
RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
ELBERT AND HIGHWAY 86 COMMERCIAL METROPOLITAN DISTRICT
HELD

MONDAY, NOVEMBER 18, 2019

A regular meeting of the Board of Directors (the "Board") of the Elbert and Highway 86 Metropolitan District (the "District") was held on Monday, November 18, 2019 at 5:00 p.m. at the office of Legacy Academy, 1975 Legacy Circle, Elizabeth, CO 80107. The meeting was open to the public.

Attendance

Board Members in attendance:

Karl Nyquist
David Pretzler
Mark Harding
Todd Lambert
Richard Dinkel

Also in attendance:

Denise Denslow & Thuy Dam; CliftonLarsonAllen LLP
Dianne Miller; Miller & Associates Law Offices, LLC

1. Call to Order

Director Nyquist called the meeting to order at 6:20 p.m.

2. Declaration of Quorum

It was noted that a quorum was present allowing the Board to act on all matters to come before them at this meeting.

3. Present Disclosures of Potential Conflicts of Interest

Ms. Miller noted that disclosures of potential conflict of interest statements for each of the Directors had been filed with the Secretary of State at least seventy-two hours in advance of the meeting in accordance with State statute.

4. Approve Agenda and Confirm Location of Meeting

Upon a motion duly made by Director Lambert, seconded by Director Harding and, upon vote, unanimously carried, the location of the meeting and the agenda were approved.

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5. Notice of Meeting

Ms. Denslow reported that notice of this meeting was posted in three (3) separate locations in the District and with the Elbert County Clerk and Recorder, seventy-two (72) hours prior to the meeting.

6. Review and Approve Minutes of the Elbert & Highway 86 Commercial Metropolitan District Special Meeting on April 29, 2019

After review, upon a motion duly made by Director Lambert, seconded by Director Dinkel, and upon vote, unanimously carried, the Board approved minutes of the Special meeting on April 29, 2019.

7. Financial Matters

A. Review and Consider Acceptance of September 30, 2019 Unaudited Financial Statements

Ms. Dam reviewed the financial statements with the Board.

Upon a motion duly made by Director Dinkel, seconded by Director Lambert and, upon vote, unanimously carried, the Board accepted the September 30, 2019 Unaudited Financial Statements, as presented.

B. Review and Consider Ratifying Claims

Ms. Dam reviewed the prior claims with the Board.

Upon a motion duly made by Director Dinkel, seconded by Director Nyquist and, upon vote, unanimously carried, the Board ratified approval of the prior claims.

C. Review and Ratify Quarterly Continuing Disclosure Report for the Period Ending September 30, 2019

This item was discussed later in the meeting.

D. Conduct Public Hearing to Consider Amending 2019 Budget; Consider Adoption of Resolution No. 2019-11-01, Amendment to the 2019 Budget

E. Conduct Public Hearing to Consider Adopting 2020 Budget; Consider Adoption of Resolution No. 2019-11-02, Adopting the 2020 Budget

Upon a motion duly made by Director Dinkel, seconded by Director Lambert, the Board opened the public hearing to consider amending the 2019 budget and adopting the 2020 budget at 6:21 p.m. No public present. Upon a motion duly made by Director Dinkel, seconded by Director Lambert, the Board closed the public hearing at 6:21 p.m.

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Ms. Dam reviewed the September 30, 2019 Financial Statements, 2019 Budget amendment and 2020 budget with the board. Ms. Dam informed the Board that the assessed valuation had increased slightly. Discussion followed regarding engineering fees for review of new projects, and it was noted that these are invoiced at the end of the year and paid by the property owners/applicants. Ms. Dam informed the Board that the 2019 budget will need to be amended in all funds and that road maintenance fees are all pledged to debt service. Discussion followed regarding the need for a funding agreement between the District and Range View Metropolitan District. The Board discussed doing a rate study. Ms. Denslow will request proposals, to be ratified at the next meeting, and will include consideration of a rate increase on the next agenda. Discussion followed regarding cost of issuance replenishing consulting fees paid to date on refinancing. As part of discussion, the Board informed Ms. Miller to draft an agreement between the District and Range View Metropolitan District for operation assurances. The Board discussed the pledged revenue for debt service.

Following discussion, upon a motion duly made by Director Pretzler, seconded by Director Nyquist and, upon vote, unanimously carried, the Board accepted the September 30, 2019 unaudited financial statements; approved amending the 2019 budget and adoption of Resolution No. 2019-11-01, Amended to the 2019 Budget; approved adopting the 2020 budget and adoption of Resolution No. 2019-11-02, Adopting the 2020 Budget.

F. Review and Consider Approval of 2019 Audit Engagement Letter with Schilling & Company, Inc. and Addendum

Ms. Dam reviewed the 2019 Audit Engagement Letter with Schilling & Company Inc. and Addendum with the Board.

Upon a motion duly made by Director Lambert, seconded by Director Dinkel and, upon vote, unanimously carried, the Board approved the 2019 Audit Engagement Letter with Schilling & Company Inc. and Addendum.

