

MINUTES OF A JOINT REGULAR MEETING OF THE
BOARDS OF DIRECTORS

OF

THE CANYONS METROPOLITAN DISTRICT NOS. 1, 2, 4 &
5

Held: Monday, November 11, 2019 at 3:30 p.m. at 3033 East 1st
Ave., Suite 725, Denver, Colorado.

Attendance

The joint regular 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.

Jonathan Alpert
Scott Alpert
Darren Everett

Also present were Clint C. Waldron, Esq., White Bear Ankele Tanaka & Waldron, District General Counsel; Shelby Clymer, CliftonLarsonAllen, District Accountant; and Kaitlin Noreen, Alpert Corporation.

Call to Order

Director Jonathan Alpert called the meeting to order.

Declaration
Quorum/Director
Qualifications/Reaffirmatio
n of Disclosures

of 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 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.

Combined 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 approved the agenda as amended.

Public Comment

None.

Consider Approval of Resolution Declaring Return to Active Status (District No. 4)

Mr. Waldron reviewed the Resolution Declaring Return to Active Status with the Board of District No. 4. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution.

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. Upon a motion duly made and seconded, the following items on the consent agenda were unanimously approved, ratified and adopted:

- Minutes from November 26, 2018 Board Meeting (District Nos. 1 & 2)
- Minutes from December 17, 2015 Board Meeting (District No. 4)
- Minutes from August 12, 2019 Board Meeting (District No. 5)
- 2018 Consolidated Annual Report
- Resolution Providing for the Defense and Indemnification of Directors and Employees of the District (District No. 5)
- Public Records Request Policy (District No. 4)
- Special District Disclosure Notices Pursuant to §32-1-809, C.R.S.

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 resolution.

Consider Adoption of Joint Resolution Calling May 5, 2020 Election

Mr. Waldron reviewed the Joint Resolution Calling May 5, 2020 Elections with the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously adopted 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 approved the schedule and directed legal counsel to bind coverage.

Discuss Legislative Update

Mr. Waldron reviewed the legislative update with the Boards. No action necessary.

Discuss Joint Resolution Concerning Online Notice of Regular and Special Meetings

Mr. Waldron reviewed the Joint Resolution Concerning Online Notice of Regular and Special Meetings with the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the resolution and instructed legal counsel to apply for SIPA websites.

Approval of Engagement Letter with White Bear Ankele Tanaka & Waldron for Legal Services (District No. 4)

Mr. Waldron reviewed the Engagement Letter with White Bear Ankele Tanaka & Waldron with the Board of District No. 4. Mr. Waldron noted specifically that the arbitration provision had been revised to make it clear that arbitration applies to this engagement letter as well as any prior engagement with the District. Mr. Waldron also noted and discussed the addition of the representative client list section. Mr. Waldron stated that as he is not independent as to the engagement, the Board is advised to have separate legal counsel review the engagement letter. The Board of District No. 4 declined to engage separate legal counsel to review the letter. Following discussion, upon a motion duly made and seconded, the Board of District No. 4 unanimously approved the engagement letter with White Bear Ankele Tanaka & Waldron for legal services.

Public Hearing on Inclusion of Property (District No. 4)

Director Jonathan Alpert opened the public hearing on the Petition for Inclusion of Property. Mr. Waldron noted that notice of the public hearing was posted and published pursuant to Colorado law and no written objections or comments had been received. After no public comment was made, the hearing was closed. Mr. Waldron reviewed the Petition for Inclusion of Property with the Board of District No. 4.

Following discussion, upon motion duly made and seconded, the Board of District No. 4 unanimously approved the Petition for Inclusion of Property.

Consider Adoption of Resolution and Order for Inclusion of Property

Mr. Waldron reviewed the Resolution and Order for Inclusion of Property with the Board of District No. 4. Following discussion, upon a motion duly made and seconded, the Board of District No.

(District No. 4) 4 unanimously approved the Resolution and Order for Inclusion of Property.

Public Hearing on Exclusion of Property (District No. 2) Director Jonathan Alpert opened the public hearing on the Petition for Exclusion of Property. Mr. Waldron noted that notice of the public hearing was posted and published pursuant to Colorado law and no written objections or comments had been received. After no public comment was made, the hearing was closed. Mr. Waldron reviewed the Petition for Exclusion of Property with the Board of District No. 2.

