

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
CHAPARRAL POINTE METROPOLITAN DISTRICT
(THE "DISTRICT")
HELD
DECEMBER 8, 2020

A special meeting of the Board of Directors of the Chaparral Pointe Metropolitan District (referred to hereafter as the "Board") was convened on Tuesday, December 8, 2020, at 10:00 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, this District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Mike Fenton, President
Sarah Darneal, Secretary
Jeff Mattson, Treasurer
Cynthia Myers, Assistant Secretary

Directors Absent:

Brian Mulqueen, Assistant Secretary

Also, In Attendance Were:

Elisabeth A. Cortese, Esq.; McGeady Becher P.C.
Josh Miller, Chelsea Gondeck, Carrie Bartow, & Adam Mounce;
CliftonLarsonAllen LLP

ADMINISTRATIVE MATTERS

Call to Order and Approve Agenda: Director Fenton called the meeting to order at 10:04 a.m. Following review, upon a motion duly made by Director Fenton, seconded by Director Mattson and, upon vote, unanimously carried, the Board approved the agenda as amended, and excused the absence of Director Mulqueen.

Declaration of Quorum/Disclosure Items: The Board noted a quorum was present and discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Secretary of State. The members of the Board were requested to 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 Statute. No additional disclosures were made. Attorney Cortese noted that disclosures of potential conflicts of interest were filed with the Secretary of State for all Directors.

RECORD OF PROCEEDINGS

Meeting Location and Posting of Notice: 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. Following discussion, and upon motion duly made by Director Fenton, seconded by Director Mattson and, upon vote, unanimously carried, the Board determined that due to concerns regarding the spread of COVID-19 and the benefit to the control of the spread of the virus by limiting in-person contact, this meeting was conducted via Microsoft Teams and encouraged public participation via Microsoft Teams. The Board noted that notice of this meeting and Microsoft Teams meeting information was duly posted and the Board had not received any objections to the format of the meeting or any requests that the meeting be changed by taxpaying electors within the District's boundaries.

Community Comments: None.

Minutes from the July 24, 2020 Special Board Meeting: Following review, upon a motion duly made by Director Fenton, seconded by Director Darneal and, upon vote, unanimously carried, the Board approved the July 24, 2020 special meeting minutes.

2021 Insurance Renewal, Insurance Schedules, and Renewal of Membership in the Special District Association: Mr. Miller reviewed the insurance renewal and schedule of coverage with the Board. Following discussion upon a motion duly made by Director Fenton, seconded by Director Darneal and, upon vote, unanimously carried, the Board approved renewal of the District's insurance and Special District Association ("SDA") membership.

Resolution No. 2020-12-01 Establishing Regular Meeting Dates, Time, and Location, and Designating the Location for Posting the 24-Hour Meeting Notice: Mr. Miller discussed the business to be conducted in 2021 and reviewed Resolution No. 2020-12-01 with the Board. Following discussion upon a motion duly made by Director Fenton, seconded by Director Mattson and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-12-01 and scheduled regular meetings for May 19, 2021 and November 17, 2021 at 1:00 p.m. at the office of Century Communities, 9475 Briar Village Pt., Suite 125, Colorado Springs, CO 80920.

FINANCIAL MATTERS

Unaudited Financial Statements and Cash Position Report Dated October 31, 2020: Ms. Bartow reviewed the unaudited financial statements and cash position report with the Board. Following discussion, upon a motion duly made by Director Myers, seconded by Director Fenton and, upon vote, unanimously carried, the Board accepted the unaudited financial statements and cash position report dated October 31, 2020.

RECORD OF PROCEEDINGS

Payment of Claims: Ms. Bartow reviewed the previous and current claims with the Board. Following discussion, upon a motion duly made by Director Myers, seconded by Director Fenton and, upon vote, unanimously carried, the Board ratified the payment of the previous claims in the amount of \$8,220.83 and approved the payment of the current claims in the amount of \$7,869.72.

Preparation of the 2021 Budget: Following discussion, upon a motion duly made by Director Fenton, seconded by Director Myers and, upon vote, unanimously carried, the Board ratified the appointment of the District Accountant to prepare the 2021 budget.

Resolution Regarding the Imposition of District Fees: Following discussion, upon a motion duly made by Director Myers, seconded by Director Fenton and, upon vote, unanimously carried, the Board approved the adoption of Resolution No. 2020-12-02 Regarding the Imposition of District Fees imposing a fee of not less than \$99 per month per residential unit, subject to final legal and accounting review.

