

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE CANYON PINES METROPOLITAN DISTRICT HELD NOVEMBER 24, 2021

A special meeting of the Board of Directors of the Canyon Pines Metropolitan District (referred to hereafter as the “Board”) was convened on Wednesday, the 24th day of November, 2021, at 10:00 a.m. This District Board meeting was held via Zoom with all participants attending via Zoom. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Chad Ellington
Todd Johnson
Nathan Laudick
Robert Laudick
Thomas W. “Terry” Ten Eyck

Also In Attendance Were:

David Solin; Special District Management Services, Inc.

Megan Becher, Esq.; McGeady Becher P.C.

Jennifer Ivey, Esq., Icenogle Seaver Pogue, P.C.

Joy Tatton; Simmons & Wheeler, P.C.

Brandon Collins; Independent District Engineering Services, LLC

Curt Jamison and Kathy Burris; Residents

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosures of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Mr. Solin noted that a quorum was present and requested members of the Board disclose any potential conflicts of interest with regard to 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 the statute. Attorney Becher noted that all Directors’

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Disclosure Statements had been filed and that no additional conflicts were disclosed at the meeting.

PUBLIC COMMENTS

(Each speaker is limited to 3 minutes. You are encouraged to stick to your point. Presentations that are less than three minutes long are more effective than long and repetitive presentations. If a previous speaker has made the same point that you were planning to raise, you may state that you agree with a previous speaker, and that you do not need to speak because your point has already been made. The Board will not respond during the presenter's comments, so as to ensure that they do not take away from the presenter's time but may choose to respond after the presenter's time has elapsed, or after the period for public comments has ended.)

Mr. Jamison asked what the community's access interchange will look like.

Ms. Burris asked when the contractor's use of Plainview road will cease. She shared concerns with contractors exceeding speed limits. She also shared concerns about ensuring that the Notice Postings were being made as required. Finally, she raised concerns that the District needed to discuss fire mitigation with its contractors.

There were no other public comments, and the public comments portion of the agenda was closed.

Director Ellington stated that the design for the intersection is an improved intersection that is being worked on with the Colorado Department of Transportation (CDOT). It is anticipated that there will be no signal or stop light at that intersection.

Director Ellington stated the temporary access from Plainview Rd is nearly done, and HEI will be mailing information to residents to let the neighbors know that the construction access will now be off of Highway 72. Director Ellington also encouraged residents to contact the Jefferson County Sheriff's Office with concerns over contractor speeding, as that is not something that is acceptable. He also shared that Notices are being posted, as required. Finally, Director Ellington stated that fire mitigation planning is an ongoing item and is being taken very seriously by the developer, and that regular site inspections are being performed to ensure compliance.

ADMINISTRATIVE MATTERS

Agenda: Mr. Solin distributed, for the Board's review and approval, a proposed agenda for the District's Special Meeting.

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Following discussion, upon motion duly made by Director Ellington, seconded by Director Johnson and, upon vote, unanimously carried, the agenda was approved, as amended.

Location of Meeting and Posting of Notices: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. The Board determined that the meeting would be held by video/telephonic means, and encouraged public participation via video or telephone. The Board further noted that notice of the time, date and location of the meeting was duly posted and that the District had not received any objections to the video/telephonic manner of the meeting, or any requests that the video/telephonic manner of the meeting be changed by taxpaying electors within the District boundaries.

Minutes: The Board reviewed the minutes of the October 26, 2021 Special Meeting.

Following discussion, upon motion duly made by Director Ellington, seconded by Director Johnson and, upon vote, unanimously carried, the minutes of the October 26, 2021 Special Meeting were approved, as presented.

Resolution No. 2021-11-01, Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices: The Board considered Resolution No. 2021-11-01, Resolution Establishing Regular Meeting Dates, Time and Location and Designating Location for Posting of 24-Hour Notices.

Mr. Solin reviewed the business to be conducted in 2022 to meet the statutory compliance requirements. Following discussion, the Board determined to meet on the fourth Wednesday of every month at 10:00 a.m. Meetings will be held virtually.

Following review, upon motion duly made by Director Johnson, seconded by Director Ellington and, upon vote, unanimously carried, the Board adopted Resolution No. 2021-11-01, Resolution Establishing Regular Meeting Dates, Time and Location and Designating Location for Posting of 24-Hour Notices.

Section 32-1-809, C.R.S., Reporting Requirements, Mode of Eligible Elector Notification for 2022: The Board discussed Section 32-1-809, C.R.S., reporting requirements and mode of eligible elector notification for 2022.

