

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF

HIGHLANDS METROPOLITAN DISTRICT NO. 3

Held: Wednesday, October 9, 2019, at 11:30 a.m., at 2154 E. Commons Avenue, Suite 2000, Centennial, Colorado.

Attendance

The meeting referenced above was called and held in accordance with the applicable statutes of the State of Colorado. The following directors were in attendance:

James Spehalski  
Barry Talley  
Linda Talley

Also present were Kristin B. Tompkins Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law, District General Counsel; and Diane Wheeler, Simmons & Wheeler, P.C., District Accountant.

Call to Order

It was noted that a quorum of the Board was present and the meeting was called to order.

Conflict of Interest Disclosures

Ms. Tompkins advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Tompkins reported that disclosures for those directors with potential or existing conflicts of interest were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Ms. Tompkins inquired into whether members of the Board 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 Board determined that the participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

Agenda

Ms. Tompkins presented the proposed agenda to the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the agenda.

Public Comment

None.

## Consent Agenda

Ms. Tompkins reviewed the items on the consent agenda with the Board. Ms. Tompkins advised the Board that any item may be removed from the consent agenda to the regular agenda upon the request of any director. No items were requested to be removed from the consent agenda. Upon a motion duly made and seconded, the following items on the consent agenda were unanimously approved and adopted:

- July 29, 2019 Minutes
- Resolution Calling May 2020 Election
- Resolution Designating the 24-Hour Posting Location

## Legal Matters

Consider Adoption of 2020 Annual Administrative Resolution

Ms. Tompkins presented the Board with the 2020 Annual Administrative Resolution for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the Resolution.

Consider Approval if Renewal of Property and Liability Schedule and Limits, Workers' Compensation Coverage and SDA Membership for 2020

Ms. Tompkins discussed the Property and Liability Schedule Limits and Workers Compensation Coverage with the Board. Following discussion, upon a motion duly made, the Board unanimously determined to renew property and liability coverage, workers compensation coverage and SDA membership for 2020.

Update on Inclusion of Property (Lot 2) Owned by Vista Highlands, LLC  
Consider Adoption of Resolution Concerning the Imposition of Capital Facilities Fees

Deferred.

Ms. Tompkins presented the Resolution Concerning the Imposition of Capital Facilities Fees for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the Resolution, subject to receipt of the financial backup from the District's Accountant.

Consider Approval of Engagement of Ballard Spahr LLP as Special Counsel

The Board reviewed the Engagement Letter from Ballard Spahr. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the engagement of Ballard Spahr as Special Counsel.

Consider Approval of Reimbursement Agreement with Broomfield Urban Renewal Authority

Ms. Tompkins presented the Reimbursement Agreement with the Broomfield Urban Renewal Authority for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the Agreement.

Update on District Website

Ms. Tompkins informed the Board that her office is still working on establishing the District's website with the State Internet Portal Authority.

**Financial Matters**

Consider Approval of Payables/Financials

Ms. Wheeler presented the Board with the June 30, 2019 unaudited financial statements for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously accepted the unaudited financial statements.

Conduct 2019 Budget Amendment Hearing

Ms. Wheeler presented the Board with the Claims Payable. Following discussion, upon a motion duly made and seconded, the Board unanimously ratified check numbers 1041 and 1042 and approved check numbers, subject to funding.

Director Spehalski opened the public hearing on the 2019 Budget Amendment. Ms. Tompkins noted that the notice of public hearing was provided in accordance with Colorado Law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Following discussion, the Board determined that an amendment was not necessary.

Conduct 2020 Budget Hearing and Consider Adoption of Resolution to Adopt 2020 Budget and Set Mill Levies

Director Spehalski opened the public hearing on the proposed 2020 Budget. Ms. Tompkins noted that the notice of public hearing was provided in accordance with Colorado law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Ms. Wheeler reviewed the proposed 2020 Budget with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the Resolution Adopting Budget, Imposing Mill Levy and Appropriating Funds. The Board determined to certify 55.664 mills in the General Fund, for collection in 2020.

Other Financial Matters

None.

**Other Business**

None.

Adjournment

There being no further business to come before the Board and following discussion and upon motion duly made, seconded and unanimously carried, the Board determined to adjourn the meeting.

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

**Barry Talley**

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Secretary for the Meeting