

MINUTES OF A JOINT SPECIAL MEETING OF THE
BOARDS OF DIRECTORS

OF

FOREST TRACE METROPOLITAN DISTRICT NOS. 1 & 3

Held: Wednesday, September 27, 2023 at 11:30 a.m. via
teleconference.

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:

Daniel Frank
Marc Cooper
Kevin Payne
Tracy Alford
Shane Simpson

Also present were Clint C. Waldron, Esq., White Bear Ankele
Tanaka & Waldron, District General Counsel; Diane Wheeler,
Simmons & Wheeler, P.C., District Accountant; Barrett
Morrocco, Independent District Engineering Services; and Jesse
Peckham, CenterPoint Engineering.

Call to Order/Declaration of Quorum Director D. Frank noted that a quorum of the Boards was present and called the meeting to order.

Director of Qualifications/Conflicts of Interest/Reaffirmation 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.

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. 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;

- July 26, 2023 Joint Special Meeting Minutes; and
- Claims Payable;

**Drainage and Erosion
Issues**

Consider Approval of Proposal from Independent District Engineering Services for Engineering Services Mr. Morrocco reviewed the proposal with the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the proposal.

Consider Approval of Proposal from CenterPoint Engineering for Engineering Services Mr. Peckham reviewed the proposal with the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the proposal.

Geotech for Design The Boards engaged in discussion regarding Geotech for design. Following discussion, upon a motion duly made and seconded, the Boards approved \$20,000 subject to approval by Director Payne, legal review, and availability of funds.

Inspection The Boards engaged in discussion regarding inspection. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved to wait for the contract, subject to legal review and availability of funds.

Survey The Boards engaged in discussion regarding the survey. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved NTE in the amount of

\$20,000 subject to approval by Director Payne, legal review, and availability of funds.

Discuss Next Steps

Mr. Morrocco reviewed the proposed process with the Boards. An additional update will be provided at the November meeting.

Debt Matters

Discuss Debt Issuance and Schedule Events General Update

The Board of District No. 3 engaged in general discussion regarding debt issuance.

Consider Approval of Letter Agreement for Investment Banking Services with DA Davidson & Co.

Mr. Waldron reviewed the Letter Agreement with DA Davidson for Investment Banking Services 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 letter of engagement.

Consider Approval of Engagement Letter with Simmons & Wheeler, P.C. for Cash Flow Forecast

Mr. Waldron reviewed the Engagement Letter with Simmons & Wheeler, P.C. for Cash Flow Forecast 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 engagement letter subject to final legal review and review by Director Alford.

Consider Approval of Engagement Letter with Sherman & Howard LLC as Bond Counsel

Mr. Waldron reviewed the Engagement Letter with Sherman & Howard LLC as Bond Counsel 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 engagement letter, subject to final legal review.

Consider Approval of Special Disclosure of Costs for Legal Services in Connection with Bonds with White Bear Ankele Tanaka & Waldron

Mr. Waldron reviewed the Special Bond Fee Disclosure with White Bear Ankele Tanaka & Waldron with the Board of District No. 3. Mr. Waldron noted to the Board that White Bear Ankele Tanaka & Waldron is not independent as to the Special Bond Fee Disclosure. Following discussion, upon a motion duly made and seconded, the Board of District No. 3 unanimously approved the letter, subject to final legal review and review by Director Alford.

Consider Approval of External Financial Advisor Engagement Letter with Lewis Young Robertson & Burningham, Inc.

Mr. Waldron reviewed the Engagement Letter with Lewis Young Robertson & Burningham, Inc. as External Financial Advisor 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 engagement letter.

Other Debt Matters

None.

Legal Matters

Consider Approval of Shared Use, Maintenance and Easement Agreement (District Nos. 1 & 3)

Mr. Waldron reviewed the agreement with the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the agreement subject to final negotiations with the HOA, legal review, and incorporation of changes discussed by the Boards.

Consider Approval of Cost Sharing and Construction Agreement (District No. 3)

Mr. Waldron reviewed the agreement with the Board of District No. 3. Following discussion, upon a motion duly made and seconded, the Board of District No. 3 approved the agreement subject to negotiations with the HOA, legal review, and incorporation of changes discussed by the Board of District No. 3.

Financial Matters

Discuss Funding of Administrative, Operations and Maintenance Costs (District No. 1)

The Board of District No. 1 engaged in discussion regarding the acceptance of Trace maintenance starting on January 1, 2024. The draft budget will reflect the maintenance costs.

Other Business

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.

Marc Cooper
Marc Cooper (Oct 27, 2023 10:25 MDT)

Secretary for the Meeting

The foregoing minutes were approved on the 24th day of October, 2023.