

MINUTES OF A JOINT SPECIAL MEETING OF THE
BOARDS OF DIRECTORS

OF

HIGHWAY 119 METROPOLITAN DISTRICT NOS. 1-10

Held: April 11, 2022, 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

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; Mark Meyer, Foundry Commercial; and CJ Kirst, PE, Tahoe Consulting; Brad Dixon and Jeff Nickless, Toll Brothers; and Zach Bishop, Piper Sandler.

**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 amended to remove item G under the Consent Agenda.

Excusal of Absences The Boards noted the absence of Mr. Miles. Upon motion of Mr. Mathews, seconded by Mr. Bruns, the Boards unanimously excused his absences.

PUBLIC COMMENT None.

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

- a. Approved the Minutes for November 8, 2021, Special Meeting
- b. Ratified the Payment of Claims (\$8,080.34) (November 2021)
- c. Ratified the Payment of Claims (\$8,747.35) (December 2021)
- d. Ratified the Payment of Claims (\$8,531.82) (January 2022)
- e. Ratified the Payment of Claims (\$37,081.77) (February 2022)
- f. Ratified the Payment of Claims (\$101,073.74) (March 2022) s
- g. REMOVED
- h. Adopted Resolution No. 2022-04-01: Designating the District’s Posting of Meeting Notices and 24-Hour Posting Locations
- i. Adopted Resolution No. 2022-04-02: Regarding Changing the Name of Highway Metropolitan District No. 1 to Firelight Irrigation Metropolitan District
- j. Adopted Resolution No. 2022-04-03: Regarding Changing the Name of Highway Metropolitan District No. 2 to Firelight Commercial Metropolitan District
- k. Adopted of Resolution No. 2022-04-04: Regarding Changing the Name of Highway Metropolitan District No. 3 to Firelight Residential Metropolitan District
- l. Ratified the Independent Contractor Agreement with A.G. Wassenaar, Inc. for Construction Testing and Observation Services
- m. Ratified the Independent Contractor Agreement with

- Atwell, LLC for Engineering Services for Oligarchy Ditch Project
- n. Ratified Change Order #1 for Oligarchy Ditch Relocation Project
 - o. Ratified the Temporary Construction License Agreement (Oligarchy Ditch Grading) from Triangle ½, LLC to District No. 1
 - p. Ratified the Lower Oligarchy Ditch Company Relocation Agreement between and among the Lower Oligarchy Ditch Company, Voyage Ventures, LLC, and District No. 1
 - q. Approved the Engagement of Heatherly Creative, LLC for District Nos. 4-10

CONSTRUCTION MATTERS

Status of Oligarchy Ditch Relocation Project

Mr. Kirst reported that the project is moving along and half the ditch has been relocated. The water is not running yet but it is very close to being ready for that to occur. The Ditch Company has had a few minor comments that are being addressed in advance of the irrigation season commencing. Mr. Bruns noted that the Ditch Company will be conducting its own repairs in several locations and they appear to be pleased with the progress and project.

FINANCIAL MATTERS

Mr. Schilling noted he circulated the schedule of revenues and expenditures for review and discussion. Mr. Schilling noted he included known costs for 2022 and 2023 and reviewed, in particular, the general and capital project funds. The Boards discussed possible changes in some of the projects and expenditures for the various projects which may have an overall impact on the numbers. Once final numbers are received the spreadsheet can be updated accordingly.

LEGAL MATTERS

Timeline for Bifurcation of Service Plan and Transition of Districts

Ms. Tanaka reported that bi-weekly meetings have been conducted to ensure the project continues to progress. The next meeting is scheduled for April 18, 2022. Ms. Tanaka noted that the boundary changes associated with Districts Nos. 1-3 are on the agenda for consideration by the Boards today and the remaining boundary adjustments will be processed at a future date upon receipt of the legal descriptions, maps and ownership information. Ms. Tanaka also noted that the name of District Nos. 1-3 will change and those motions and proposed orders will be filed with the Court after today’s meeting. A meeting with the Town of Firestone to discuss changes to the Service Plan has also been requested and Ms. Tanaka is waiting on the Town to respond with their availability for that meeting.

