

MINUTES OF A JOINT SPECIAL MEETING OF THE
BOARDS OF DIRECTORS

OF

HIGHWAY 119 METROPOLITAN DISTRICT NOS. 1-10

Held: November 8, 2021, at 9:00 A.M.

The meeting was held via teleconference.

ATTENDANCE

The meeting was held in accordance with the laws of the State of Colorado. The following directors were in attendance:

Reggie Golden
Dale Bruns
Pagie Mathews
Stephen Miles

Also present were: Jennifer Gruber Tanaka, Esq., and Erin Stutz, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law, District General Counsel; Neil Schilling, Schilling & Company, District Accountant; Phil Pike, Highway 119 Holdings, LLC; Mark Meyer, Foundry Commercial; and CJ Kirst, PE, Tahoe Consulting;.

**ADMINISTRATIVE
MATTERS**

Call to Order

The meeting was called to order.

Declaration of Quorum and
Confirmation of Director
Qualifications

Ms. Tanaka noted that a quorum for each of the Boards was present and that the directors had confirmed their qualification to serve.

Reaffirmation of Disclosures
of Potential or Existing
Conflicts of Interest

Ms. Tanaka advised the Boards that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Tanaka 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. Ms. Tanaka noted that a quorum was present and 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 Districts are meeting in a combined Board meeting. Unless otherwise noted below, the matters set forth below shall be deemed to be the actions of the Highway 119 Metropolitan District Nos. 1 through 10, inclusive and collectively.

Approval of Agenda Ms. Tanaka presented the Boards with the proposed agenda for the meeting. Upon motion of Mr. Bruns, seconded by Mr. Mathews, the Boards unanimously approved the agenda as presented.

PUBLIC COMMENT None.

CONSENT AGENDA The Boards were presented with the consent agenda items. Upon motion of Mr. Miles, seconded by Mr. Bruns, the Boards unanimously took the following actions:

- a. Approved the Minutes for July 12, 2021, Special Meeting
- b. Ratified and Approved the Payment of Claims (\$62,873.85) (July - October 2021)
- c. Accepted Unaudited Financial Statements as of September 30, 2021 (District Nos. 1 & 2)
- d. Adopted Resolution No. 2021-11-01: 2022 Annual Administrative Resolution
- e. Adopted Resolution No. 2021-11-02: Resolution Calling the May 2022 Election
 - i. Confirmed the 2 Methods of Providing Calls for Nomination: 1) Emailing/Mailing (as required by statute); and 2) publication
- f. Approved the Engagement Letters with Dazzio & Associates, PC for 2021 Audit Services (District Nos. 1 & 2)
- g. Approved the Sixth Addendum to Independent Contractor Agreement with Schilling & Company for Accounting Services
- h. Approved the Termination of Independent Contractor Agreement with MMI Water Engineers, LLC for On-Call Engineering Services
- i. Approval of Termination of Independent Contractor Agreement with A.G. Wassenaar, Inc., Construction Testing and Observation Services
- j. Approved the Termination of Independent Contractor Agreement with Atwell, LLC for Engineering Services for Left Hand Water Line Extension Project
- k. Renewed the Independent Contractor Agreement with Tahoe Consulting LLC for Construction Coordination and Consulting Services (no scope or fee change for 2022)
- l. Approved the Lower Oligarchy Ditch Company Ditch Relocation Agreement (subject to finalization and legal review)

CONSTRUCTION MATTERS

Status of Oligarchy Ditch Relocation Project

Mr. Kirst reported that things are moving slowly but they are progressing. Construction plans are ready to be signed after a few minor things are addressed by the engineer. Mr. Kirst anticipates placing the project to public bid in the next 30-60 days. Mr. Bruns summarized the Ditch Relocation Agreement for the Boards and noted the outstanding matters being negotiated for finalization.

