

## RECORD OF PROCEEDINGS

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### MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE PRAIRIE CENTER METROPOLITAN DISTRICT NO. 7 (the “District”) HELD JULY 22, 2020

A special meeting of the Board of Directors of the Prairie Center Metropolitan District No. 7 (referred to hereafter as “Board”) was convened on Wednesday, the 22<sup>nd</sup> day of July, 2020, at 11:30 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, the District Board meeting was held by conference call. There was one person present at the physical location at the Construction Trailer, 2221 South 27<sup>th</sup> Avenue, Brighton, Colorado. The meeting was open to the public.

#### ATTENDANCE

##### Directors In Attendance Were:

Michael Tamblyn (at meeting location and via conference call)  
Rick Merkel (via conference call)  
Wendy Burke (via conference call)  
Michelle Roberts (via conference call)  
Brandon Schenberg (via conference call)

##### Also In Attendance Were:

Ann E. Finn; Special District Management Services, Inc. (via conference call)  
  
Paula Williams, Esq. and Kathy Kanda, Esq.; McGeady Becher P.C. (via conference call)  
  
Thuy Dam; CliftonLarsonAllen LLP (via conference call)  
  
Anastasia G. Khokhryakova, Esq. and Ethan Anderson; Ballard Spahr LLP (via conference call)  
  
John Klaus and Jim Lahay; Stifel, Nicolaus & Co.

#### DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosures of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board and to the Secretary of State. Attorney Williams noted that a quorum was present and requested members of the Board 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

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meeting in accordance with the statute. It was further noted by Attorney Williams, that conflict disclosure statements were filed for all directors, and that and no additional conflicts were disclosed at the meeting.

### **ADMINISTRATIVE MATTERS**

**Agenda:** Ms. Finn distributed for the Board's review and approval a proposed agenda for the District's special meeting.

Following discussion, upon motion duly made by Director Roberts, seconded by Director Merkel and, upon vote, unanimously carried, the agenda was approved, as amended.

**Approval of Meeting Location:** 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. The Board determined that, 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, the meeting would be held by conference call and encouraged public participation via telephone. There was one person present at the physical meeting location, which is within 20 miles of the District. The Board further noted that notice of the time, date and location was duly posted and that that no objections to the telephonic manner of the meeting, or any requests that the telephonic manner of the meeting be changed by taxpaying electors within the District boundaries, have been received.

**Consent Agenda:** The Board considered the following actions:

- Approve Minutes of the November 14, 2019 Regular Meeting and the May 15, 2020 Special Meeting.
- Ratify approval and filing of the 2019 Audit and execution of the Representations Letter.
- Acknowledge update and submittal to the City of Brighton of the District's Administrative Plan, effective May 1, 2020.
- Ratify approval of Contract with RCD Construction, Inc. for Earthwork Improvements, in the amount of \$196,279.46.
- Ratify approval of Contract with RCD Construction, Inc. for Site Utilities Improvements, in the amount of \$362,054.92.
- Ratify approval of Contract with Asphalt Specialties, Co. Inc., for Asphalt Paving Improvements, in the amount of \$270,443.15.
- Ratify approval of Contract with RCD Construction, Inc. for Site Concrete Improvements, in the amount of \$175,274.00.
- Ratify approval of Contract with Brightview Landscape Development, Inc., for Landscape Improvements, in the amount of \$336,772.00.
- Ratify approval of Task Order No. 001 to the Master Service Agreement for

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Subgrade Investigation and Pavement Design and Construction Observation and Material Testing Services with CTL Thompson, for Geotechnical Services for the Phase 2 Improvement Project, in an amount not to exceed \$48,925.00.

- Ratify approval of Task Order No. 001 to the Master Service Agreement for Surveying Services with Aztec Consulting, for Surveying Services for the Phase 2 Improvement Project, in an amount not to exceed \$38,799.00.
- Ratify approval of Task Order No. 001 to the Master Service Agreement for District Engineering Services with Redland Consulting Group, Inc., for the Phase 2 Improvement Project.
- Ratify approval of Task Order No. 002 to the Master Service Agreement for District Engineering Services with Redland Consulting Group, Inc., for the Phase 2 Improvement Project.
- Ratify approval of Task Order No. 003 to the Master Service Agreement for District Engineering Services with Redland Consulting Group, Inc., for the Phase 3 Improvement Project.
- Ratify approval of Task Order No. 2 to the Construction Management Agreement with Brinkman Constructors for Construction Management Services for the Phase 2 Improvement Project, in an amount not to exceed \$177,626.18.

Following review, upon motion duly made by Director Roberts, seconded by Director Schenberg and, upon vote, unanimously carried, the Board approved and/or ratified approval of, as appropriate, the above actions.

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**PUBLIC COMMENT** There was no public comment.

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### **FINANCIAL MATTERS**

**Claims:** Ms. Dam reviewed with the Board the payment of claims for the period beginning May 15, 2020 through July 9, 2020, totaling \$87,395.96.

