

## RECORD OF PROCEEDINGS

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MINUTES OF A SPECIAL MEETING OF  
THE BOARD OF DIRECTORS OF THE  
ELBERT & HIGHWAY 86 METROPOLITAN DISTRICT (THE  
“DISTRICT”)  
HELD  
NOVEMBER 16, 2020

A special meeting of the Board of Directors of the Elbert & Highway 86 Metropolitan District (referred to hereafter as the “Board”) was convened on Monday, November 16, 2020, at 5:00 p.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 Zoom. The meeting was open to the public.**

Attendance

Directors In Attendance Were:

Karl Nyquist, President  
David Pretzler, Secretary/Treasurer  
Todd Lambert, Assistant Secretary  
Bradford Eidt, Assistant Secretary  
Larry Gable, Assistant Secretary

Also, In Attendance Were:

Denise Denslow & Thuy Dam; CliftonLarsonAllen LLP  
Sarah Kolz, Westwood Professional Services Inc., District Engineer  
Dianne Miller, Esq., Miller & Associates Law Offices, LLC  
Mark Harding, Director, Elbert and Hwy 86 Commercial Metropolitan District  
Richard Dinkel, Director, Elbert and Hwy 86 Commercial Metropolitan District  
Jim Marshall, BCX Development  
Greta Gilman, Lisa Krasinski, Bill Trees, and Marge2; Residents

Call to Order

Director Nyquist called the meeting to order at 5:04 p.m.

Declaration of  
Quorum/Disclosure of  
Potential Conflicts of  
Interest

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

The Board had previously filed Disclosure of Potential Conflict of Interest Statements with the Board and with the Secretary of State at least seventy-two (72) hours in advance of the meeting in accordance with statutory requirements.

Approval of Agenda/  
Confirmation of  
Location of Meeting/

The Board reviewed the Agenda for the meeting. Following discussion, upon motion duly made by Director Lambert, seconded by Director Pretzler, and upon vote unanimously carried, the agenda was approved as amended to include

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### Posting of Meeting Notice

assignment of CVL Consultants of Colorado, Inc. contracts to Westwood Professional Services, Inc.

### Review and Approval of Minutes of the Special Meeting on June 10, 2020

Following review and discussion, upon a motion duly made by Director Lambert, seconded by Director Pretzler, and upon a vote unanimously carried, the Board approved the June 10, 2020 Minutes, as presented.

### Financial Matters

#### A. Review and Consider Acceptance of September 30, 2020 Unaudited Financial Statements

Ms. Dam reviewed with the Board. Upon a motion duly made by Director Eidt, seconded by Director Nyquist, and upon a vote unanimously carried, the Board accepted the September 30, 2020 Unaudited Financial Statements.

#### B. Review and Consider Ratifying Approval of Claims

Ms. Dam reviewed with the Board. Director Eidt inquired about the ACH transactions. Ms. Dam informed him that the transactions were not on the list but had been reviewed. Director Eidt requested that the transactions be shown on any future claims lists. Upon a motion duly made by Director Lambert, seconded by Director Eidt, and upon a vote unanimously carried, the Board ratified approval of claims in the amount of \$212,695.83.

#### C. Review and Ratify Quarterly Continuing Disclosure Report for the Period Ending June 30, 2020

Following review and discussion, upon a motion duly made by Director Nyquist, seconded by Director Lambert, and upon a vote unanimously carried, the Board ratified Quarterly Continuing Disclosure Reports for the period ending June 30, 2020.

#### D. Conduct Public Hearing to Consider Amending 2020 Budget; Consider Adoption of Resolution No. 2020-11-01, Amendment to the 2020 Budget

Upon motion by Director Lambert and second by Director Nyquist, the public hearing for both the 2020 budget amendment and the 2021 budget adoption were opened at 5:14 p.m. There were no public comments received on these matters and the hearings were closed at 5:15 p.m.

Ms. Dam reviewed the 2020 Budget amendment. Upon a motion duly made by Director Nyquist, seconded by Director Eidt, and upon a vote unanimously carried, the Board approved the amendment of the 2020 Budget and adopted Resolution No. 2020-11-01 to Amend the 2020 Budget to include the increase

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in the General Fund from \$313,000 to \$400,000.

E. Conduct Public Hearing to Consider Adopting 2021 Budget; Consider Adoption of Resolution 2020-11-02, Adopting the 2021 Budget

Upon motion by Director Lambert and second by Director Nyquist, the public hearing for both the 2020 budget amendment and the 2021 budget adoption were opened at 5:14 p.m. There were no public comments received on these matters and the hearings were closed at 5:15 p.m.