Following discussion, upon motion duly made and seconded, the Board of District No. 2 unanimously approved the Petition for Exclusion of Property.

Consider Adoption of Resolution and Order for Exclusion of Property (District No. 2) Mr. Waldron reviewed the Resolution and Order for Exclusion of Property 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 and Order for Exclusion of Property.

Discuss Amendment to Service Plan (District Nos. 4 & 5) Mr. Waldron discussed the Second Amendment to the Service Plan with the Boards of District Nos. 4 & 5. He noted that the amendment would allow the District to gallagherize the operations and maintenance mill levy and authorize a portion of the mill levy revenue to be remitted to the City of Castle Pines (the "City") for operation and maintenance of improvements that the District turns over to the City. Following discussion, upon a motion duly made and seconded, the Boards of District Nos. 4 & 5 unanimously authorized the submittal of the Service Plan Amendment to the City.

Approval of Funding and Reimbursement Agreement O&M (District Nos. 1 & 4) Mr. Waldron reviewed the Funding and Reimbursement Agreement O&M with the Boards of District Nos. 1 & 4. Following discussion, upon a motion duly made and seconded, the Boards of District Nos. 1 & 4 unanimously approved the agreements.

Discuss Facilities Fees (District No. 5) Ms. Clymer reviewed the status of collection of facilities fees with the Board of District No. 5, noting that certain builders had pulled permits from the City without paying all the District fees, but noted that she has contacted the City and has worked out a revised process for ensuring all District fees are collected prior to the release of the permits. Ms. Clymer also reviewed the annual increase of SDF's. The Board of District No. 5 engaged in general discussion regarding concerns that increasing fees may hurt sales.

Following discussion, upon a motion duly made and seconded, the Board of District No. 5 unanimously authorized Director Jonathan Alpert to waive fees.

Other Legal Matters None.

Financial Matters

Consider Acceptance of Unaudited Financial Statements (District Nos. 1 & 5) Ms. Clymer reviewed the September 30, 2019 Financials with the Boards of District Nos. 1 & 5. Following discussion, upon a motion duly made and seconded, the Boards of District Nos. 1 & 5 unanimously accepted the financials.

Consider Approval/Ratification of Claims Payable (District Nos. 1 & 5) Ms. Clymer reviewed the claims payable with the Board of District No. 1 in the amount of \$16,383.29. Following discussion, upon a motion duly made and seconded, the Board of District No. 1 unanimously ratified the claims payables.

Ms. Clymer reviewed the claims payable with the Board of District No. 5 in the amount of \$7,672.67. Following discussion, upon a motion duly made and seconded, the Board of District No. 5 unanimously ratified the claims payables.

Consider Adoption of Resolution Regarding Acceptance of Verified Costs (District No. 5) Ms. Clymer reviewed the Resolution Regarding Acceptance of Verified Costs and cost verification report with the Board of District No. 5. Following discussion, upon a motion duly made and seconded, the Board of District No. 5 unanimously approved the Resolution Regarding Acceptance of Verified Costs.

Consider Approval of Requisition No. 11 in the amount of \$262,759.14 (District No. 5) Ms. Clymer reviewed Requisition No. 11 in the amount of \$262,759.14 with the Board of District No. 5. Following discussion, upon a motion duly made and seconded, the Board of District No. 5 unanimously ratified the requisition.

Consider Ratification of Requisition No. 1 in the Amount of \$6,659,362.95 (District No. 5) Ms. Clymer reviewed Requisition No. 1 in the Amount of \$6,659,362.95 with the Board of District No. 5. Following discussion, upon a motion duly made and seconded, the Board of District No. 5 unanimously approved Requisition No. 1 in the Amount of \$6,659,362.95.

Public Hearing on 2019 Budget Amendment (District No. 5) Director Jonathan Alpert opened the public hearing on the 2019 Budget Amendment. Mr. Waldron noted that the notice of public hearing was published in accordance with Colorado law in the *Douglas County News-Press* 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 Resolution Amending 2019 Budget (District No. 5)

Ms. Clymer reviewed the Resolution Amending the 2019 Budget 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 resolution amending the General Fund to \$61,000 and the Capital Projects Fund to \$52,000,000.

