

MINUTES OF A JOINT REGULAR MEETING OF THE
BOARDS OF DIRECTORS

OF

FOREST TRACE METROPOLITAN DISTRICT NOS. 1-3

Held: Tuesday, November 12, 2019 at 11:30 a.m. at 7400 E.
Orchard Rd., #290-S, Greenwood Village, CO 80111.

The 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:

Daniel Frank
Richard Frank
Marc Cooper

Also present were Clint C. Waldron, Esq., White Bear Ankele Tanaka & Waldron, District General Counsel; Diane Wheeler, Simmons & Wheeler, P.C., District Accountant; Brooke Hutchens, D.A. Davidson (via telephone); and Tiffany Leichman, Sherman & Howard, District No. 3 Bond Counsel (via telephone).

Call to Order

Director Daniel Frank called the meeting to order.

Director Qualifications/
Reaffirmation of
Disclosures

Mr. Waldron advised the Boards 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 Boards at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Boards. Mr. Waldron noted that a quorum was present and 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 Boards determined that 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.

Approval of Agenda

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

Public Comment

None.

Consent Agenda

Director Daniel Frank reviewed the items on the consent agenda with the Boards. 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. 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:

- Minutes from the October 4, 2019 Meeting
- 2018 Consolidated Annual Report
- Special District Disclosure Notice Pursuant to §32-1-809, C.R.S.
- Special District Disclosure Notice Pursuant to Service Plan

Legal Matters

Consider Adoption of 2020 Joint Annual Administrative Resolution

Mr. Waldron reviewed the 2020 Joint Annual Administrative Resolution with the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously adopted the 2020 Joint Annual Administrative Resolution.

Adoption of Joint Resolution Calling May 5, 2020 Regular Election

Mr. Waldron reviewed the Joint Resolution Calling May 5, 2020 Regular Election with the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously adopted the Joint Resolution Calling May 5, 2020 Regular Election.

Review Insurance Property and Liability Schedule and Limits

The Boards reviewed the property and liability schedule and limits. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the property and liability renewal limits for 2020.

Discuss Legislative Update

Mr. Waldron reviewed the legislative update with the Boards.

Consider Resolution Concerning Online Notice of Regular and Special

Mr. Waldron reviewed the Resolution Concerning Online Notice of Regular and Special Meetings with the Boards. The Boards directed legal counsel to apply for a SIPA website to post

Meetings

meeting notices. Following discussion, upon a motion duly made and seconded, the Boards unanimously adopted the resolution.

Approval and Ratification of Independent Contractor Agreement with METCO Landscape for Snow Removal Services 2019-2020 Winter Season (District No. 2)

Mr. Waldron reviewed the Independent Contractor Agreement with METCO Landscape for Snow Removal Services 2019-2020 Winter Season with the Board of District No. 2. Following discussion, upon a motion duly made and seconded, the Board unanimously ratified the agreement.

Consider Approval of Agreement Regarding Waiver of Interest Under the Amended and Restated Infrastructure Acquisition and Reimbursement Agreement (District No. 3)

Mr. Waldron reviewed the Agreement Regarding Waiver of Interest Under the Amended and Restated Infrastructure Acquisition and Reimbursement Agreement with the Board of District No. 3. Following discussion, upon a motion duly made and seconded, the Board of District No. 3 unanimously approved the Agreement Regarding Waiver of Interest Under the Amended and Restated Infrastructure Acquisition and Reimbursement Agreement.

Other Legal Matters

None.

Bond Matters

Consider and make final determination to issue and refund general obligation indebtedness by the issuance of a Loan with BBVA Mortgage Corporation in an approximate, aggregate principal amount of \$12,100,000 for the purpose of refunding its existing general obligation indebtedness and paying or reimbursing the costs of public improvements for the District, which amount is subject to increase or decrease as determined by the Board, or as otherwise permitted by any resolution adopted by the Board at such meeting, and, in connection therewith, the Board will consider a

Ms. Hutchens reviewed the loan issuance and schedule with the Board of District No. 3. She noted that closing is scheduled for November 26th and that Northslope Capital Investors will be providing the EFA certificate per the Service Plan.