G. Other

None.

8. Items from the Manager

A. Discuss District Insurance, Review Renewal Schedule & Authorize Renewal of District Insurance and SDA Membership

Ms. Denslow reviewed the Renewal Schedule and SDA membership with the Board.

Upon a motion duly made by Director Dinkel, seconded by Director Nyquist and, upon vote, unanimously carried, the Board approved renewal of District insurance and SDA membership.

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B. Discuss Creation of District Website

Discussion ensued regarding creation of a District website. The Board directed staff to use the Colorado Statewide Internet Portal Authority (“SIPA”).

C. Schedule May Board Meeting to Approve 2019 Audit

Following discussion, upon a motion duly made by Director Dinkel, seconded by Director Nyquist and, upon vote, unanimously carried, the Board approved scheduling a special meeting for May 18, 2020 at 5:00 p.m. to consider approval of the 2019 Audit.

D. Other

None.

9. Attorney Items

A. Review and Consider Approval of an Amendment to the Exclusion/PILOT Agreement By and Among the District, Wild Pointe Partners, Inc., Shops at Wild Pointe, LLC and Shops East, LLC

Ms. Miller reviewed the Amendment to the Exclusion/PILOT Agreement with the Board, noting this adjusts the PILOT rate to 30 mill equivalent.

Upon a motion duly made by Director Nyquist, seconded by Director Lambert and, upon vote, unanimously carried, the Board approved an Amendment to the Exclusion/PILOT Agreement By and Among the District, Wild Pointe Partners, Inc., Shops at Wild Pointe, LLC and Shops East, LLC.

B. Review and Consider Approval of a Developer Advance and Reimbursement Agreement for Operations

Ms. Miller reviewed the Developer Advance and Reimbursement Agreement for Operations with the Board, noting this requires the Developer to provide advances to cover operations, if necessary, with a term that coincides with Bonds.

Upon a motion duly made by Director Pretzler, seconded by Director Lambert and, upon vote, unanimously carried, the Board approved a Developer Advance and Reimbursement Agreement for Operations.

C. Consider Making A Final Determination To Issue And Refund General Obligation Indebtedness, And The Adoption Of A Resolution Authorizing The Issuance Of The District’s Special Revenue Refunding And Improvement Bonds, Series 2019 (The “Bonds”) In The Estimated Principal Amount Of \$22,000,000 For The Purpose Of Refunding Its Existing General Obligation Indebtedness And Paying Or

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Reimbursing The Costs Of Public Improvements For The District, And Authorizing The Execution Of Documents Related To The Issuance Of The Bonds

Ms. Miller reviewed the Final Determination to Issue and Refund General Obligation Indebtedness and the adoption of a Resolution Authorizing the Issuance of the District's Special Revenue Refunding and Improvement Bonds, Series 2019, with the Board. Ms. Miller informed the Board that this is the parameters resolution which authorizes delegate to finalize various items related to the bonds.

Upon a motion duly made by Director Lambert, seconded by Director Pretzler and, upon vote, unanimously carried, the Board approved making A Final Determination to Issue And Refund General Obligation Indebtedness, and the adoption of a Resolution Authorizing the Issuance of the District's Special Revenue Refunding and Improvement Bonds, Series 2019 (The "Bonds") in the estimated principal amount of \$22,000,000 for the purpose of refunding its existing General Obligation Indebtedness and paying or reimbursing the costs of public improvements for the District, and authorizing the execution of documents related to the issuance of the bonds. The Board approved appointing Director Nyquist to serve as the District's delegate.

D. Review and Consider Adoption of Resolution 2019-11-03; Annual Administrative Matters for 2020

Ms. Miller reviewed the Annual Administrative Matters Resolution for 2020 with the Board.

Upon a motion duly made by Director Dinkel, seconded by Director Nyquist and, upon vote, unanimously carried, the Board approved adopting Resolution 2019-11-03, Annual Administrative Matters for 2020.

E. Review and Consider Adoption of Resolution 2019-11-04; Calling a Regular Election for Directors on May 5, 2020

Ms. Miller reviewed the Election Resolution with the Board.

Upon a motion duly made by Director Dinkel, seconded by Director Nyquist and, upon vote, unanimously carried, the Board approved adopting Resolution 2019-11-04, Calling a Regular Election for Directors on May 5, 2020.

F. Discuss Earthwork Cut and Fill Project

This item was discussed during the Elbert & Highway 86 Metropolitan District Board Meeting. CVL will provide pricing on dirt.

10. Other Business


None.

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11. Adjournment

There being no further business, upon a motion duly made by Director Lambert, seconded by Director Nyquist, and upon vote unanimously carried, the Board adjourned the meeting at 7:00 p.m.

Respectfully Submitted,

DocuSigned by:

3F012ADE804047C
Secretary for the Meeting

Certificate Of Completion

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David Pretzler
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