

## RECORD OF PROCEEDINGS

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**MINUTES OF A SPECIAL MEETING OF  
THE BOARD OF DIRECTORS OF THE  
AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD  
("CAB")  
HELD  
NOVEMBER 18, 2021**

A special meeting of the Board of Directors of the CAB, County of Adams (referred to hereafter as the "Board") was convened on Thursday, November 18, 2021 at 2:52 p.m. at the Information Center, 3900 E. 470 Beltway, Aurora, Colorado. The CAB Board meeting was held with Directors M. Hopper and Ferreira attending in person at the physical meeting location. The meeting was also open to the public via Zoom video / telephone conference.

**Directors in Attendance Were:**

Matt Hopper (AACMD Rep.)  
Carla Ferreira (AACMD Rep.)  
Michael Sheldon (TAH MD Nos. 1 – 3 Rep.)  
Cynthia (Cindy) Shearon (AACMD Rep.)  
Deanna Hopper (ATEC No. 2 Rep.)

**Also in Attendance Were:**

Denise Denslow, Celeste Terrell and Debra Sedgely; CliftonLarsonAllen LLP ("CLA")  
Jason Burningham; Lewis Young Robertson & Burningham, Inc.  
Brooke Hutchens; D.A. Davidson & Co.  
MaryAnn McGeady, Esq., Elisabeth A. Cortese, Esq. and Jon Hoistad, Esq.; McGeady Becher P.C.  
Kristine Lay, Esq.; Kutak Rock LLP  
Juan Lomeli; member of the public  
Danielle Chavez; member of the public  
Tiana Farrant; member of the public  
Audrey Lynch; member of the public  
Luke Johanson; member of the public  
Anthony Daylon; member of the public  
Fayre Ruscysk; member of the public  
Nick English; member of the public  
Tanya Carter; member of the public  
Shauna D'Amito; member of the public  
Gerry Bloom; member of the public  
Lisa Browne; Aurora Highlands, LLC  
John Henderson; Coloradans for Metro District Reform  
Margie Sobey; member of the public

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### ADMINISTRATIVE MATTERS

**Disclosure of Potential Conflicts of Interest:** Attorney Cortese discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors 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. It was noted that the disclosures of potential conflicts of interest were filed with the Secretary of State for all Directors. No new conflicts were disclosed.

**Quorum/Confirmation of Meeting Location/Posting of Notice:** Director M. Hopper confirmed a quorum for the special meeting. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the CAB's Board meeting. Following discussion, upon motion duly made by Director M. Sheldon, seconded by Director Shearon and, upon vote, unanimously carried, the Board determined to conduct this meeting at the above-stated location, with Directors M. Hopper and Ferreira attending in person, and the consultants attending via videoconference. The Board further noted that notice providing the time, date and location was duly posted and that no objections, or any requests that the means of hosting the meeting be changed by any interested persons have been received.

**Agenda:** The Board considered the proposed Agenda for the CAB's special meeting. Following discussion, upon motion duly made by Director Sheldon, seconded by Director Shearon and, upon vote, unanimously carried, the Agenda was approved, as presented and the absence of Director K. Sheldon was excused.

**Public Comment:** There were inquiries from several residents, followed by discussion regarding the relationship between the Districts and the CAB, the proposed CAB bond issuance, Board member elections and District transparency. The Board discussed the scheduling of community meetings beginning in the first quarter of 2022.

**Resolution Establishing Regular Meeting Dates, Times and Location, and Designating Location for Posting 24-Hour Notices:** The Board determined to hold regular meetings in 2022 at 1:00 p.m. on the third Thursday of each month at the Information Center, 3900E. 470 Beltway, Aurora, Colorado and virtually. Following discussion, upon a motion duly made by Director Shearon, seconded by Director M. Sheldon and, upon vote, unanimously carried, the Board adopted the Resolution Establishing Regular Meeting Dates, Times and Location, and Designating Location for Posting 24-Hour Notices.

### CONSENT AGENDA

The Board considered the following actions:

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**October 21, 2021 and October 28, 2021 special meeting minutes;**

**CAB's insurance and Special District Association Membership in 2022;**  
**and**

**Section 32-1-809, C.R.S., reporting requirements (Transparency Notice)**  
**and mode of eligible elector notification (post on SDA website).**

Following review, upon a motion duly made by Director Ferreira, seconded by Director M. Sheldon and, upon vote, unanimously carried, the Board ratified and/or approved of the Consent Agenda items, as presented.

### LEGAL MATTERS

**Waiver and Release of Reimbursement Rights among the CAB, Aurora Highlands, LLC and Homebuilders:**

**Waiver and Release of Reimbursement Rights by and among the CAB, Aurora Highlands, LLC and Tri-Pointe Homes Holdings, Inc.:** Following discussion, upon a motion duly made by Director Ferreira, seconded by Director D. Hopper and, upon vote unanimously carried, the Board acknowledged the Waiver and Release of Reimbursement Rights by and among the CAB, Aurora Highlands, LLC and Tri-Pointe Homes Holdings, Inc.