Following discussion, upon motion duly made by Director Merkel, seconded by Director Roberts and, upon vote, unanimously carried, the Board ratified approval of the payment of claims, as presented.

**Unaudited Financial Statements:** Ms. Dam presented and reviewed the unaudited financial statements for the period ending May 31, 2020.

Following review and discussion, upon motion duly made by Director Merkel, seconded by Director Roberts and, upon vote, unanimously carried, the unaudited financial statements for the period ending May 31, 2020 were accepted, as presented.

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**2020 Budget Amendment Hearing:** The President opened the public hearing to consider the Resolution to Amend the 2020 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2020 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No public comments were received, and the public hearing was closed.

Following review and discussion, Director Roberts moved to adopt the Resolution to Amend 2020 Budget, Director Merkel seconded the motion and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-07-01 to Amend the 2020 Budget. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

**2021 Budget Preparation:** The Board discussed the preparation of the 2021 Budget.

Following discussion, upon motion duly made by Director Roberts, seconded by Director Tamblyn and, upon vote, unanimously carried, the Board ratified the appointment of the District Accountant to prepare the 2021 Budget. The Board determined to hold the public hearing to consider adoption of the 2021 Budget on November 12, 2020, at 11:30 a.m., at the Construction Trailer, 2221 South 27<sup>th</sup> Avenue, Brighton, Colorado.

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### **LEGAL MATTERS**

**Covenant Regarding Exclusion of Property from PIF Covenant by THF Prairie Center Development, LLC:** Attorney Kanda reviewed with the Board the Covenant Regarding Exclusion of Property from PIF Covenant by THF Prairie Center Development, LLC for the benefit of the District.

Following discussion, upon motion duly made by Director Roberts, seconded by Director Merkel and, upon vote, unanimously carried, the Board acknowledged the Covenant Regarding Exclusion of Property from PIF Covenant by THF Prairie Center Development, LLC for the benefit of the District.

**Amended and Restated Intergovernmental Agreement Regarding Assignment of Revenues by and between Prairie Center Metropolitan District No. 3 and Prairie Center Metropolitan District No. 7:** Attorney Kanda reviewed with the Board the Amended and Restated Intergovernmental Agreement Regarding Assignment of Revenues by and between Prairie Center Metropolitan District No. 3 and Prairie Center Metropolitan District No. 7.

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Following review and discussion, upon motion duly made by Director Roberts, seconded by Director Burke and, upon vote, unanimously carried, the Board ratified approval of the Amended and Restated Intergovernmental Agreement Regarding Assignment of Revenues by and between Prairie Center Metropolitan District No. 3 and Prairie Center Metropolitan District No. 7.

**Engagement of Consultants:** The Board considered the engagement of the following consultants and any associate engagement agreements:

- Ballard Spahr LLP as Bond Counsel.
- Piper Sandler & Co. as Financial Advisor, as amended to increase the consultant's fee to incorporate an addition to the scope of services provided.
- Metrostudy as Market Study Consultant.
- CliftonLarsonAllen LLP as Financial Forecast Consultant.

Following review, upon motion duly made by Director Burke, seconded by Director Roberts and, upon vote, unanimously carried, the Board approved and/or ratified approval of, as appropriate, the engagement of the consultants and the associated engagement agreements.

**Resolution authorizing the issuance of the District's Limited Tax General Obligation Bonds, Series 2020, in an aggregate principal amount not to exceed \$12,750,000.00:** Attorney Khokhryakova reviewed with the Board the Resolution authorizing the issuance of the District's Limited Tax General Obligation Bonds, Series 2020, in an aggregate principal amount not to exceed \$12,750,000.00. It was noted such Resolution will also authorize the execution of all documents, instruments and certificates in connection therewith, ratify prior actions, authorize incidental actions, and repeal prior inconsistent actions.

Following discussion, upon motion duly made by Director Burke, seconded by Director Roberts and, upon vote, unanimously carried, the Board adopted the Resolution authorizing the issuance of the District's Limited Tax General Obligation Bonds, Series 2020, in an aggregate principal amount not to exceed \$12,750,000.00. The Board also authorized the execution of all documents, instruments and certificates in connection therewith, ratified prior actions, authorized incidental actions, and repealed prior inconsistent actions.

**Resolution Regarding Continuing Disclosure Policies and Procedures:** The Board reviewed the Resolution Regarding Continuing Disclosure Policies and Procedures.

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Following discussion, upon motion duly made by Director Burke, seconded by Director Roberts and, upon vote, unanimously carried, the Board adopted the Resolution Regarding Continuing Disclosure Policies and Procedures.

**First Amendment to Funding, Acquisition and Reimbursement Agreement between the District and GKT Brighton Residential Development, L.L.C.**: The Board discussed the First Amendment to Funding, Acquisition and Reimbursement Agreement between the District and GKT Brighton Residential Development, L.L.C.

