

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARDS OF DIRECTORS OF THE
HORIZON METROPOLITAN DISTRICT NOS. 1-10 (THE “DISTRICTS”)
HELD
NOVEMBER 3, 2022

A regular meeting of the Boards of Directors (referred to hereafter as the “Boards”) of the Districts was convened on Thursday, November 3, 2022, at 9:00 a.m. via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

District Nos. 1-3

David Crowder, Jr., President

Karen Voit, Vice President

Jason Rutt, Secretary

Steven Oser, Assistant Secretary

Treasurer Lisa Garcia was absent and excused.

District Nos. 4-10

David Crowder, Jr., President

Karen Voit, Vice President

Jason Rutt, Secretary

Treasurer Lisa Garcia was absent and excused.

Also, In Attendance Were:

Stephanie Odewumi, Rachel Alles and Margaret Henderson;
CliftonLarsonAllen LLP

Alan Pogue, Esq.; Icenogle Seaver Pogue, P.C.

Eric Keesen; BrightView Landscape Services, Inc.

Jordan Honea; D.R. Horton

Rhiannon Mielt and Todd Hornback; Cohere

Tony, Dan, Gina Barrios; Members of the Public

ADMINISTRATIVE MATTERS

Call to Order and Approval of Agenda: Director Crowder called the meeting to order at 9:03 a.m. The Boards reviewed the agenda for the meeting. Following review, upon a motion duly made by Director Voit, seconded by Director Rutt and, upon vote, unanimously carried, the Boards approved the agenda, as amended to move item V.B.1 to the top of the agenda after Consent Agenda.

Disclosures of Potential Conflicts of Interest: The Boards discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Boards of Directors to the Secretary of State. The members of the Boards were requested to disclose any potential

RECORD OF PROCEEDINGS

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 Boards members prior to this meeting in accordance with statute. It was noted by Attorney Pogue 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, Location of Meeting and Posting of Meeting Notice: A quorum was confirmed. The Boards entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the Districts' Boards meeting. Following discussion, and upon motion duly made by Director Voit, seconded by Director Crowder, and, upon vote, unanimously carried, the Boards determined that this meeting was conducted via Microsoft Teams, without any individuals (neither Districts' representatives nor the general public) attending in person. The Boards further noted that notice providing the time, date and video link information was duly posted and that no objections, or any requests that the means of hosting the meeting be changed by taxpaying electors within the Districts' boundaries were received.

Director Crowder stated that he would like the Board meeting information reflected on the website in advance of meetings with tentative specific information so as to allow the public to be aware of the Districts' meeting schedule.

Public Comment: There was no public comment.

CONSENT AGENDA

Minutes from the September 7, 2022 Special Meeting of the Districts and the September 26, 2022 Special Meeting of District No. 1:

2023 Annual Administrative Matters Resolution:

2023 Meeting Resolution:

Resolutions Calling Regular Elections for Directors on May 2, 2023, Appointing the DEO and Authorizing the DEO to Perform All Tasks Required for the Conduct of Mail Ballot Elections:

Resolution Providing for the Defense and Indemnification of Directors, Officers, and Employees of the Districts:

Ms. Odewumi and Attorney Pogue reviewed the Consent Agenda items with the Boards. Following review, upon a motion duly made by Director Voit, seconded by Director Rutt and, upon vote, unanimously carried, the Boards approved Consent Agenda items A, C, D and E, as presented, and approved item B as

RECORD OF PROCEEDINGS

amended to include language stating that the District No. 1 Board of Directors will be compensated in the amount of \$100 per meeting beginning in 2023.

2022 Event Re-Cap and Future Considerations – Cohere: Mr. Hornback provided an overview of Cohere’s services, purpose and goals to the Boards. Ms. Mielt provided a recap of the Park-A-Palooza event to the Boards. Discussion ensued. Director Crowder suggested that the District host the event earlier in the summer going forward and noted his interest in engaging Cohere in the future.

FINANCIAL MATTERS

Previous and Current Claims for District No. 1: Ms. Henderson reviewed the previous and current Claims with the Board of District No. 1. Following review, upon a motion duly made by Director Voit, seconded by Director Rutt and, upon vote, unanimously carried, the Board of District No. 1 ratified the previous and current Claims, as presented. Discussion ensued regarding opening 1stBank accounts for District Nos. 2 and 3 direct payments with Board members as authorized signers. The Board directed Ms. Henderson to assemble the necessary paperwork for account setup and authorized Directors Crowder and Voit as authorized signers.

