages is unknown. Mr. Waldron noted that the District provided notice to the subcontractor, subcontractor's insurance, and CenturyLink of a potential claim.

Director Fellows provided an update on the corrections to the slide at the neighborhood park.

Director Fellows provided an update on the meeting with CIG regarding finishing the crossing and the 66' easement.

Director O'Connor asked about the timing for bidding construction work in Filing No. 3. Mr. Fix noted that the bidding has not started as the plans have not yet been approved by the City of Aurora.

Discuss and Approve Change Orders

Consider Approval of Change Order No. 15 with HEI
Mr. Fix reviewed Change Order No. 15 with Hudick Excavating, Inc. ("HEI") with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the change order.

Consider Approval of Change Order No. 16 with HEI
Mr. Fix reviewed Change Order No. 16 with HEI with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the change order.

Consider Approval of Change Order No. 17 with HEI
Mr. Fix reviewed Change Order No. 17 with HEI with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the change order.

Consider Approval of Change Order No. 9 ECI
Mr. Fix reviewed Change Order No. 9 with ECI the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the change order.

**Facilities
Management/District
Operations**

Review Draft Operations Budget
Ms. Lopez reviewed the draft operations budget with the Board. Ms. Wheeler noted that the District is expected to need \$1.1 million annually for operations funding in 2029 and the current projection of funding is \$900,000 annually, which indicates a gap in funding between the fee imposed and the cost of operations and maintenance of the neighborhood park. Ms. Lopez and Ms. Wheeler will continue to work on the budget.

Discuss and Consider Approval of Website Proposal
Ms. Lopez reviewed the website proposal from Ms. Sosa with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the proposal and

authorized a contractor agreement for design and ongoing maintenance of a website.

Discuss Park Rules and Regulations and Reservation Policy

Ms. Lopez reviewed the proposed Rules and Regulations with the Board. Mr. Waldron noted that the draft list of park rules was compiled from various jurisdictions and is meant as a starting point for the Board to revise as appropriate. Mr. Fellows requested that the comprehensive list of park rules which will be listed on the District's website be the same for the District, the Authority, and the HOA and then a subset of rules from the comprehensive list would be printed on a sign for posting in the park. Following discussion, upon a motion duly made and seconded, the Board unanimously approved a list of park rules for both the website and posted sign.

Discuss Landscape Maintenance Turnover and Scope of Services

Deferred.

Discuss Security Services

Deferred.

Discuss Playground Inspections

Deferred.

Discuss Water Usage Tracking Report

Deferred.

Discuss and Consider Approval of Additional Pet Waste Stations and Pest Control Services

Ms. Lopez reviewed the proposal for additional pet waste stations with the Board. Mr. Fix noted he is working with ECI on the additional pet waste stations, and they will be handled under ECI's contract.

Discuss and Review Insurance Proposal

Deferred.

Discuss Reserve Study Options

Deferred.

Discuss and Review Welcome Packet

Deferred.

Discuss Email Blasts to Residents

Deferred.

Discuss Rights of Use for Painted Prairie Name

Deferred.

Discuss Community Events

Deferred.

Legal Matters

Discuss and Consider Approval of License and Cost-Sharing Agreement with Painted Prairie Homeowners Association Mr. Waldron reviewed the License and Cost-Sharing Agreement with Painted Prairie Homeowners Association. The Board asked that the exhibits be added and the agreement be brought back to the Board for consideration.

Discuss and Consider Approval of Alley Easement Agreement with Painted Prairie Homeowners Association Deferred.

Financial Matters

Approve Requisition No. 17/Draw No. 8 from Escrow Funds Ms. Wheeler reviewed Requisition No. 17 with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved Requisition No. 17.

Ratify Requisition No. 16/Draw No. 7 from Escrow Funds Ms. Wheeler reviewed Requisition No. 16 with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously ratified Requisition No. 16.

Status of Payment of Park and Recreation Fees Ms. Wheeler updated the Board on the status of payment of the Park and Recreation Fees. She noted that she has been in communication with all five builders, but only three of the five builders have been making payments.

Consider Approval of First Amendment to Resolution Concerning the Imposition of a Park and Rec Fee (Amendment to “Fee Schedule”) Mr. Fellows noted that the plan was for single-family homes to pay the full fee and multi-family homes pays ½ the fee, but the resolution that was adopted does not reflect this. Mr. Fellows noted that the Park and Rec Fee is likely to increase with additional phases of construction to establish a reserve fund. After general discussion, the Board tabled approval and requested additional information on the fee.

Other Financial Matters None.

Other Business None.

Adjourn There being no further business to come before the Board, and following discussion and upon motion duly made, seconded and unanimously carried, the Board determined to adjourn the meeting.

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



Secretary for the Meeting

The foregoing minutes were approved on the 31st day of March, 2020.