Ms. Dam reviewed the 2021 draft Budget and noted a 1.5% increase in Assessed Valuation. Discussion followed and changes to the General Fund were made to eliminate the line item for snow removal and reduce landscaping to \$5,000. Ms. Dam noted that the mill levies are shown in the budget as 15 in the general fund and 43 in the debt service fund. Upon a motion duly made by Director Nyquist, seconded by Director Lambert, and upon a vote unanimously carried, the Board approved Resolution No. 2020-11-02 to Adopt the 2021 Budget as amended, appropriate the expenditures, and set the mill levies.

F. Review and Consider Approval of Engagement Letter with CliftonLarsonAllen LLP for Accounting Services

Ms. Dam stated the final CLA Accounting Services Engagement Letter is still in draft form, but noted for the Board that it is for a flat fee of \$18,500 per year for a term of two years. Upon a motion duly made by Director Lambert, seconded by Director Eidt, and upon a vote unanimously carried, the Board approved the Engagement Letter with CliftonLarsonAllen LLP for Accounting Services, subject to final legal review.

G. Review and Consider Approval of 2020 Audit Engagement Letter with Schilling & Company, Inc.

Ms. Dam presented the 2020 Audit Engagement Letter with Schilling & Company, Inc., noting a 5% increase from the previous year from \$4,100 to \$4,300. Upon a motion duly made by Director Lambert, seconded by Director Pretzler, and upon a vote unanimously carried, the Board approved the 2020 Audit Engagement Letter with Schilling & Company, Inc.

H. Other

None.

Items from the  
Manager

A. Review and Consider Approval of Engagement Letter with CliftonLarsonAllen LLP for Management Services

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The Board reviewed. Upon a motion duly made by Director Lambert, seconded by Director Nyquist, and upon a vote unanimously carried, the Board approved the Engagement Letter with CliftonLarsonAllen LLP for Management Services.

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

Following review and discussion, upon a motion duly made by Director Lambert, seconded by Director Nyquist, and upon a vote unanimously carried, the Board authorized the renewal schedule and the renewal of District Insurance and SDA Membership.

- C. Ratify Approval of 2020-2021 Snow Removal Agreement with Wild Pointe Ranch with Hughes Landscaping, Inc.

It was determined that this item was not needed.

- D. Schedule July Board Meeting to Approve 2020 Audit

Following discussion, Board consensus was to set the meeting at a later date.

- E. Other

None.

### Attorney Items

- A. Review and Consider Adoption of Resolution 2020-11-03; Annual Administrative Matters for 2021

Ms. Miller reviewed the Resolution with the Board. A correction to Director Eidt's position was noted to reflect his correct position as the Assistant Treasurer.

The Board discussed polling place elections and determined that elections would be executed in this matter and would be held within the community.

Director Gable suggested that the newspaper of recordation be moved to the Prairie Times. Upon a motion duly made by Director Nyquist, seconded by Director Lambert, and upon a vote unanimously carried, the Board adopted Resolution 2020-11-03; Annual Administrative Matters for 2021 as amended.

- B. Review and Consider Approval of Consent to Assignment and Assumption Agreement from CVL Consultants of Colorado, Inc. to Westwood Professional Services, Inc.

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Following review and discussion, upon a motion duly made by Director Nyquist, seconded by Director Eidt, and upon a vote unanimously carried, the Board approved the Consent to Assignment and Assumption Agreement from CVL Consultants of Colorado, Inc. to Westwood Professional Services, Inc.

C. Other

None.

Director Items

A. Discuss Postings of Meetings – Director Gable

Discussion followed regarding posting of meeting notices. The Board requested that notices be sent to the HOA prior to the meetings, in addition to the District website.

B. Discuss 2021 Bids from the HOAs Regarding Landscaping

Following review and discussion, it was noted that the 2021 Budget reflects a line item for \$5,000 which will be designated for the HOA to perform routine maintenance items.

C. Discuss Perfect Patch Work to Get Road Accepted by the County

The Board discussed the process for acceptance of roads by the County. Ms. Kolz, District Engineer, informed the Board that there is to be a meeting with the County the following Wednesday, at which time she expects the District's obligations will be fulfilled. Ms. Kolz reported that she will compile a package of documentation from that meeting for the Board's reference.

D. Discuss Signalization at Legacy Circle and Hwy. 86

Director Gable inquired about the District's obligation to provide signalization at the intersection of Legacy Circle and Highway 86. The Board discussed and Ms. Miller suggested that C&A consult with their real estate counsel regarding this issue.

Director Nyquist noted that the design of the signal had previously been approved, but that there have been changes to the subsurface utility locate requirements. Ms. Kolz reported that she is obtaining the costs for these additional locates and update the pricing on the signal installation. Mr. Marshall addressed the Board, noting that traffic studies were completed as part of the planning process of the adjacent development and that he contributed \$75,000 to this effort.

Other Business

None.

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### Adjournment

There being no further business to come before the Board at this time, the Board adjourned the meeting at 6:23 p.m.

Respectfully submitted,

DocuSigned by:

*David Pretzler*

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Secretary for the Meeting