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Following discussion, the Board determined to post the required transparency notice information to the Special District Association's website and the District's website.

FINANCIAL MATTERS

Claims: Ms. Tatton reviewed with the Board the payment of claims for the period beginning September 30, 2021 through November 17, 2021, in the amount of \$550,432.00

Following discussion, upon motion duly made by Director Ellington, seconded by Director Johnson and, upon vote, unanimously carried, the Board ratified approval of the payment of claims, as presented.

Electric Buildout by United Power: The Board discussed the District's portion of the electric buildout by United Power, in the amount of \$102,026.01.

Following review, upon motion duly made by Director Johnson, seconded by Director Ellington and, upon vote, unanimously carried, the Board ratified the approval of the payment for the District's portion of the electric buildout, in the amount of \$102,026.01.

Unaudited Financial Statements: Ms. Tatton reviewed with the Board the unaudited financial statements for the period ending September 30, 2021.

Following discussion, upon motion duly made by Director Ellington, seconded by Director Johnson and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending September 30, 2021.

Expense Tracking Report: Mr. Collins reviewed the Expense Tracking Report with the Board.

District Expenditures Verification Report prepared by Independent District Engineering Services, LLC ("IDES"): Mr. Collins reviewed with the Board IDES' report entitled "District Expenditures Verification for October 2021 and November 2021," which summarizes IDES' review and verification of the expenditures of the District for October 2021 and November 2021 related to certain District construction contracts. The Verification Report identified \$84,200.21 of District Eligible Expenses and \$-0- of Non-Eligible Expenses for October, 2021 and identified \$545,854.92 of District Eligible Expenses and \$-0- of Non-Eligible Expenses for November, 2021.

Following discussion, upon motion duly made by Director Ellington, seconded by Director Johnson and, upon vote, unanimously carried, the Board accepted the

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District Eligible Expenses in the amount of \$84,200.21 for October, 2021 and \$545,854.92 for November, 2021.

Bill.com: The Board discussed transferring accounts payable to Bill.com.

Following discussion, upon motion duly made by Director Ellington, seconded by Director Johnson and, upon vote, unanimously carried, the Board acknowledge the conversion to utilize Bill.com for accounts payable processing and designated Director Ellington as the authorized party to review and approve invoices.

Signers on Checking Account: The Board discussed signers for the District's Checking account.

The Board determined to leave Directors Ellington and Ten Eyck as signers on the District's checking account.

2021 Audit: Ms. Tatton reported to the Board that she is obtaining proposals.

2021 Budget Amendment Hearing: The President opened the public hearing to consider a Resolution to Amend the 2021 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2021 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 this public hearing. There were no comments from the public in attendance and the public hearing was closed.

Following review and discussion, upon motion duly made by Director Ellington, seconded by Director Ten Eyck and, upon vote, unanimously carried, the Board adopted Resolution No. 2021-11-02; Resolution to Amend the 2021 Budget. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

2022 Budget Hearing: The President opened the public hearing to consider the proposed 2022 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption 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 this public hearing. No public comments were received, and the public hearing was closed.

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Ms. Tatton reviewed the estimated 2021 expenditures and the proposed 2022 expenditures.

Following discussion, the Board considered the adoption of Resolution No. 2021-11-03 to Adopt the 2022 Budget and Appropriate Sums of Money and Resolution No. 2021-11-04 to Set Mill Levies (for the General Fund at 36.664 mills and the Debt Service Fund at 29.000 mills for a total mill levy of 65.664 mills). Upon motion duly made by Director Ellington, seconded by Director Ten Eyck and, upon vote, unanimously carried, the Resolutions were adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2021. Mr. Solin was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of Jefferson County not later than December 15, 2021. Mr. Solin was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2022. Copies of the adopted Resolutions are attached to these minutes and incorporated herein by this reference.

DLG-70 Mill Levy Certification Form: The Board considered authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

Following discussion, upon motion duly made by Director Ellington, seconded by Director Ten Eyck and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

Preparation of the 2023 Budget: The Board discussed the preparation of the 2023 Budget.

Following discussion, upon motion duly made by Director Ellington, seconded by Director Ten Eyck and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2023 Budget and set the date for the public hearing for the November 23, 2022 Board meeting.

