

MINUTES OF A JOINT SPECIAL MEETING OF THE
BOARDS OF DIRECTORS

OF

PAINTED PRAIRIE METROPOLITAN DISTRICT NOS. 1-12

Held: Thursday, October 29, 2020 at 9:00 a.m. via
Teleconference.

Due to Executive Orders issued by Governor Polis and Public Health Orders implementing the Executive Orders, issued by the Colorado Department of Health and Environment, and the threat posed by the COVID-19 coronavirus, the meeting was held via teleconference.

The joint 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
Douglas Hatfield

Also present were Clint C. Waldron, 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, General Counsel to the Painted Prairie Public Improvement Authority.

Call to Order/Declaration of
Quorum

Director Fellows noted that a quorum of the Boards was present and called the meeting to order.

Director Conflict of Interest
Disclosures

Mr. Waldron reported that disclosures for those directors that provided White Bear Ankele Tanaka & Waldron with notice of potential or existing conflicts of interest were filed with the Secretary of State's Office and the Boards at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Boards. Mr. Waldron inquired into whether members of the Boards had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The participation of the

members present was necessary to obtain a quorum or to otherwise enable the Boards to act.

Joint Meetings

The Boards of Directors of the Districts have determined to hold joint meetings of the Districts and to prepare joint minutes of action taken by the Districts in such meetings. Unless otherwise noted herein, all official action reflected in these minutes is the action of each of the Districts. Where necessary, action taken by an individual District will be so reflected in these minutes.

Confirmation of Meeting Notice and Posting

Mr. Waldron confirmed the meeting notice was posted as required by law.

Approval of Agenda

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

Public Comment

None.

Consent Agenda

The Boards reviewed the items on the consent agenda. Mr. Waldron advised the Boards that any item may be removed from the consent agenda to the regular agenda upon the request of any director. Director Fellows requested the claims listing be removed from the consent agenda and placed under financials. Upon a motion duly made and seconded, the following items on the consent agenda were unanimously approved, ratified and adopted:

- October 3, 2020 Joint Special Meeting Minutes
- Special District Disclosure Notices Pursuant to § 32-1-809, C.R.S.
- Resolution Designating the District's 24-Hour Posting Location
- Letter Agreements for Consent to Park Signage and Installation (District No. 1)
- City of Aurora Disclosure to Purchasers (District Nos. 1 & 2)
- Independent Contractor Agreement with CMS Environmental Solutions for Inspections and Site Services

Facilities Management/District Operations (District No. 1)

District Manager's Report

Ms. Lopez reviewed the District Management Report with the Board of District No. 1. Ms. Lopez noted that she has a meeting with the vendors who provided security proposals next week. She also noted that ARS is reviewing the District contract, and the Board asked that ARS be given a deadline to provide comments.

She also noted that proposals for playground inspections are being collected.

**Construction Updates
(District No. 1)**

General Updates

Mr. Fix provided an update to the Board of District No. 1 noting that construction is generally completed. The Board of District No. 1 discussed the ongoing conversation with Mile High Flood District regarding the low spot on 60th avenue where the drainage was installed according to plan, and the erosion control measures diverted water from the inlets, overtopped the road, and caused erosion under the sidewalk, which created a dangerous condition. Mr. Fix noted that due to the dangerous conditions, the District repaired the damage in accordance with the approved plans. The Board of District No. 1 engaged in general discussion regarding ongoing work with Mile High Flood District and the City and acceptance of the work for ongoing operations and maintenance.

Discuss and Consider Approval of Change Orders None.

Legal Matters

Discuss Approval of Escrow Agreement Between District No. 1, ECI and FirstBank Escrow Services and Related Maintenance Warranty Agreement

Mr. Waldron provided an update on the agreement with ECI, noting he and Mr. Egle are continuing to work on the final version. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the Escrow Agreement and related maintenance and warranty agreement subject to final legal review.

Consider Adoption of Joint 2021 Annual Administrative Resolution

Mr. Waldron reviewed the 2021 Joint Annual Administrative Resolution with the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the resolution.

Review Insurance Property and Liability Schedule and Limits

Mr. Waldron reviewed the Property and Liability Schedule and Limits with the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously authorized the insurance renewal. Following discussion, upon a motion duly made and seconded, the Boards of District Nos. 1 & 2 determined to bind \$8MM in excess liability for District Nos. 1 & 2.

Other Legal Matters None.

Financial Matters

Review and Consider
Acceptance of Unaudited
Financial Statements

Ms. Wheeler reviewed the September 30, 2020 Unaudited Financial Statements with the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously accepted the financials.

Consider Approval of
Claims Listing (District No.
1)

Ms. Wheeler reviewed the claims listing with the Board of District No. 1. Following discussion, upon a motion duly made and seconded, the Board of District No. 1 unanimously approved the claims listing in the amount of \$106,937.85.

