

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
THIRD CREEK METROPOLITAN DISTRICT NO. 2
HELD
OCTOBER 5, 2022

A special meeting of the Board of Directors of the Third Creek Metropolitan District No. 2 (referred to hereafter as the “Board”) was convened on Wednesday, October 5, 2022 at 11:00 a.m. The meeting was open to the public. The meeting was held via Microsoft Teams teleconference.

ATTENDANCE

In Attendance were Directors:

Kent Pedersen, President
Debra Hessler, Secretary
Jack Beckwitt, Treasurer
Brian Stockton, Assistant Secretary

Also, in Attendance were:

Lisa Johnson, Susan Agema and Shauna D’Amato; CliftonLarsonAllen LLP (“CLA”)
Lisa Jacoby and Erica Montague, Esq.; McGeady Becher PC

ADMINISTRATIVE
MATTERS

Call to Order and Agenda: The meeting was called to order at 11:04 a.m. by Ms. Johnson. Following review, upon a motion duly made by Director Pedersen, seconded by Director Stockton, and upon vote unanimously carried, the Board approved the agenda, as presented.

Potential Conflicts of Interest: Ms. Johnson discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State. The members of the Board were requested to disclose any potential conflicts of interest regarding any matters scheduled for discussion at this meeting and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. It was noted by Ms. Johnson that disclosures of potential conflicts of interest were filed with the Secretary of State for all Directors.

Quorum, Location of Meeting and Posting of Meeting Notices: The presence of a quorum was confirmed. The Board determined to conduct this meeting via Microsoft Teams. The Board further noted that notice providing the time, date and video teleconference link information was duly posted and that no objections, or any requests that the means of hosting the meeting be changed were received from taxpaying electors within the District’s boundaries.

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Public Comment: None.

Resolution No. 2022-10-01; Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices: The Board discussed the business to be conducted in 2023.

Following discussion, upon motion duly made by Director Stockton, seconded by Director Hessler, and upon vote unanimously carried, the Board adopted Resolution No. 2022-10-01; establishing the 2023 regular meeting dates for the third Wednesday of March, July and October, 2023 at 11:00 a.m., to be held via video teleconference, subject to determination of physical 24-hour posting location.

It was noted that Director Hessler would work with CLA to determine the physical 24-hour posting location.

Section 32-1-809, C.R.S (District Transparency Notice): Ms. Johnson reviewed with the Board the necessary requirements regarding Transparency Notice compliance and indicated CLA will prepare and file the Transparency Notice by the statutory deadline. No action was required by the Board.

2023 Insurance and SDA Renewal: Following discussion, upon motion duly made by Director Stockton, seconded by Director Hessler, and upon vote unanimously carried, the Board approved the 2023 insurance renewal and Special District Association membership renewal.

CONSENT AGENDA

August 24, 2022 Special Meeting Minutes: Upon motion duly made by Director Stockton, seconded by Director Beckwitt, and upon vote unanimously carried, the Board approved the consent agenda, as presented.

FINANCIAL MATTERS

Claims: Ms. Agema presented the claims to the Board. Following discussion, upon a motion duly made by Director Pedersen, seconded by Director Beckwitt, and upon vote unanimously carried, the Board ratified and/or approved as appropriate, the claims in the amount of \$12,093.00.

Following discussion, upon a motion duly made by Director Beckwitt, seconded by Director Stockton and, upon vote, unanimously carried, the Board approved payment associated with the terms of the Partial Termination of Intergovernmental Agreement Concerning District Operations by and between Third Creek Metropolitan District No. 1, Third Creek Metropolitan District No. 2 and Third Creek Metropolitan District No. 3, subject to legal counsel review and approval by the Board President.

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Public Hearing on Amendment to 2022 Budget: Ms. Johnson opened the public hearing to consider amending the 2022 Budget at 11:18 a.m.

It was noted that publication of Notice stating that the Board would consider amendment of the 2022 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

Ms. Agema reviewed the amendments to the Capital Projects Fund and General Fund.

No public comments were received, and Ms. Johnson closed the public hearing at 11:23 a.m.

Following discussion, upon a motion duly made by Director Pedersen, seconded by Director Stockton, and upon vote unanimously carried, the Board adopted Resolution 2022-10-02 to Amend the 2022 Budget, amending the General Fund and Capital Projects Fund.

Public Hearing on 2023 Budget: Ms. Johnson opened the public hearing to consider the proposed 2023 Budget at 11:23 a.m.

It was noted that Notice stating that the Board would consider adoption of the 2023 budget and the date, time and place of the public hearing was published pursuant to statute. No written objections were received prior to the public hearing.

Ms. Agema reviewed with the Board the estimated 2022 expenditures and the proposed 2023 expenditures.

No public comments were received, and the public hearing was closed at 11:28 a.m.

Upon motion duly made by Director Pedersen, seconded by Director Hessler, and upon vote unanimously carried, the Board approved the 2023 Budget, as discussed, and considered adoption of Resolution No. 2022-10-03 to Adopt the 2023 Budget and Appropriate Sums of Money and Resolution No. 2022-10-04 to Set Mill Levies (11.241 mills in the General Fund and 56.203 mills in the Debt Service Fund, for a total mill levy of 67.444 mills.) Following discussion, upon vote unanimously carried, the Board adopted the Resolutions and authorized execution of the Certification of Budget. The District Accountant was directed to transmit the Certification of Tax Levies to the Board of County Commissioners of Adams County not later than December 15, 2022. The District Accountant was directed to transmit

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the Certification of Budget to the Division of Local Government no later than January 30, 2023.