September 30, 2022 Financial Statements for District Nos. 1, 2 and 3: Ms. Henderson reviewed the Financial Statements with the Boards of District Nos. 1, 2 and 3. She noted that the District No. 1 General Fund is over budget for 2022 and will need an amendment at the next meeting. Discussion ensued. It was noted that the Tax Increment Fee will be received from the City of Aurora on a monthly basis going forward, and a Special Revenue Fund was created for District No. 1 due to recent engagement for covenant enforcement. Ms. Henderson informed the Board of District No. 3 that the majority of its revenue has been collected for 2022. Following review and discussion, upon a motion duly made by Director Voit, seconded by Director Rutt and, upon vote, unanimously carried, the Boards of District Nos. 1, 2 and 3 accepted the September 30, 2022 Financial Statements, as presented.

Public Hearings on the Proposed 2023 Budgets and Resolutions to Adopt the 2023 Budgets and Appropriate Sums of Money: Ms. Henderson reviewed the 2023 Budgets with the Boards. Discussion ensued regarding the District No. 1 Budget. It was noted that the facilities fees for 2023 will be cut in half to \$60,000 and that the General and Administrative line item will be reduced. Mr. Keesen reviewed BrightView Landscape Services’ projected 2023 Budget and noted additional landscaping items to be reflected in the approximate amount of \$35,000. Ms. Henderson reviewed the property tax revenue and historical information for District No. 2. Discussion ensued regarding capital advances and debt payoff. Director Crowder directed Ms. Henderson to include language in the Budget regarding bond payment, the District’s Pledge Agreement, and the assessed valuation.

RECORD OF PROCEEDINGS

Upon a motion duly made by Director Voit, seconded by Director Rutt and, upon vote, unanimously carried, the Board opened the public hearing at 10:19 a.m. There was no public that wanted to provide public comment. Upon a motion duly made by Director Voit, seconded by Director Rutt and, upon vote, unanimously carried, the Board closed the public hearing at 10:20 a.m.

Upon a motion duly made by Director Voit, seconded by Director Rutt and, upon vote, unanimously carried, the Boards approved the 2023 Budgets, subject to final review by Directors Crowder and Voit, and adopted Resolutions to Adopt the 2023 Budgets and Appropriate Sums of Money, as presented.

District Accountant to Prepare the DLG-70 Certifications of Tax Levies Form for Certification to the Board of County Commissioners and Other Interested Parties: Following review, upon a motion duly made by Director Voit, seconded by Director Rutt and, upon vote, unanimously carried, the Boards authorized the Districts' accountant to prepare the DLG-70 Certifications of Tax Levies form for certification to the Board of County Commissioners and other interested parties.

Board Secretary and/or General Counsel to Sign the DLG-70 Certifications of Tax Levies: Ms. Odewumi reviewed the need for a Board member or General Counsel to sign the DLG-70 Certifications of Tax Levies form this year. Following discussion, upon a motion duly made by Director Voit, seconded by Director Rutt and, upon vote, unanimously carried, the Boards appointed Attorney Pogue to sign the DLG-70 Certifications of Tax Levies.

Engagement Letter with BiggsKofford, P.C. to Prepare the 2022 Audits for District Nos. 1 and 2: Ms. Henderson reviewed the engagement letter with the Boards of District Nos. 1 and 2. Following discussion, upon a motion duly made by Director Voit, seconded by Director Rutt and, upon vote, unanimously carried, the Boards of District Nos. 1 and 2 approved the engagement letter with BiggsKofford, P.C. to prepare the 2022 Audits.

Other: None.

LEGAL MATTERS

Funding and Reimbursement Agreement for Operational Advances for District Nos. 1-10 with LendLease Horizon Holdings, LLC, and in Connection Therewith, Issuance of Subordinate Promissory Note: Attorney Pogue reviewed the Agreement with the Boards, noting that the period in the Agreement is through 2023 in the case that tax revenues do not cover the Districts' expenses. Discussion ensued regarding the \$50,000,000 limit for repayment. Following review and discussion, upon a motion duly made by Director Voit, seconded by Director Rutt and, upon vote, unanimously carried, the Boards approved the Funding and Reimbursement Agreement for

RECORD OF PROCEEDINGS

Operational Advances for District Nos. 1-10 with LendLease Horizon Holdings, LLC, and in Connection Therewith, Issuance of Subordinate Promissory Note, as presented.