Approve Requisition No.
25/Draw No. 16 from
Escrow Funds (District No.
1)

Ms. Wheeler reviewed Requisition No. 25 with the Board of District No. 1. Following discussion, upon a motion duly made and seconded, the Board of District No. 1 approved Requisition No. 25.

Public Hearing on 2020
Budget Amendment
(District No. 1)

Director Fellows opened the public hearing on the 2020 Budget Amendment. Mr. Waldron noted that the notice of public hearing was provided in accordance with Colorado Law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of
Resolution Approving 2020
Budget Amendment
(District No. 1)

Ms. Wheeler reviewed the Resolution Amending the 2020 Budget with the Board of District No. 1. Following discussion, upon a motion duly made and seconded, the Board of District No. 1 unanimously adopted the resolution amending the Capital Projects Fund to \$45,000,000.

Public Hearing on 2021
Budget (District No. 1)

Director Fellows opened the public hearing on the proposed 2021 Budget. Mr. Waldron noted that the notice of public hearing was provided in accordance with Colorado law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of
Resolution Approving 2021
Budget (District No. 1)

Ms. Wheeler reviewed the 2021 Budget and Budget Resolution with the Board of District No. 1. Following discussion, upon a motion duly made and seconded, the Board of District No. 1 unanimously adopted the 2021 Budget Resolution, approving the 2021 Budget, appropriating funds therefor and certifying 10.000 mills for the general fund.

Public Hearing on 2021
Budget (District No. 2)

Director Fellows opened the public hearing on the proposed 2021 Budget. Mr. Waldron noted that the notice of public hearing was provided in accordance with Colorado law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of Resolution Approving 2021 Budget (District No. 2)

Ms. Wheeler reviewed the 2021 Budget and 2021 Budget Resolution with the Board of District No. 2. Following discussion, upon a motion duly made and seconded, the Board of District No. 2 unanimously adopted the 2021 Budget Resolution, approving the 2021 Budget, appropriating funds therefor and certifying 3.500 mills for the general fund, 55.664 mill for the debt service fund and 1.113 mills for ARI.

Public Hearing on 2021 Budget (District No. 3)

Director Fellows opened the public hearing on the proposed 2021 Budget. Mr. Waldron noted that the notice of public hearing was provided in accordance with Colorado law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of Resolution Approving 2021 Budget (District No. 3)

Ms. Wheeler reviewed the 2021 Budget and 2021 Budget Resolution with the Board of District No. 3. Following discussion, upon a motion duly made and seconded, the Board of District No. 3 unanimously adopted the 2021 Budget Resolution, approving the 2021 Budget, appropriating funds therefor and certifying 59.164 mills for the general fund.

Public Hearing on 2021 Budget (District No. 4)

Director Fellows opened the public hearing on the proposed 2021 Budget. Mr. Waldron noted that the notice of public hearing was provided in accordance with Colorado law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of Resolution Approving 2021 Budget (District No. 4)

Ms. Wheeler reviewed the 2021 Budget and 2021 Budget Resolution with the Board of District No. 4. Following discussion, upon a motion duly made and seconded, the Board of District No. 4 unanimously adopted the 2021 Budget Resolution, approving the 2021 Budget, appropriating funds therefor and certifying 59.164 mills for the general fund.

Public Hearing on 2021 Budget (District No. 5)

Director Fellows opened the public hearing on the proposed 2021 Budget. Mr. Waldron noted that the notice of public hearing was provided in accordance with Colorado law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of Resolution Approving 2021 Budget (District No. 5)

Ms. Wheeler reviewed the 2021 Budget and 2021 Budget Resolution with the Board of District No. 5. Following discussion, upon a motion duly made and seconded, the Board of District No. 5 unanimously adopted the 2021 Budget Resolution, approving the 2021 Budget, appropriating funds therefor and certifying 59.164 mills for the general fund.

Public Hearing on 2021 Budget (District No. 6)

Director Fellows opened the public hearing on the proposed 2021 Budget. Mr. Waldron noted that the notice of public hearing was provided in accordance with Colorado law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of Resolution Approving 2021 Budget (District No. 6)

Ms. Wheeler reviewed the 2021 Budget and 2021 Budget Resolution with the Board of District No. 6. Following discussion, upon a motion duly made and seconded, the Board of District No. 6 unanimously adopted the 2021 Budget Resolution, approving the 2021 Budget, appropriating funds therefor and certifying 31.332 mills for the general fund.