Project Fund Requisition Nos. 3, 4, 5, and 6: The Board discussed Project Fund Requisition No. 3, in the amount of \$ 14,117.89, Project Fund Requisition No. 4, in the amount of \$329,336.78, Project Fund Requisition No. 5, in the amount of \$188,535.00 and Project Fund Requisition No. 6, in the amount of \$213,373.73, under the Series 2021A-2 Bonds.

Following discussion, upon motion duly made by Director Ellington, seconded by Director Johnson and, upon vote, unanimously carried, the Board ratified approval

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of Project Fund Requisition No. 3, in the amount of \$ 14,117.89, Project Fund Requisition No. 4, in the amount of \$329,336.78, Project Fund Requisition No. 5, in the amount of \$188,535.00 and Project Fund Requisition No. 6, in the amount of \$213,373.73, under the Series 2021A-2 Bonds authorizing payment to Artemis Properties, LLC for the acquisition of the open space tracts, pursuant to the Assignment of PSA and the Second Amendment to PSA.

LEGAL MATTERS

Canyon Pines Special Improvement District (“SID”):

SID Collection Policies and Procedures: Attorney Becher reported to the Board that she is working with Attorney Jennifer Ivey, regarding the process of preparing the SID Collection Policies and Procedures. The Board did not take any action at this time.

Proposal from Special District Management Services, Inc. for Special Assessment Administrator Professional Services: The Board deferred discussion.

Intergovernmental Agreement by and between the City of Arvada and the Canyon Pines Metropolitan District for Financing of the Construction of the Canyon Pines Pump Station and Modifications to the Ranson Pump Station (the “IGA”): Attorney Becher reported to the Board that there were no material changes made so no need to ratify.

Operation Funding Agreement between the District and Section 27, LLC: It was noted that this Agreement is not needed.

Amendment to 2021 Operation Funding Agreement between the District and Section 27, LLC: Attorney Becher reviewed with the Board an Amendment to 2021 Operation Funding Agreement between the District and Section 27, LLC.

Following discussion, upon motion duly made by Director Ellington, seconded by Director Nathan Laudick and, upon vote, unanimously carried, the Board approved the Amendment to 2021 Operation Funding Agreement between the District and Section 27, LLC to extend the term through 2022.

Termination of Funding and Reimbursement Agreement between the District and Peak Development Group, LLC: Attorney Becher reviewed with the Board the Termination of the Funding and Reimbursement Agreement between the District and Peak Development Group, LLC.

Following discussion, upon motion duly made by Director Ellington, seconded by Director Nathan Laudick and, upon vote, unanimously carried, the Board ratified

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approval of the Termination of the Funding and Reimbursement Agreement between the District and Peak Development Group, LLC.

Resolution to Call the May 3, 2022 Regular Directors' Election: The Board discussed the upcoming election and Resolution No. 2021-11-04 to Call the May 3, 2022 Regular Directors' Election.

Following discussion, upon motion duly made by Director Ten Eyck, seconded by Director Ellington and, upon vote, unanimously carried, the Board adopted Resolution No. 2021-11-04 to Call the May 3, 2022 Regular Directors' Election and appointed David Solin as the Designated Election Official and authorized him to perform all tasks required for the conduct of a mail ballot election. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

General Counsel Legal Services: The Board discussed the transition of General Counsel legal services from McGeady Becher P.C. to Icenogle Seaver Pogue, P.C.

Following discussion, upon motion duly made by Director Ellington, seconded by Director Nathan Laudick and, upon vote, unanimously carried, the Board approved the transition of General Counsel legal services from McGeady Becher P.C. to Icenogle Seaver Pogue, P.C.

CONSTRUCTION MATTERS

Construction Status Report: Mr. Collins reviewed with the Board the Project Status Report dated November 24, 2021. A copy of the report is attached hereto and incorporated herein by this reference.

Contracts, Task Orders, Work Orders and Change Orders: The Board discussed the following Contracts, Task Orders, Work Orders and Change Orders:

- Ratify approval of Task Order No. 1 under the Master Service Agreement between the District and HR Green, Inc. for water model services, in the amount of \$10,000.

Following discussion, upon motion duly made by Director Ellington, seconded by Director Ten Eyck and, upon vote, unanimously carried, the Board approved (or ratified approval of, as appropriate) the Contracts, Change Orders, Task Orders and Work Orders listed above.

OTHER BUSINESS

The Board discussed the December 22, 2021 Board meeting. The Board determined to cancel the December 22, 2021 Board meeting.


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Director Ten Eyck thanked Attorney Becher for her years of service to the District.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Ellington, seconded by Director Johnson and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By 
Secretary for the Meeting