Following discussion, upon motion duly made by Director Roberts, seconded by Director Burke and, upon vote, unanimously carried, the Board approved the First Amendment to Funding, Acquisition and Reimbursement Agreement between the District and GKT Brighton Residential Development, L.L.C.

### **CAPITAL MATTERS**

**Prairie Center Village I Phase II Improvement Project**: Director Tamblyn noted for the Board construction began on the Village I Phase II Improvement Project on May 22, 2020. He was also noted the wet utility project will be ongoing through October.

**Builder's Risk Insurance Coverage for the amount of \$1,000,000 for the District's Capital Improvement Projects**: The Board discussed the binding of Builder's Risk Insurance coverage in the amount of \$1,000,000 for the District's Village I Phase II Improvement Project.

Following discussion, upon motion duly made by Director Roberts, seconded by Director Merkel and, upon vote, unanimously carried, the Board ratified the approval of binding Builder's Risk Insurance coverage in the amount of \$1,000,000 for the District's Village I Phase II Improvement Project.

**Engagement of Schedio Group LLC to provide Independent Engineering Services**: The Board discussed the engagement of Schedio Group LLC to provide Independent Engineering Services.

Following discussion, upon motion duly made by Director Roberts, seconded by Director Burke and, upon vote, unanimously carried, the Board approved the engagement of Schedio Group LLC to provide independent engineering services, subject to final review by President Tamblyn. The Board also authorized President Tamblyn to review and execute any required service agreement.

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**Service Agreement for Independent Verification of Project Management Fees:**

The Board reviewed the Service Agreement for Independent Verification of Project Management Fees between the District and Schedio Group LLC.

Following discussion, upon motion duly made by Director Roberts, seconded by Director Burke and, upon vote, unanimously carried, the Board approved the Service Agreement for Independent Verification of Project Management Fees between the District and Schedio Group LLC, subject to final review by President Tamblyn and General Counsel.

**OPERATIONS AND MAINTENANCE**

**Operation and Maintenance Manual for the Prairie Center Village I Underdrain System:**

Director Tamblyn noted for the Board that Redland Consulting Group, Inc. is preparing a Maintenance Manual for the underdrain system.

**Service Agreement for Landscape Maintenance Services for Golden Eagle Park between the District and Vargas Property Services, Inc.:**

The Board reviewed the Service Agreement for Landscape Maintenance Services for Golden Eagle Park between the District and Vargas Property Services, Inc.

Following discussion, upon motion duly made by Director Roberts, seconded by Director Burke and, upon vote, unanimously carried, the Board approved the Service Agreement for Landscape Maintenance Services for Golden Eagle Park between the District and Vargas Property Services, Inc.

**Service Agreement for Landscape Maintenance Services for Landscape Tracts between the District and Vargas Property Services, Inc.:**

The Board reviewed the Service Agreement for Landscape Maintenance for Landscape Tracts between the District and Vargas Property Services, Inc.

Following discussion, upon motion duly made by Director Roberts, seconded by Director Burke and, upon vote, unanimously carried, the Board approved the Service Agreement for Landscape Maintenance for Landscape Tracts between the District and Vargas Property Services, Inc.

**ADJOURNMENT**

There being no further business to come before the Board at this time, upon motion duly made by Director Roberts, seconded by Director Tamblyn and, upon vote, unanimously carried, the meeting was adjourned.

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Respectfully submitted,

By *Ann Finn*  
Secretary for the Meeting



SECOND RESOLUTION TO AMEND 2020 BUDGET  
PRAIRIE CENTER METROPOLITAN DISTRICT NO. 7

WHEREAS, the Board of Directors of the Prairie Center Metropolitan District No. 7 adopted a budget and appropriated funds for the fiscal year 2020 as follows:

General Fund	\$	222,000
Debt Service Fund	\$	315
Capital Projects Fund	\$	852,000

WHEREAS, the necessity has arisen for additional expenditures in the General Fund, Debt Service Fund and Capital Projects Fund requiring the unanticipated expenditure of funds in excess of those appropriated for the fiscal year 2020; and

WHEREAS, the expenditure of such funds is a contingency which could not have been reasonably foreseen at the time of adoption of the budget; and

WHEREAS, funds are available for such expenditures in the General Fund from specific ownership taxes; and

WHEREAS, funds are available for such expenditures in the Debt Service Fund from fees; and

WHEREAS, funds are available for such expenditures in the Capital Projects Fund from Bond proceeds.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Prairie Center Metropolitan District No. 7 shall and hereby does amend the Budget for the fiscal year 2020 and adopts a supplemental budget and appropriation for the General Fund, Debt Service Fund and Capital Projects Fund for the fiscal year 2020 as follows:

General Fund	\$	300,000
Debt Service Fund	\$	600,000
Capital Projects Fund	\$	7,700,000

BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the proper funds for the purposes stated.

DATED this 22nd day of July, 2020.

PRAIRIE CENTER METROPOLITAN  
DISTRICT NO. 7

By: *Ann Finn*  
Secretary