Public Hearing on 2019 Budget (District No. 4)

Director Jonathan Alpert opened the public hearing on the proposed 2019 Budget. Mr. Waldron noted that the notice of public hearing was posted 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 2019 Budget Resolution (District No. 4)

Ms. Clymer reviewed the 2019 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 approved the resolution adopting the 2020 Budget and appropriating funds therefore.

Public Hearing on 2020 Budget (District No. 1)

Director Jonathan Alpert opened the public hearing on the proposed 2020 Budget. Mr. Waldron noted that the notice of public hearing was posted and published in accordance with Colorado law in the *Douglas County News-Press* 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 2020 Budget Resolution (District No. 1)

Ms. Clymer 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 and appropriating funds therefore.

Public Hearing on 2020 Budget (District No. 2)

Director Jonathan Alpert opened the public hearing on the proposed 2020 Budget. Mr. Waldron noted that the notice of public hearing was posted and published in accordance with Colorado law in the *Douglas County News-Press* 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 2020 Budget Resolution (District No. 2)

Ms. Clymer 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 69.000 mills for the

debt service fund.

Public Hearing on 2020
Budget (District No. 4)

Director Jonathan Alpert opened the public hearing on the proposed 2020 Budget. Mr. Waldron noted that the notice of public hearing was posted and published in accordance with Colorado law in the *Douglas County News-Press* 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 2020
Budget Resolution (District
No. 4)

Ms. Clymer reviewed the 2020 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 approved the resolution adopting the 2020 Budget and appropriating funds therefore.

Public Hearing on 2020
Budget (District No. 5)

Director Jonathan Alpert opened the public hearing on the proposed 2020 Budget. Mr. Waldron noted that the notice of public hearing was published in accordance with Colorado law in the *Douglas County News-Press* 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 2020
Budget Resolution (District
No. 5)

Ms. Clymer reviewed the 2020 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 approved the resolution adopting the 2020 Budget, appropriating funds therefore and certifying 1.112 mills for the general fund and 44.531 mills for the debt service fund.

Consider Approval of
Auditor Proposal for 2019
Audit (District No. 5)

Ms. Clymer reviewed the 2019 Auditor proposal with Dazzio & Associates with the Board of District No. 5. Following discussion, upon a motion duly made and seconded, the Board of District No. 5 unanimously approved the proposal.

Consider Approval of
Resolution Approving the
Application for Exemption
from Audit for Fiscal Year
2019 (District Nos. 1, 2 & 4)

Mr. Waldron reviewed the Resolution Approving the Application for Exemption from Audit for Fiscal Year 2019 with the Boards of District Nos. 1, 2 & 4. Following discussion, upon a motion duly made and seconded, the Boards of District Nos. 1, 2 & 4 unanimously approved the resolution.

Other Financial Matters

None.

Directors' Items

None

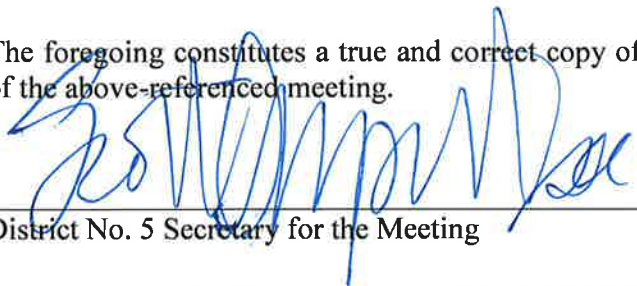
Other Business

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.



District No. 5 Secretary for the Meeting

The foregoing minutes were approved by District No. 5 on this 10th day of February, 2020.

Darren Everett
Darren Everett (Dec 17, 2020 06:23 MST)

District No. 1 Secretary for the Meeting

The foregoing minutes were approved by District No. 1 on this 10th day of February, 2020.

Darren Everett
Darren Everett (Dec 17, 2020 06:23 MST)

District No. 2 Secretary for the Meeting

The foregoing minutes were approved by District No. 2 on this 10th day of February, 2020.

Darren Everett
Darren Everett (Dec 17, 2020 06:23 MST)

District No. 4 Secretary for the Meeting

The foregoing minutes were approved by District No. 4 on this 10th day of February, 2020.