Facilities Acquisition Agreement Among District No. 1, HUMF1, LLC and Melody Homes, Inc.: Attorney Pogue reviewed the Agreement with the Boards, noting that Melody Homes, Inc. would install public improvements in District No. 1 for reimbursement by the District. Discussion ensued and the Board determined to defer this item.

Future Discussions:

Improvement Acquisition, Advance and Reimbursement Agreement Between Horizon Metropolitan District No. 1 and LendLease Horizon Holdings, LLC, and in Connection Therewith, Authorization of Subordinate Promissory Note to LendLease Horizon Holdings, LLC for Capital Advances: Attorney Pogue reviewed the Agreement with the Boards.

Intergovernmental Cost Sharing and Recovery Agreement Among District No. 1 and District Nos. 6-10: Attorney Pogue reviewed the Agreement with the Boards.

Future District Nos. 2 and 3 Capital Needs: Attorney Pogue discussed District Nos. 2 and 3 future capital needs with the Boards.

**MANAGER
MATTERS**

CliftonLarsonAllen LLP Statements of Work for 2023: Ms. Odewumi reviewed the Statements of Work with the Boards, noting that they will renew each year. Following review, upon a motion duly made by Director Voit, seconded by Director Rutt and, upon vote, unanimously carried, the Boards approved the CliftonLarsonAllen LLP Statements of Work for 2023, as presented.

Covenant Enforcement and Community Management: Ms. Odewumi informed the Boards that the Sync system is up and running for design review and covenant enforcement and Director Voit is the designated reviewer for incoming requests. She stated that notices and violations will begin to be issued after her first site visit next week.

2022 Event Re-Cap and Future Considerations - Cohere: This item was discussed previously.

Actions Taken by Management Since the Last Meeting: There were no items to ratify.

RECORD OF PROCEEDINGS

Quality Site Assessment from BrightView Landscape Services, Inc.: Mr. Keesen reviewed the Quality Site Assessment with the Boards, noting that he suggests potential ovicide treatments to avoid mite damage in early 2023. He stated that winter prepping will begin this week. Discussion ensued regarding dog station policing, seeding and drainage.

2023 Insurance Renewal and Documents Needed to Maintain Insurance Coverage Through the Colorado Special Districts Property and Liability Pool and T. Charles Wilson Risk Management and Membership in the Special District Association: Ms. Odewumi reviewed the 2023 insurance renewal documents with the Boards. Following review and discussion, upon a motion duly made by Director Voit, seconded by Director Rutt and, upon vote, unanimously carried, the Boards approved the 2023 insurance renewal documents needed to maintain insurance coverage through the Colorado Special Districts Property and Liability Pool and T. Charles Wilson Risk Management, as presented, and authorized the Districts' membership in the Special District Association.

Exploration and Establishment of a Community Garden Committee: Director Crowder discussed his desire for the establishment of a Community Garden Committee to inform the community about the garden which will be operated by and for residents. He noted that rules and regulations will need to be established for the conduct of the committee, and he will be the Districts' liaison on the committee. Discussion ensued. Following discussion, the Board directed Attorney Pogue to begin the process of establishment for the committee and to provide an update at the next meeting. It was noted that Ms. Odewumi will provide templates for rules and regulations to Attorney Pogue for drafting committee documents.

Service Agreements for 2023 Landscaping and Snow Removal Services from BrightView Landscape Services, Inc.: Attorney Pogue reviewed the Agreements with the Boards. Following review and discussion, upon a motion duly made by Director Voit, seconded by Director Rutt and, upon vote, unanimously carried, the Boards approved the Service Agreements for 2023 Landscaping and Snow Removal Services from BrightView Landscape Services, Inc., subject to the inclusion of a detailed exhibit from BrightView for landscaping and subject to the inclusion of staking services in the scope of work for snow removal. Director Crowder requested an updated, detailed snow removal map be posted on the Districts' website.

Other: None.

**DIRECTOR
MATTERS**

Programming and Engagement: This item was not discussed.

Other: Director Crowder informed the Boards that the next newsletter will be

RECORD OF PROCEEDINGS

distributed in December and requested tips/tricks/information from CLA for snow management for residents to be included in the newsletter. He requested earlier preparation for budget review in the future and suggested the establishment of a budget committee to meet in the late summer to review before the budget hearing meeting.

OTHER BUSINESS

Other: None.

ADJOURNMENT

There being no further business to come before the Boards at this time, Director Crowder adjourned the meeting at 11:07 a.m.

Respectfully submitted,

DocuSigned by:

A096B4809165409
Secretary for the Meeting