

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
EAST SMOKY HILL METROPOLITAN DISTRICT NO. 2 (THE
“DISTRICT”)
HELD
FEBRUARY 8, 2022

A regular meeting of the Board of Directors of the East Smoky Hill Metropolitan District No. 2 (referred to hereafter as the “Board”) was convened on Tuesday, February 8, 2022 at 7:00 p.m. at the Smoky Hill Library, 5430 S. Biscay Circle, Centennial, CO 80015. This District Board meeting was also available via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Connie Buhlke, President
Charlotte Faris, Assistant Secretary
Bonnie Bowman, Treasurer
Laura Embleton, Secretary

Assistant Secretary Jeffery was absent and excused.

Also, In Attendance Were:

Denise Denslow, Shauna D’Amato & Janece Soendker; CliftonLarsonAllen LLP (“CLA”)
K.C. Veio & Jimena Begal; Piper Sandler & Co. via Teams
Trisha Harris, Esq.; White Bear Ankele Tanaka & Waldron P.C. (“WBA”) via Teams
Randy Cox, ColoradoScapes, Inc. via Teams
Thomas Tanner; HOA

ADMINISTRATIVE MATTERS

Call to order and approval of agenda: Director Buhlke called the meeting to order at 7:06 p.m. Following review, upon a motion duly made by Director Buhlke, seconded by Director Embleton and, upon vote, unanimously carried, the Board approved the agenda, as presented.

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 of Directors and to the Secretary of State. A quorum was present and it was requested that 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 meeting in accordance with the statute. It was noted that no additional conflicts of interest were presented.

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Quorum, location of meeting and posting of meeting notices: The Board confirmed a quorum, the location of the meeting and the posting of the meeting notice. Assistant Secretary Jeffery was absent and excused.

Public comment: None.

CONSENT AGENDA

Minutes from the November 9, 2021 and January 17, 2022 meetings:

Following review, upon a motion duly made by Director Embleton, seconded by Director Buhlke and, upon vote, unanimously carried, the Board approved the Consent Agenda item, as presented.

LEGAL MATTERS

Notice of 2022 Hourly Rates from White Bear Ankele Tanaka & Waldron: Attorney Harris reviewed the Notice with the Board, noting that her personal rate has increased to \$395 per hour, but she will be soliciting help from Carey Smith at WBAT&W who has a lower hourly rate of \$260.

2022 Annual Administrative Resolution: The Board discussed the regular meeting time reflected in the Resolution. It was determined that meetings will continue to be held at the originally scheduled time of 6:00 p.m. as there is no longer a conflict. No action was taken or necessary.

Resolution Designating the District's Website for the Posting of Meeting Notices and 24-Hour Posting Location: Following review, upon a motion duly made by Director Bowman, seconded by Director Embleton and, upon vote, unanimously carried, the Board approved the Resolution Designating the District's Website for the Posting of Meeting Notices and 24-Hour Posting Location, as presented.

Other: Attorney Harris informed the Board that she will reach out to Director Jeffery regarding his position on the Board no longer presenting a conflict of interest.

FINANCIAL MATTERS

Unaudited Financial Statements as of December 31, 2021 and Cash Position Report: Ms. Soendker reviewed the Financial Statements and Cash Position Report with the Board. Following review, upon a motion duly made by Director Bowman, seconded by Director Buhlke and, upon vote, unanimously carried, the Board accepted the Unaudited Financial Statements as of December 31, 2021 and Cash Position Report, as presented.

Bill.com payments totaling \$18,203.87 and Directors' Fees: The Board reviewed the Bill.com payments and Directors' Fees. It was noted that the HOA will notify every homeowner whose fences are being replaced. It was noted that the total amount of payments should be increased to \$121,793.37 to

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accommodate the deposit to Commercial Fencing for the fence project deposit. Following review and discussion, upon a motion duly made by Director Buhlke, seconded by Director Bowman and, upon vote, unanimously carried, the Board ratified and approved the Bill.com payments totaling \$18,203.87 and Directors' Fees, as amended.

Resolution authorizing the District to issue and refund general obligation indebtedness consisting of its General Obligation Refunding Bonds, Series 2022, in an approximate principal amount of \$3,500,000, which amount is subject to increase or decrease as determined by the Board, or as otherwise permitted by any resolution adopted by the Board at such meeting, and, in connection therewith, the Board will consider a resolution: authorizing the issuance of such indebtedness; approving, ratifying and confirming the execution of certain documents; making determinations and findings as to other matters related to such financing transaction; authorizing incidental action; and repealing prior inconsistent actions: Mr. Veio and Ms. Begal reviewed the Resolution with the Board and explained the Bond issuance process. Following review and discussion, upon a motion duly made by Director Embleton, seconded by Director Bowman and, upon vote, unanimously carried, the Board adopted the Resolution authorizing the District to issue and refund general obligation indebtedness consisting of its General Obligation Refunding Bonds, Series 2022, in an approximate principal amount of \$3,500,000, which amount is subject to increase or decrease as determined by the Board, or as otherwise permitted by any resolution adopted by the Board at such meeting, and, in connection therewith, the Board will consider a resolution: authorizing the issuance of such indebtedness; approving, ratifying and confirming the execution of certain documents; making determinations and findings as to other matters related to such financing transaction; authorizing incidental action; and repealing prior inconsistent actions, as presented.

Public Hearing on 2022 Budget Amendment: Upon a motion duly made by Director Buhlke, seconded by Director Bowman and, upon vote, unanimously carried, the Board opened the public hearing at 7:39 p.m. No public comments were received, and the public hearing was closed at 7:40 p.m.

Resolution Amending 2022 Budget: Ms. Denslow reviewed the Resolution with the Board, noting that the purpose of the amendment is to address the Bond refinancing. Following review and discussion, upon a motion duly made by Director Embleton, seconded by Director Bowman and, upon vote, unanimously carried, the Board adopted the Resolution Amending 2022 Budget, as presented.

Other: None.

MANAGER ITEMS

Other: None.

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LANDSCAPE UPDATE

Landscaping activity: Mr. Cox provided an update to the Board regarding recent landscaping activity, noting winter watering and weekly trash and snow removal are being completed regularly. He stated that the snowstorm in late January led to turf and irrigation heads being ripped up mainly in the HOA, but that there was damage in the District. He informed the Board that he will be repairing these damages.

Flowerscapes: Ms. Denslow provided an update to the Board regarding Flowerscapes from Ms. Miller's update prior to the meeting.

ColoradoScapes:

Proposal for Tree Winter Watering in the amount of \$2,400: Mr. Cox reviewed the Proposal with the Board, noting that he currently advises against the tree winter watering. He stated that he will reach out to Ms. Denslow to suggest this work, if necessary, within four to five weeks.

Davey Tree: No update was provided.

Other: None.

BOARD MEMBER ITEMS

Status of playground shades: Mr. Tanner informed the Board that he reached out to Commissioner Baker regarding requirements for playground shades and obtaining a variance. He noted that he will provide an update at the next meeting.

Playground inspections/reports and priorities: The Board noted that they will want to work on pricing and safety items regarding playground inspections/reports.

Homeowner Association: Updates were provided under previous agenda items.


OTHER BUSINESS

Quorum for next meeting: A quorum was confirmed for Tuesday, May 10, 2022 at 6:00 p.m.

ADJOURNMENT

There being no further business to come before the Board at this time, Director Buhlke adjourned the meeting at 8:27 p.m.

Respectfully submitted,

DocuSigned by:

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Secretary for the Meeting

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