**Rescission of October 28, 2021 Approval of Amended and Restated Capitol Construction and Reimbursement Agreement (In-Tract Improvements) by and between the CAB and Aurora Highlands, LLC:** Following discussion, upon a motion duly made by Director Shearon, seconded by Director D. Hopper and, upon vote, unanimously carried, the Board rescinded its October 28, 2021 approval of the Amended and Restated Capitol Construction and Reimbursement Agreement (In-Tract Improvements) by and between the CAB and Aurora Highlands, LLC.

**Amended and Restated Capital Construction and Reimbursement Agreement by and between the CAB and Aurora Highlands, LLC:** Attorney McGeady reviewed the new Agreement with the Board. Following discussion, upon a motion duly made by Director Shearon, seconded by Director D. Hopper and, upon vote, unanimously carried, the Board approved the Amended and Restated Capital Construction and Reimbursement Agreement by and between the CAB and Aurora Highlands, LLC.

**Pledge of Revenues, Flow of Funds, and Partial Refunding of Debt as related to the CAB's proposed Series 2021 Bonds:** Attorney McGeady discussed the anticipated pledge of revenues, flow of funds, and partial refunding of debt as related to the CAB's proposed Series 2021 Bonds.

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**Special Tax Revenue Refunding and Improvement Bonds, Series 2021A<sup>(3)</sup>, in a maximum principal amount of up to \$375,000,000 (“2021A Bonds”):**

**Update to In-Tract cost assumption:** Attorney McGeady discussed the update of the In-Tract cost assumption with the Board.

**Updated Engagement Letter, dated November 1, 2021, with Sherman & Howard L.L.C. in connection with the CAB’s 2021A Bond Issuance:**

Following discussion, upon a motion duly made by Director M. Hopper, seconded by Director Ferreira and, upon vote, unanimously carried, the Board approved the updated Engagement Letter, dated November 1, 2021, with Sherman & Howard L.L.C. in connection with the CAB’s 2021A Bond Issuance.

**Certificate and Waiver (Up to \$165,159,327 The Aurora Highlands Community Authority Board Special Tax Revenue Draw-Down Bonds, Series 2020A) by Oxnard Financial, LLC:** Attorney McGeady reviewed the status of the Certificate and Waiver with the Board.

**Anticipated pledge of revenues, flow of funds, and partial refunding of debt as related to the CAB’s proposed Series 2021 Bonds:** Ms. Hutchens presented a flowchart concerning the revenues relating to the proposed 2021A Bond issuance and described the structure of the proposed 2021A Bonds.

Mr. Burningham explained the role of the external financial advisor and how Lewis Young Robertson & Burningham, Inc. determines and provides an opinion as to the reasonableness of market rates for public debt issuances. Mr. Burningham explained that the proposed 2021 Bonds were anticipated to result in a lower interest rate than the 2020 Bonds and would be a benefit to the residents and businesses within the CAB’s service area, as evidenced by the net present value savings shown in the preliminary financing plan. In response to an inquiry from Director M. Hopper, Ms. Hutchens noted that the current total mill levy imposed by the Districts has taken into account the maximum Debt Mill Levy and maximum Debt Mill Levy Limitation Term under the Districts Service Plans and that the issuance of the 2021 Bonds will not result in an increase of the total mill levy to be imposed or an extension of the Debt Mill Levy Limitation Term over what was pledged for the outstanding Bonds.

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**Revenue Pledge Agreements by and between the CAB and each of the following districts: ATEC Metropolitan District No. 1 (“ATEC 1”), ATEC Metropolitan District No. 2 (“ATEC 2”), The Aurora Highlands Metropolitan District No. 1 (“TAH 1”), The Aurora Highlands Metropolitan District No. 2 (“TAH 2”), The Aurora Highlands Metropolitan District No. 3 (“TAH 3”) and Aerotropolis Area Coordinating Metropolitan District (“AACMD”):** Ms. Hutchens and Attorney McGeady reviewed the separate Revenue Pledge Agreements with the Board.

**Resolution authorizing the CAB to enter into Revenue Pledge Agreements with each of its Member Districts, listed as follows: ATEC 1, ATEC 2, TAH 1, TAH 2, TAH 3 and AACMD relating to the funding of public improvements serving the residents, occupants, property owners and taxpayers of the foregoing metropolitan districts, all of which are to be in the CAB’s service area and the operation, maintenance and administration thereof; approving the forms of the Revenue Pledge Agreements; authorizing the execution and delivery thereof and performance by the CAB thereunder; authorizing incidental action; and establishing the effective date thereof:** Attorney McGeady reviewed the Resolution with the Board. Following discussion, upon a motion duly made by Director M. Sheldon, seconded by Director Shearon and, upon vote, unanimously carried, the Board adopted the Resolution authorizing the CAB to enter into Revenue Pledge Agreements with each of its Member Districts, listed as follows: ATEC 1, ATEC 2, TAH 1, TAH 2, TAH 3 and AACMD relating to the funding of public improvements serving the residents, occupants, property owners and taxpayers of the foregoing metropolitan districts, all of which are to be in the CAB’s service area and the operation, maintenance and administration thereof; approving the forms of the Revenue Pledge Agreements; authorizing the execution and delivery thereof and performance by the CAB thereunder; authorizing incidental action; and establishing the effective date thereof.

