

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
HORIZON METROPOLITAN DISTRICT NO. 1
(THE "DISTRICT")
HELD
NOVEMBER 5, 2020

A special meeting of the Board of Directors of the District (referred to hereafter as the "Board") was convened on Thursday, November 5, 2020, at 9:00 a.m. Due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, this District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Karen Voit, President
Lisa Garcia, Treasurer
Nikki Erbele, Secretary

Also, In Attendance Were:

Megan Becher, Esq.; McGeady Becher P.C.
Bob Blodgett, Andrew Williams, Margaret Henderson, Scott Pearson and
Kimbrie Garcia; CliftonLarsonAllen LLP
Eric Keesen; Brightview Landscape Services, Inc.
Mark Krebs; Lendlease
Alaina Bomar; Schedio Group LLC

Call to Order:

Director Voit called the meeting to order at 9:00 a.m.

Disclosure of Potential Conflicts of Interest: The Board 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 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 statute. It was noted by Attorney Becher that disclosures of potential conflicts of interest were filed with the Secretary of State for all directors, and no additional conflicts were disclosed at the meeting.

Quorum, Confirmation of Meeting Location/Posting of Meeting Notices: The Board confirmed a quorum was present. 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. Due to concerns regarding the spread

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of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, this District Board meeting was held via Microsoft Teams. It was noted that notice of the time, date and means of hosting the meeting was duly posted and that no objections to the means of hosting the meeting were received from taxpaying electors within the District's boundaries.

Agenda: The Board reviewed the Agenda for the special meeting. Following discussion, upon motion duly made by Director Garcia, seconded by Director Voit, and upon vote unanimously carried, the Board approved the Agenda, as presented.

Public Comment: There was no public comment.

Board Vacancies: It was noted that there are no interested Board candidates at this time.

CONSENT AGENDA

- A. Approve Minutes of the August 6, 2020 Special Meeting;
- B. Ratify approval of Prior Claims - Totaling \$34,578.41;
- C. Approve insurance renewal, schedules, and renewal of Special District Association ("SDA") membership – Totaling \$2,869;
- D. Acknowledge Section 32-1-809, C.R.S. reporting requirements (Transparency Notice) and mode of eligible elector notification (post on SDA website);
- E. Approve Current Claims - Totaling \$2,581.21;
- F. Ratify approval of 2019 Audit Exemption;
- G. Ratify approval of appointment of District Accountant to prepare and file 2020 Application for Exemption from Audit; and
- H. Update regarding status of creation of District website.

Following discussion, upon motion duly made by Director Garcia, seconded by Director Erbele, and upon vote unanimously carried, the Board approved and/or ratified approval of the Consent Agenda items, as presented.

ADMINISTRATIVE MATTERS

Resolution Establishing Regular Meeting Dates, Times and Location and Designating Location for Posting of 24-Hour Notices: The Board discussed the business to be conducted in 2021 and determined to hold regular meetings in 2021 on the first Thursday of February, May, August, and November at 9:00 a.m. at the offices of CliftonLarsonAllen LLP. Following discussion, upon motion duly made by Director Voit, seconded by Director Garcia, and upon vote unanimously carried, the Board adopted the Resolution Establishing Regular Meeting Dates, Times and Location and Designating Location for Posting of 24-Hour Notices.

FINANCIAL

Unaudited Financial Statements and Cash Position: Ms. Henderson reviewed

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MATTERS

the unaudited financial statements and cash position for the period ending September 30, 2020 with the Board. Following discussion, upon motion duly made by Director Voit, seconded by Director Erbele, and upon vote unanimously carried, the Board accepted the unaudited financial statements and cash position for the period ending September 30, 2020, as presented.

Public Hearing on Amendment to 2020 Budget: Director Voit opened the public hearing to consider an amendment to the 2020 Budget.

It was noted that publication of Notice stating that the Board would consider amendment of the 2020 Budget and the date, time and means of hosting the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Following discussion, the Board determined that an amendment to the 2020 Budget was not required.

Operation Funding Agreement by and between the District and Lendlease Horizon Holdings LLC: Following discussion, upon motion duly made by Director Voit, seconded by Director Erbele, and upon vote unanimously carried, the Board approved the Operation Funding Agreement by and between the District and Lendlease Horizon Holdings LLC, subject to final legal review.

Termination of Amended and Restated Operation Funding Agreement by and between the District and Lendlease Communities LLC: Following discussion, upon motion duly made by Director Voit, seconded by Director Erbele, and upon vote unanimously carried, the Board approved the Termination of the Amended and Restated Operation Funding Agreement by and between the District and Lendlease Communities LLC, subject to final legal review.