Public Hearing to Consider Amending 2020 Budget: Director Fenton opened the public hearing to consider amending the 2020 Budget.

It was noted that Notice stating that the Board would consider amending the 2020 Budget and the date, time and place of the public hearing was published pursuant to statute. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed. It was determined that a 2020 Budget amendment was not needed.

Second Amendment to the Operation Funding Agreement with Century Land Holdings, LLC: Following discussion, upon a motion duly made by Director Myers, seconded by Director Fenton and, upon vote, unanimously carried, the Board approved the Second Amendment to the Operation Funding Agreement with Century at Land Holdings, LLC.

Public Hearing to Consider Adoption of 2021 Budget: Director Fenton opened the public hearing to consider the proposed 2021 Budget and discuss related issues.

It was noted that Notice stating that the Board would consider adoption of the 2021 Budget and the date, time and place of the public hearing was published pursuant to statute. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

RECORD OF PROCEEDINGS

Ms. Bartow reviewed the estimated 2020 expenditures and the proposed 2021 expenditures with the Board.

Following discussion, upon a motion duly made by Director Fenton, seconded by Director Myers and, upon vote, unanimously carried, the Board approved the 2021 Budget, as discussed, and considered adoption of Resolution No. 2020-12-04 to Adopt the 2021 Budget and Appropriate Sums of Money and Resolution No. 2020-12-05 to Set Mill Levies at 11.132 mills in the General Fund and 33.397 mills in the Debt Service Fund, for a total mill levy of 44.529. Following discussion, upon a motion duly made by Director Fenton, seconded by Director Myers and, upon vote, unanimously carried, the Board adopted the Resolutions and authorized execution of the Certification of Budget. The District Accountant was directed to transmit the Certification of Tax Levies to the Board of County Commissioners of El Paso County not later than December 15, 2020 and transmit the Certification of Budget to the Division of Local Government no later than January 30, 2021.

DLG-70 Certification of Tax Levies for Certification to the Board of County Commissioners and other Interested Parties: Following discussion, upon a motion duly made by Director Fenton, seconded by Director Darneal and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 Certification of Tax Levies for Certification to the Board of County Commissioners and other Interested Parties.

Resolution No. 2020-12-06, Resolution Authorizing Adjustment of District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3: Following discussion, upon a motion duly made by Director Fenton, seconded by Director Myers and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-12-06, Resolution Authorizing Adjustment of the District mill Levy in accordance with the Colorado Constitution, Article X, Section 3.

Preparation of the 2022 Budget: Following discussion, upon a motion duly made by Director Myers, seconded by Director Fenton and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2022 Budget and directed that the 2022 draft Budget be the same as the 2021 adopted Budget unless a Board member provides input to otherwise adjust those assumptions.

2020 Audit Exemption Application: Following discussion, upon a motion duly made by Director Fenton, seconded by Director Myers and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare and file the 2020 Audit Exemption Application.

**LEGAL
MATTERS**

Requirements of Section 32-1-809, C.R.S (District Transparency Notice): Attorney Cortese discussed the special district notice requirements of Section

RECORD OF PROCEEDINGS

32-1-809, C.R.S. with the Board. Following discussion, the Board directed the District Manager to post the 2021 Transparency Notice on the SDA website and the District website (www.chaparralpointemd.com).

Status of Landscape Acceptance: The Board discussed the timeline for landscape acceptance and anticipate conveyance in spring of 2021.

MANAGER MATTERS

Engagement of Special Legal Counsel for Covenant Enforcement Services: The Board reviewed the proposals for covenant enforcement and fee collection legal services. Following discussion, upon a motion duly made by Director Myers, seconded by Director Fenton and, upon vote, unanimously carried, the Board approved the engagement of Winzenburg, Leff, Purvis & Payne, LLP for covenant enforcement and fee collection legal services.

OTHER BUSINESS

The Board discussed the status of the development. It was noted closings are anticipated in March of 2021, with a total of 34 homes to be complete in 2021.

ADJOURNMENT

There being no further business to come before the Board at this time, upon a motion duly made by Director Myers, seconded by Director Fenton and, upon vote, unanimously carried, the meeting was adjourned at 11:09 a.m.

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

Respectfully submitted,

DocuSigned by:
Sarah Darneal
By _____
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Secretary for the Meeting