Preparation of the DLG-70 Certification of Tax Levies Form:

Following discussion, upon a motion duly made by Director Pedersen, seconded by Director Beckwitt and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare the DLG-70 Certification of Tax Levies Form for certification to the Board of County Commissioners and other interested parties.

Resolution No. 2022-10-05 Authorizing Adjustment of the District Mill Levy: Following discussion, upon a motion duly made by Director Pedersen, seconded by Director Beckwitt and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-10-05 Authorizing Adjustment of the District Mill Levy in accordance with the District's Service Plan.

Board Member to Sign the DLG-70 Certification of Tax Levies:

Following discussion, upon a motion duly made by Director Stockton, seconded by Director Beckwitt, and upon vote unanimously carried, the Board appointed Director Pedersen to sign the DLG-70 Certification of Tax Levies.

Preparation of 2024 Budget: Following discussion, upon a motion duly made by Director Pedersen, second by Director Beckwitt, and upon vote unanimously carried, the Board appointed the District Accountant to prepare the 2024 Budget.

Application for Exemption from Audit for 2022: Following discussion, upon a motion duly made by Director Pedersen, second by Director Beckwitt, and upon vote unanimously carried, the Board appointed the District Accountant to prepare and file the Application for Exemption from Audit for 2022.

LEGAL MATTERS

Termination of Improvement Acquisition, Advance and Reimbursement Agreement (Capital Costs) by and between the District and Cowley Management, LLC:

Attorney Montague discussed the Termination with the Board. Following discussion, upon a motion duly made by Director Stockton, seconded by Director Hessler, and upon vote unanimously carried, the Board terminated the Improvement Acquisition, Advance and Reimbursement Agreement (Capital Costs) by and between the District and Cowley Management, LLC, subject to final review by the President and legal counsel.

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Improvement Acquisition and Reimbursement Agreement by and between Third Creek Metropolitan District No. 1, the District, Lennar Colorado, LLC and Cowley Management, LLC, dated May 6, 2022: The Board acknowledged the Improvement Acquisition and Reimbursement Agreement.

Partial Termination of Intergovernmental Agreement (“IGA”) Concerning District Operations by and among Third Creek Metropolitan District No. 1, the District and Third Creek Metropolitan District No. 3: Attorney Montague discussed the partial termination of IGA with the Board. Following discussion, upon a motion duly made by Director Beckwitt, seconded by Director Hessler, and upon vote unanimously carried, the Board approved the Partial Termination of the Intergovernmental Agreement Concerning District Operations by and among Third Creek Metropolitan District No. 1, the District, and Third Creek Metropolitan District No. 3, subject to final review by the President and legal counsel.

2022 Operation Funding Agreement between the District and Lennar Colorado, LLC: Attorney Montague presented the Agreement to the Board. Following discussion, upon a motion duly made by Director Hessler, seconded by Director Stockton, and upon vote unanimously carried, the Board approved the 2022 Operation Funding Agreement between the District and Lennar Colorado, LLC, subject to final review by the President and legal counsel.

Resolution No. 2022-10-06 Calling a Regular Election for Directors on May 2, 2023: Ms. Johnson discussed the Resolution and election with the Board, noting that Self-Nomination and Acceptance Forms are due by February 24, 2023. Following discussion, upon a motion duly made by Director Pedersen, seconded by Director Beckwitt and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-10-06 Calling a Regular Election for Directors on May 2, 2023, appointed Catherine Will as the DEO and authorized the DEO to perform all tasks required for the conduct of a mail ballot election.

**CAPITAL
IMPROVEMENTS**

Off-Site Improvements Project:

Master Services Agreement and Task Orders with Schedio Group LLC (“Schedio”) for Cost Verification and Construction Management Services: Ms. Jacoby reviewed the Agreement and Tasks Orders with the Board. Following discussion, upon a motion duly made by Director Pedersen, seconded by Director Hessler, and upon vote unanimously carried, the Board ratified approval of the Master Services Agreement and Task Order Nos. 1 and 2 with Schedio.

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Bidding Process for Construction Management Work: Discussion regarding the bidding process for Construction Management ensued. No action was taken.

Project Management Agreement between the District and Lennar Colorado, LLC: Director Pedersen clarified that the Agreement is between the District and Lennar Colorado, LLC as the legal entity engaged. Following discussion, upon a motion duly made by Director Hessler, seconded by Director Stockton, and upon vote unanimously carried, the Board approved the Project Management Agreement between the District and Lennar Colorado, LLC, subject to final review by the Construction Committee and legal counsel.

Invitation to Bid: Following discussion, the Board authorized the Construction Committee to enter into contracts to be approved and/or ratified by the Board at the next meeting.

Status of Intergovernmental Agreements Related to Project: No action was necessary at this time.

Other: None.

MANAGER MATTERS

24-hour Posting Location for Meeting Notices: Ms. Johnson provided an update regarding the District website to the Board. Following discussion, upon a motion duly made by Director Pedersen, seconded by Director Beckwitt and, upon vote, unanimously carried, the Board designated thirdcreekmd2.com as the 24-hour posting location for meeting notices.

CliftonLarsonAllen LLP Statements of Work for 2023 Services: Ms. Johnson reviewed the Statements of Work with the Board. Following discussion, upon a motion duly made by Director Pedersen, seconded by Director Beckwitt, and upon vote unanimously carried, the Board approved the CliftonLarsonAllen LLP Statements of Work for 2023 Services.

DIRECTORS'
MATTERS

Other: None.

OTHER MATTERS

Other: None.

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ADJOURNMENT

There being no further business to come before the Board at this time, upon a motion duly made by Director Pedersen, seconded by Director Beckwitt, and upon vote unanimously carried, the Board adjourned the meeting at 11:51 a.m.

Respectfully submitted,

By:  _____
Secretary