Engagement of District Manager

Ms. Tanaka noted that the Boards previously engaged the services of Ms. Lisa Johnson when she was employed by Special District Management Services, Inc. (“SDMS”). When Ms. Johnson departed from SDMS she could no longer represent the Districts due to a non-compete that was in place. That non-compete has now expired. Ms. Johnson is now employed by CliftonLarsonAllen, LLP. Ms. Tanaka engaged the Boards in a discussion regarding the engagement of a District manager and, specifically, Ms. Johnson.

The Boards noted that currently there are a lot of changes occurring with regard to the bifurcation of the Districts and it’s unknown whether each set of Districts will need management at the end of the day and, if so, when. The Boards determined to revisit the issue at their annual meeting in November for the 2023 fiscal year.

Status of May 2022 Election

Ms. Tanaka reported that there were no more candidates than positions up for election and, therefore, the elections for each of the Districts were able to be cancelled and the directors are deemed re-elected by acclamation. Oaths for the duly re-elected directors will be provided after May 3, 2022, for administration.

Public Hearing on Inclusion of Property into District No. 1 by Voyage Ventures, LLC (.002 Acre Parcel) and Adoption of Resolution No. 2022-04-05: Resolution and Order for Inclusion of Property (.002 Acre Parcel)

The public hearing on the inclusion was opened. Ms. Tanaka reported that notice was published in accordance with Colorado law and no written objections were received prior to the hearing. There being no public comment, the hearing was closed.

Upon motion of Mr. Golden, seconded by Mr. Bruns, the Board unanimously approved the inclusion and adopted Resolution No. 2022-04-05: Resolution and Order for Inclusion of Property (.002 Acre Parcel).

Public Hearing on Inclusion of Property into District No. 3 by Voyage Ventures, LLC (46.09 Acre Parcel) and Consider Adoption of Resolution No. 2022-04-06: Resolution and Order for Inclusion of Property (46.09 Acre Parcel)

The public hearing on the inclusion was opened. Ms. Tanaka reported that notice was published in accordance with Colorado law and no written objections were received prior to the hearing. There being no public comment, the hearing was closed.

Upon motion of Mr. Golden, seconded by Mr. Bruns, the Board unanimously approved the inclusion and adopted Resolution No. 2022-04-06: Resolution and Order for Inclusion of Property (46.09 Acre Parcel).

Public Hearing on Exclusion of Property from District No. 1 by Voyage Ventures, LLC (.002 Acre Parcel) and Consider Adoption of Resolution No. 2022-04-07:

The public hearing on the exclusion was opened. Ms. Tanaka reported that notice was published in accordance with Colorado law and no written objections were received prior to the hearing. There being no public comment, the hearing was closed.

Upon motion of Mr. Golden, seconded by Mr. Bruns, the Board

Resolution and Order for Exclusion of Property (.002 Acre Parcel)

unanimously approved the exclusion and adopted Resolution No. 2022-04-07: Resolution and Order for Exclusion of Property (.002 Acre Parcel).

Public Hearing on Exclusion of Property from District No. 2 by Voyage Ventures, LLC, Highway 119, LLC, Union North, LLC, and LifeBridge Christian Church (359.20 Acre Parcel) and Consider Adoption of Resolution No. 2022-04-08: Resolution and Order for Exclusion of Property (359.20 Acre Parcel)

The public hearing on the exclusion was opened. Ms. Tanaka reported that notice was published in accordance with Colorado law and no written objections were received prior to the hearing. There being no public comment, the hearing was closed.

Upon motion of Mr. Golden, seconded by Mr. Bruns, the Board unanimously approved the exclusion and adopted Resolution No. 2022-04-08: Resolution and Order for Exclusion of Property (359.20 Acre Parcel).

Public Hearing on Exclusion of Property from District No. 3 by Voyage Ventures, LLC (.002 Acre Parcel) and Consider Adoption of Resolution No. 2022-04-09: Resolution and Order for Exclusion of Property (.002 Acre Parcel)

The public hearing on the exclusion was opened. Ms. Tanaka reported that notice was published in accordance with Colorado law and no written objections were received prior to the hearing. There being no public comment, the hearing was closed.

Upon motion of Mr. Golden, seconded by Mr. Bruns, the Board unanimously approved the exclusion and adopted Resolution No. 2022-04-09: Resolution and Order for Exclusion of Property (.002 Acre Parcel).

OTHER BUSINESS


Next Meeting Date

The next meeting is scheduled for May 9, 2022, 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.


Dale Bruns (Aug 1, 2022 18:02 MDT)

Secretary for the Meeting