

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF

HIGHLANDS METROPOLITAN DISTRICT NO. 2

Held: Wednesday, October 14, 2020, at 12:30 p.m., via teleconference

Due to the Executive Orders issued by Governor Polis and Public Health Orders implementing the Executive Orders issued by the Colorado Department of Health and Environment, and the threat posed by the COVID-19 coronavirus, this meeting will be held via teleconference.

Attendance

The special meeting of the Board of Directors of the Highlands Metropolitan District No. 2, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve on the Board, were in attendance:

James Spehalski
Allison Rochester
Gavin Adams
Devon Schad
Lloyd Rochester

Also present were Megan J. Murphy, Esq. and Audrey G. Johnson, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law, District General Counsel; Shelby Turner, D.A. Davidson & Co., Diane Wheeler, Simmons & Wheeler, P.C., District Accountant, and John Hostetler, resident.

Call to Order

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

Conflict of Interest Disclosures

Ms. Murphy advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Murphy reported that disclosures for those directors that provided White Bear Ankele Tanaka & Waldron with notice of 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.

Murphy 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 participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

Agenda

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

Public Comment

None.

Consent Agenda

Ms. Murphy reviewed the items on the consent agenda with the Board. Ms. Murphy advised the Board that any item may be removed from the consent agenda to the regular agenda upon the request of any Director. The 2021 Annual Administrative Resolution was removed from the consent agenda. Upon a motion duly made and seconded, the following items on the consent agenda were unanimously approved, ratified, and/or adopted:

- Minutes from May 13, 2020 Special Meeting;
- 2019 Annual Report;
- Adoption of Amended and Restated Public Records Request Policy; and
- Renewal of Property and Liability Schedule and Limits, Workers Compensation Coverage and SDA Membership.

Legal Matters

Consider Adoption of 2021 Annual Administrative Resolution

Ms. Murphy presented the Board with the 2021 Annual Administrative Resolution for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution and modified the posting location and regular meeting dates and time.

Financial Matters

Discuss Potential Construction of a Community Pool

The Board engaged in discussion regarding the possibility of constructing a community pool with a parking lot on a 9.7 acre parcel that currently has oil and gas onsite. It was noted that the 9.7 acre site is currently intended to be dedicated to the City of Broomfield in the future. Director Spehalski will obtain a cost estimate for construction and operations of a community pool and provide the cost estimate to the Board.

Potential Refinancing of 2016 Bonds

Ms. Turner presented the Board with options for a potential refinancing of the 2016 Bonds for consideration. The Board engaged in general discussion and directed Ms. Turner to run options for a bank loan with the option to take out new cash for a community pool.

Consider Approval of Payables/Financials

Ms. Wheeler presented the Board with the claims in the amount of \$57,853.07 for ratification. Following discussion, upon a motion duly made and seconded, the Board ratified the claims.

Ms. Wheeler presented the Board with the claims in the amount of \$6,077.87 for approval. Following review and discussion, upon a motion duly made and seconded, the Board approved payment of the claims.

Consider Approval of Set Up and Use of Bill.com to Process Invoices and Update on Approved Signers

Ms. Wheeler presented the Board with a proposal to use Bill.com for processing invoices. Following discussion, upon a motion duly made and seconded, the Board approved the set up and use of Bill.com to process invoices and update on approved signers and authorized all Board members to see invoices.

Consider Approval of Switching Banks

Ms. Wheeler presented the Board with a proposal to switch banks from Wells Fargo to FirstBank. Following discussion, upon a motion duly made and seconded, the Board unanimously approved switching the District's bank to FirstBank and closing the District's Wells Fargo accounts.

Conduct 2020 Budget Amendment Hearing and Consider Adoption of Resolution to Amend 2020 Budget

Director Spenhalski opened the public hearing on the 2020 Budget Amendment. Ms. Murphy noted that the notice of public hearing was published in the *Broomfield Enterprise* 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 Resolution Amending the 2020 Budget with the Board. No action taken.

Conduct 2021 Budget Hearing and Consider Adoption of Resolution to Adopt 2021 Budget and Set Mill Levies.

Director Spenhalski opened the public hearing on the 2021 Budget. Ms. Murphy noted that the notice of public hearing was published in the *Broomfield Enterprise* 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 2021 Budget with the Board. No action taken.

Other Business

None.

Adjournment

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

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

Lloyd Rochester
Lloyd Rochester (Dec 7, 2020 11:57 MST)

Officer of the District

The foregoing minutes were approved by the Board of Directors on the 3rd day of December, 2020.