FINANCIAL MATTERS

Public Hearing on 2021 Budget Amendment and Consider Adoption of Resolution No. 2021-11-03 (District No. 2)

Mr. Golden opened the public hearing on the 2021 budget amendment for District No. 2. Ms. Tanaka noted that the notice of public hearing was published in accordance with Colorado law and noted that no objections were received prior to the hearing. Mr. Schilling reviewed the proposed budget amendment with the Board noting that more property taxes were received than originally anticipated thus triggering an amendment. There being no public comment, the public hearing was closed.

Upon motion of Mr. Bruns, seconded by Mr. Golden, the Board unanimously adopted the 2021 budget amendment and adopted Resolution No. 2021-11-03.

Public Hearings on 2022 Budgets and Consider Adoption of Resolution Nos. 2021-11-04 (District No. 1), 2021-11-05 (District No. 2), 2021-11-06 (District No. 3), 2021-11-07 (District No. 4), 2021-11-08 (District No. 5), 2021-11-09 (District No. 6), 2021-11-10 (District No. 7), 2021-11-11 (District No. 8), 2021-11-12 (District No. 9), 2021-11-13 (District No. 10): Adopting Budget, Imposing Mill Levy and Appropriating Funds

Mr. Golden opened the public hearings on the 2022 budgets. Ms. Tanaka noted that the notices of public hearings were provided in accordance with Colorado law and noted that no objections were received prior to the hearings. Mr. Schilling reviewed the proposed budgets with the Boards. The Boards discussed the upcoming projects that are anticipated to occur in 2022 as well as the work associated with the bifurcation of the Districts which is planned for 2022. There being no public comment, the public hearings were closed.

Upon motion of Mr. Bruns, seconded by Mr. Miles, the Boards unanimously approved the 2022 budgets and adopted Resolution Nos. 2021-11-04 (District No. 1), 2021-11-05 (District No. 2), 2021-11-06 (District No. 3), 2021-11-07 (District No. 4), 2021-11-08 (District No. 5), 2021-11-09 (District No. 6), 2021-11-10 (District No. 7), 2021-11-11 (District No. 8), 2021-11-12 (District No. 9), 2021-11-13 (District No. 10): Adopting Budget, Imposing Mill Levy and Appropriating Funds.

LEGAL MATTERS

Timeline for Bifurcation of Service Plan and Transition

Ms. Tanaka reported that bi-weekly meetings have been scheduled to ensure the project continues to progress. The next

of Districts

meeting is scheduled for November 15, 2021. Ms. Tanaka discussed the timeline associated with boundary adjustments in order to ensure the assessment rolls are updated for the 2023 budgets. Ms. Tanaka also noted that the name of three of the Districts will change. Ms. Tanaka will email the working group to nudge some focus and responses to these time sensitive matters.

District Website and Consider Engagement of Heatherly Creative, LLC for same

Ms. Tanaka reported that SB 21-262 requires all metropolitan districts organized after 2000 to establish and maintain a website by no later than January 1, 2023. Ms. Tanaka presented the Board with a proposal from Heatherly Creative, LLC for website design services. The initial cost to set up the website, including hosting services, is approximately \$2,200. Afterwards, the costs are minimal for any updates and maintenance.

The Boards discussed the bifurcation of the Districts and proposed name changes for several of the Districts. In the interest of time, the Boards discussed proceeding with the creation of the website for the Firelight Districts, which are currently District Nos. 1-3, and discussing the creation of a website for the remaining Districts at the next meeting.

Upon motion of Mr. Bruns, seconded by Mr. Mathews, the Board unanimously approved the engagement of Heatherly Creative for the creation of a website for the Firelight Districts.

OTHER BUSINESS

Next Meeting Date

The next meeting is scheduled for December 13, 2021, at 9:00 A.M.

ADJOURNMENT

There being no further business to be conducted, the meeting was adjourned.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.


Date Bruns (Apr 14, 2022 13:04 MDT)

Secretary for the Meeting