Facilities Funding and Acquisition Agreement by and between the District and Lendlease Horizon Holdings LLC: Following discussion, upon motion duly made by Director Voit, seconded by Director Erbele, and upon vote unanimously carried, the Board approved the Facilities Funding and Acquisition Agreement by and between the District and Lendlease Horizon Holdings LLC, subject to final legal review.

Termination of Second Amended and Restated Facilities Funding and Acquisition Agreement by and between the District and Lendlease Communities LLC: Following discussion, upon motion duly made by Director Voit, seconded by Director Erbele, and upon vote unanimously carried, the Board approved the Termination of the Second Amended and Restated Facilities Funding and Acquisition Agreement by and between the District and

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Lendlease Communities LLC, subject to final legal review.

Public Hearing on 2021 Budget: Director Voit opened the public hearing to consider the proposed 2021 Budget and to discuss related issues.

It was noted that Notice stating that the Board would consider adoption of the 2021 budget and the date, time and means of hosting the public hearing was published pursuant to statute. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Henderson reviewed the estimated 2020 expenditures and the proposed 2021 expenditures with the Board.

Following discussion, upon motion duly made by Director Voit, seconded by Director Garcia, and upon vote unanimously carried, the Board approved the 2021 Budget, subject to incorporation of certain revisions, and considered adoption of the Resolution to Adopt the 2021 Budget and Appropriate Sums of Money and the Resolution to Set Mill Levies (0.000 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 Arapahoe County not later than December 15, 2020. The District Manager was directed to transmit the Certification of Budget to the Division of Local Government no later than January 30, 2021.

Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3: Following discussion, it was determined that the Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3 was not needed.

DLG-70 Mill Levy Certification Form: Following discussion, upon motion duly made by Director Garcia, seconded by Director Voit, 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.

Proposed Bond Issuance:

1. Capital Cost Certification: Attorney Becher reported that Schedio Group LLC is continuing to work on the final capital cost certification. She recommended acceptance of these costs be approved concurrent with the bond issuance. The Board did not take any action on this matter.

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2. Letter Agreement for Investment Banking Services by and between the District, Horizon Metropolitan District No. 2 (“District No. 2”), Horizon Metropolitan District No. 3 (“District No. 3”) and D.A. Davidson & Co.: Following discussion, upon motion duly made by Director Voit, seconded by Director Garcia, and upon vote unanimously carried, the Board approved the Letter Agreement for Investment Banking Services by and between the District, District No. 2, District No. 3 and D.A. Davidson & Co.
3. Engagement Letter by and among the District, District No. 2, District No. 3 and Kutak Rock LLP as Bond Counsel: Following discussion, upon motion duly made by Director Voit, seconded by Director Erbele, and upon vote unanimously carried, the Board approved the Engagement Agreement by and among the District, District No. 2, District No. 3 and Kutak Rock LLP as Bond Counsel.
4. Schedule for proposed issuance: Attorney Becher stated that District consultants are currently working towards a March 2021 closing.
5. Engagement Letter by and between the District and Meyers Research LLC for Market Study and Competitive Market Analysis: Following discussion, upon motion duly made by Director Voit, seconded by Director Erbele, and upon vote unanimously carried, the Board approved the Engagement Letter by and between the District and Meyers Research LLC for Market Study and Competitive Market Analysis.

Status of Operating Advance and Reimbursement Costs Documentation: Ms. Henderson advised the Board that as part of their certification research, Schedio Group LLC is separating operating and capital advances. Director Erbele advised staff that she will send Ms. Henderson additional Lendlease documentation regarding prior operating advances.

Status of Disbursement of District Tax Revenues: Attorney Becher advised the Board that she is working with the City of Aurora and the Aurora Urban Renewal Authority to resolve issues related to flow of TIF revenues to the District.

Other: None.

MANAGER
MATTERS

Status of Landscape Maintenance Work: Mr. Keesen reported that Brightview Landscape Services, Inc. will begin landscape maintenance work in the near future.

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District Manager Transition: Mr. Blodgett reported he is retiring at the end of December and that Mr. Miller will be the new District Manager. Mr. Blodgett provided Mr. Miller's bio to the Board, noting that he is an experienced Public Manager. Mr. Williams will continue as Assistant Manager to the District. Mr. Blodgett thanked the Board for the opportunity to work with the District.

Other: None.

LEGAL MATTERS

Other: None.

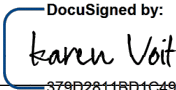
DIRECTOR MATTERS

Development Activities: Director Voit provided an update on the status of development within the districts to the Board.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Voit, seconded by Director Erbele, and upon vote unanimously carried, the meeting was adjourned at 10:12 a.m.

Respectfully submitted,

By  _____
Board President