

MINUTES OF A JOINT SPECIAL MEETING OF THE
BOARDS OF DIRECTORS

OF

FOREST TRACE METROPOLITAN DISTRICT NOS. 1 & 3

Held: Monday, November 13, 2023 at 6:30 p.m. at 6601 S.
Wheatlands Parkway, Aurora, CO.

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
Kevin Payne
Tracy Alford
Shane Simpson

Director Cooper was absent.

Also present were Clint C. Waldron, Esq., White Bear Ankele Tanaka & Waldron, District General Counsel; Diane Wheeler, Simmons & Wheeler, P.C., District Accountant; Andrew Wheeler, D.A. Davidson; and Mariah Watkins, Forest Trace HOA.

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 Qualifications/Conflicts of Interest/Reaffirmation of 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 presented.

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;

- October 24, 2023 Special Meeting Minutes (No. 1);
- October 24, 2023 Special Meeting Minutes (No. 3);
- Claims Payable;
- Special District Disclosure Notice Pursuant to §32-1-809, C.R.S.;
- 2024 Exclusion from BMO Worker’s Compensation Coverage;
- 2024 Agency Fee Invoice from T. Charles Wilson for Broker Services
- Mapping Proposal with CenterPoint Engineering for Mapping Services as Services are Being Contracted by Forest race Metropolitan District No. 3 (No. 3);
- Independent Contractor Agreement with Cox Professional Landscape Services LLC for Snow Removal Services (No. 1); and
- Independent Contractor Agreement with CenterPoint Engineering for Mapping Services (No. 3)

Legal Matters

Consider Adoption of 2024 Joint Annual Administrative Resolution

Mr. Waldron reviewed the resolution with the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously adopted the resolution.

Discuss and Review Insurance General Liability Schedule and Limits, Consider Authorization to Bind Coverage

Mr. Waldron discussed the general liability schedule and limits with the Boards. Following discussion upon a motion duly made and seconded, the Boards unanimously approved to bind coverage.

Discuss Implementation of Accessibility Standards for

Mr. Waldron discussed the ongoing rulemaking process with the Boards.

Individuals with a Disability
for Information Technology
Systems Employed by the
District

Discuss 2023 Legislative
Memorandum

Mr. Waldron engaged in general discussion with the Boards.

Consider Approval of
Resolution of the Board of
Directors Approving a
Service Plan Amendment

Mr. Waldron and Mr. Wheeler reviewed the SARIA presentation with the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the agreement.

Discuss Intergovernmental
Agreement with City of
Aurora for Snow Removal
(District No. 1)

Mr. Waldron reviewed the proposed Intergovernmental Agreement and approval process from the City of Aurora 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 agreement.

Consider Approval of
Shared Use, Maintenance
and Easement Agreement
with Forest Trace
Homeowners Association,
Inc. (District No. 1)

Mr. Waldron reviewed the agreement with the Board of District No. 1. It was noted the water and electrical bills will need to be put in the District's name starting January 1, 2024. Director Payne noted that several trees within the Black Forest need to be removed. The HOA is currently working with the City of Aurora on a tree removal and replacement plan. The Board engaged in general discussion regarding insurance of the facilities to be maintained by the District and agreed the HOA will continue to own the facilities. Following discussion, upon a motion duly made and seconded, the Board of District No. 1 unanimously approved the agreement, subject to final legal review and discussed changes.

Other Legal Matters

None.

Financial Matters

Review Unaudited Financial
Statements, Property Tax
Statement and Schedule of
Cash Position

Ms. Wheeler reviewed the unaudited financial statements, property tax statement, and schedule of cash position with the Boards.

Conduct Public Hearing on
2023 Budget Amendment
and Consider Adoption of
Resolution Amending 2023
Budget

Ms. Wheeler noted that 2023 budget amendments were not necessary.

Conduct Public Hearing on

The public hearing on the proposed 2024 Budget was opened.

2024 Budget and Consider Adoption of Resolution Adopting 2024 Budget, Imposing Mill Levy and Appropriating Funds

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.

Ms. Wheeler reviewed the 2024 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 resolution adopting the 2024 Budget, appropriating funds therefor, and subject to changes to the general fund and receipt of final assessed valuation.

Ms. Wheeler reviewed the 2024 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 resolution adopting the 2024 Budget, appropriating funds therefor, and subject to changes to the general fund and receipt of final assessed valuation.

Discuss Remaining Mitigation Payments Xcel

Mr. Waldron engaged in discussion with the Board regarding the Xcel mitigation funds. Ms. Wheeler will provide more information to Director Payne.

Update on District No. 3 Debt Issuance

Mr. Wheeler provided a general update to the Board of District No. 3 regarding the debt issuance.

Other Financial Matters

The Boards engaged in discussion regarding the reimbursement of developer advances. The development entity has agreed to forgive all interest and accept \$450,000 with all remaining amounts to be contributions to the District. The Board authorized reimbursement agreement and payment. Director Frank abstained from discussion due to conflict of interest.

District Operations

Update on Drainage and Erosion Issues

It was noted that surveying is underway.

Other District Operations

The Boards engaged in discussion.

Other Business

Other District 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.

Kevin Payne

Kevin Payne (Feb 9, 2024 06:15 MST)

Secretary for the Meeting

The foregoing minutes were approved on the 6th day of February, 2024.