Public Hearing on 2021 Budget (District No. 7)

Director Fellows opened the public hearing on the proposed 2021 Budget. Mr. Waldron noted that the notice of public hearing was provided in accordance with Colorado law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of Resolution Approving 2021 Budget (District No. 7)

Ms. Wheeler reviewed the 2021 Budget and 2021 Budget Resolution with the Board of District No. 7. Following discussion, upon a motion duly made and seconded, the Board of District No. 7 unanimously adopted the 2021 Budget Resolution, approving the 2021 Budget, appropriating funds therefor and certifying 28.500 mills for the general fund.

Public Hearing on 2021 Budget (District No. 8)

Director Fellows opened the public hearing on the proposed 2021 Budget. Mr. Waldron noted that the notice of public hearing was provided in accordance with Colorado law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of Resolution Approving 2021 Budget (District No. 8)

Ms. Wheeler reviewed the 2021 Budget Resolution with the Board of District No. 8. Following discussion, upon a motion duly made and seconded, the Board of District No. 8 unanimously adopted the 2021 Budget Resolution, approving the 2021 Budget, appropriating funds therefor and certifying 31.332 mills for the general fund.

Public Hearing on 2021 Budget (District No. 9)

Director Fellows opened the public hearing on the proposed 2021 Budget. Mr. Waldron noted that the notice of public hearing was provided in accordance with Colorado law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of Resolution Approving 2021 Budget (District No. 9)

Ms. Wheeler reviewed the 2021 Budget and 2021 Budget Resolution with the Board of District No. 9. Following discussion, upon a motion duly made and seconded, the Board of District No.

9 unanimously adopted the 2021 Budget Resolution, approving the 2021 Budget, appropriating funds therefor and certifying 28.500 mills for the general fund.

Public Hearing on 2021 Budget (District No. 10)

Director Fellows opened the public hearing on the proposed 2021 Budget. Mr. Waldron noted that the notice of public hearing was provided in accordance with Colorado law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of Resolution Approving 2021 Budget (District No. 10)

Ms. Wheeler reviewed the 2021 Budget and 2021 Budget Resolution with the Board of District No. 10. Following discussion, upon a motion duly made and seconded, the Board of District No. 10 unanimously adopted the 2021 Budget Resolution, approving 2021 Budget Resolution, approving the 2021 Budget, appropriating funds therefor and certifying 59.164 mills for the general fund.

Public Hearing on 2021 Budget (District No. 11)

Director Fellows opened the public hearing on the proposed 2021 Budget. Mr. Waldron noted that the notice of public hearing was provided in accordance with Colorado law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of Resolution Approving 2021 Budget (District No. 11)

Ms. Wheeler reviewed the 2021 Budget and 2021 Budget Resolution with the Board of District No. 11. Following discussion, upon a motion duly made and seconded, the Board of District No. 11 unanimously adopted the 2021 Budget Resolution, approving the 2021 Budget, appropriating funds therefor and certifying 59.164 mills for the general fund.

Public Hearing on 2021 Budget (District No. 12)

Director Fellows opened the public hearing on the proposed 2021 Budget. Mr. Waldron noted that the notice of public hearing was provided in accordance with Colorado law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of Resolution Approving 2021 Budget (District No. 12)

Ms. Wheeler reviewed the 2021 Budget and 2021 Budget Resolution with the Board of District No. 12. Following discussion, upon a motion duly made and seconded, the Board of District No. 12 unanimously adopted the 2021 Budget Resolution, approving the 2021 Budget, appropriating funds therefor and certifying 59.164 mills for the general fund.

Consider Authorization of 2020 Application for Exemption from Audit (District Nos. 3-12)

The Boards of District Nos. 3-12 engaged in general discussion regarding the 2020 Applications for Exemption from Audit. Following discussion, upon a motion duly made and seconded, the

Board of District Nos. 3-12 unanimously authorized the application for exemptions from audit for the 2020 fiscal year.

Consider Auditor Proposal for 2020 Audit (District Nos. 1 & 2)

Ms. Wheeler reviewed the proposal from WiFili, LLP with the Boards of District Nos. 1 & 2. Following discussion, upon a motion duly made and seconded, the Boards of District Nos. 1 & 2 unanimously approved the proposal for the 2020 Audit.

Discuss Operations Fees for Phase 2 (District No. 1)

The Board of District No. 1 engaged in general discussion regarding the operations fee amounts for Phase 2. Following discussion, upon a motion duly made and seconded, the Board of District No. 1 unanimously approved operations fees in the amount of \$2,850 for single family lots and \$950 for multifamily lots with a 3% increase per year.

Other Financial Matters

None.

Other Business

None.

Adjourn

There being no further business to come before the Boards, and following discussion and upon motion duly made, seconded and unanimously carried, the Boards 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, District Nos. 1-12

The foregoing minutes were approved on the 14th day of January, 2021.