Ms. Leichman reviewed the Loan Parameters Resolution and related documents with the Board of District No. 3. Following discussion, upon a motion duly made and seconded, the Board of District No. 3 unanimously approved the resolution authorizing the issuance of a Loan with BBVA Mortgage Corporation in an approximate, aggregate principal amount of \$12,100,000; approving, ratifying and confirming the execution of certain documents; making determinations and findings as to other matters related to such financing transaction; authorizing incidental action; and repealing prior inconsistent actions.

resolution: authorizing the issuance of such indebtedness; approving, ratifying and confirming the execution of certain documents; making determinations and findings as to other matters related to such financing transaction; authorizing incidental action; and repealing prior inconsistent actions

Discuss Status of Bond Issuance

General discussion.

Financial Matters

Consider Acceptance of Unaudited Financial Statements

Ms. Wheeler reviewed the September 30, 2019 unaudited financial statements with the Board of District No. 1. Following discussion, upon a motion duly made and seconded, the Board of District No. 1 unanimously accepted the financials.

Consider Approval/Ratification of Claims Payable

Ms. Wheeler reviewed the check listing with the Board of District No. 1. Following discussion, upon a motion duly made and seconded, the Board of District No. 1 unanimously ratified the check listing in the amount of \$1,270.75.

Ms. Wheeler reviewed the check listing with the Board of District No. 2. Following discussion, upon a motion duly made and seconded, the Board of District No. 2 unanimously ratified the check listing in the amount of \$3,263.01.

Ms. Wheeler reviewed the check listing with the Board of District No. 3. Following discussion, upon a motion duly made and seconded, the Board of District No. 3 unanimously ratified the check listing in the amount of \$5,463.25.

Public Hearing on 2019 Budget Amendment (District No. 3)

Director Daniel Frank opened the public hearing on the 2019 Budget Amendment for District No. 3. Mr. Waldron noted that the public hearing was published in accordance with Colorado law in the *Aurora Sentinel* on October 10, 2019. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of

Ms. Wheeler reviewed the Resolution Amending the 2019

- Resolution Amending 2019 Budget 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 resolution amending the Debt Service Fund to \$13,500,000 and the Capital Projects Fund to \$600,000.
Budget (District No. 3)
- Public Hearing on 2020 Director Daniel Frank opened the public hearing on the proposed 2020 Budget for District No. 1. Mr. Waldron noted that the public hearing was published in accordance with Colorado law in the *Aurora Sentinel* on October 10, 2019. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.
Budget (District No. 1)
- Consider Adoption of 2020 Ms. Wheeler reviewed the 2020 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 approved the resolution adopting the 2020 Budget, appropriating funds therefore and certifying 8.000 mills for the general fund.
Budget Resolution (District No. 1)
- Public Hearing on 2020 Director Daniel Frank opened the public hearing on the proposed 2020 Budget for District No. 2. Mr. Waldron noted that the public hearing was published in accordance with Colorado law in the *Aurora Sentinel* on October 10, 2019. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.
Budget (District No. 2)
- Consider Adoption of 2020 Ms. Wheeler reviewed the 2020 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 approved the resolution adopting the 2020 Budget, appropriating funds therefore and certifying 4.000 mills for the general fund.
Budget Resolution (District No. 2)
- Public Hearing on 2020 Director Daniel Frank opened the public hearing on the proposed 2020 Budget for District No. 3. Mr. Waldron noted that the public hearing was published in accordance with Colorado law in the *Aurora Sentinel* on October 10, 2019. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.
Budget (District No. 2)
- Consider Adoption of 2020 Ms. Wheeler reviewed the 2020 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 approved the resolution adopting the 2020 Budget, appropriating funds therefore and certifying 2.000 mills for the general fund, 51.641 mills for the general obligation bonds and
Budget Resolution (District No. 2)

interest fund and 1.032 for ARI fund.

Consider Approval of Ms. Wheeler reviewed the proposal for 2019 audit with the
Proposals for 2019 Board of District No. 3. Following discussion, upon a motion
Audits/Audit Exemptions duly made and seconded, the Board of District No. 3
unanimously approved the proposal. The Boards of District Nos.
1 & 2 engaged in general discussion regarding 2019 audit
exemption applications. Following discussion, upon a motion
duly made and seconded, the Boards of District Nos. 1 & 2
unanimously approved the application for exemption from audit
for 2019.

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 9th day of January,
2020.