### **SECOND READING (2021A BONDS):**

**Resolution authorizing the issuance of the CAB’s 2021A Bonds, for the purpose of financing public improvements serving the residents, occupants, property owners and taxpayers of the CAB’s service area and paying the costs incidental to the issuance of the 2021A Bonds; approving forms of the indentures of trust and other related documents and instruments and authorizing the execution and delivery thereof and performance by the CAB thereunder; appointing a CAB Representative to act on behalf of the CAB under such indentures of trust; appointing an Authorized Delegate to make certain determinations relating to the 2021A Bonds as**

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**authorized under Section 11-57-205, C.R.S.; authorizing incidental action; and establishing the effective date thereof:**

The Board opened the public hearing.

The public provided comment in opposition to the Board's issuance of the 2021A Bonds.

Attorney Lay reviewed the Resolution with the Board and the terms of the Indenture of Trust.

The Board discussed the presentations from Ms. Hutchens, Mr. Burningham and Ms. Lay on the 2021A Bond issuance.

Following discussion, upon a motion duly made by Director M. Sheldon, seconded by Director Ferreira and, upon vote, unanimously carried, the Board appointed Director M. Hopper to act as the CAB Representative under the Indenture of trust.

Upon a motion duly made by Director M. Hopper, seconded by Director M. Sheldon and, upon vote, unanimously carried, the Board appointed the District Accountant as the Responsible Person.

Upon a motion duly made by Director Ferreira, seconded by Director Shearon and, upon vote, unanimously carried, the Board appointed Director M. Hopper as the Authorized Delegate.

The Board set parameters for the 2021A Bond issuance, including a maximum principal amount to be issued of \$375,000,000 and a maximum interest rate of 6.5%. Further, the 2021A Bonds must be closed within 120 days.

Upon a motion duly made by Director M. Sheldon, seconded by Director Shearon and, upon a vote of 4 yes, with Director Ferreira abstaining, the Board adopted the Resolution authorizing the issuance of the CAB's 2021A Bonds, for the purpose of financing public improvements serving the residents, occupants, property owners and taxpayers of the CAB's service area and paying the costs incidental to the issuance of the 2021A Bonds; approving forms of the indentures of trust and other related documents and instruments and authorizing the execution and delivery thereof and performance by the CAB thereunder; appointing a CAB Representative to act on behalf of the CAB under such indentures of trust; appointing an Authorized Delegate to make certain determinations relating to the 2021A Bonds as authorized under

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Section 11-57-205, C.R.S.; authorizing incidental action; and establishing the effective date thereof.

**Proposed Subordinate Special Tax Revenue Draw Down Bonds, Series 2021B<sup>(3)</sup>, in a maximum principal amount of up to \$140,000,000 (“2021B Bonds”):**

**FIRST READING (2021B Bonds):**

**Resolution authorizing the issuance of the CAB’s 2021B Bonds, for the purpose of paying, reimbursing and financing certain public improvements and in connection therewith, approving an indenture of trust and other related documents and instruments; authorizing the execution and delivery thereof and performance by the CAB thereunder; repealing prior inconsistent actions; appointing a CAB Representative to act on behalf of the CAB under such indenture of trust; appointing an Authorized Delegate to make certain determinations relating to the 2021B Bonds as authorized under Section 11-57-205, C.R.S.; authorizing incidental action; and establishing the effective date thereof:** Ms. Hutchens reviewed the Resolution with the Board.

Members of the public stated their opposition to the issuance of the proposed 2021 B Bonds.

**Placement of consideration of adoption of the proposed 2021B Bond Resolution on the Agenda for a Second Reading during the Public Hearing to be held on the 2021B Bond Resolution on December 16, 2021 at 1:00 p.m. at the Information Center, 3900 E. 470 Beltway, Aurora, CO 80019 and via Zoom:** Following discussion, upon a motion duly made by Director M. Sheldon, seconded by Director M. Hopper and, upon a vote of 4 yes, with Director Ferreira abstaining, the Board approved on First Reading the anticipated issuance of up to \$140,000,000 in 2021 Series B Bonds pursuant to the proposed 2021B Bond Resolution, and the placement of consideration of adoption of the proposed 2021B Bond Resolution on the Agenda for a Second Reading during the Public Hearing to be held on the 2021B Bond Resolution on December 16, 2021 at 1:00 p.m. at the Information Center, 3900 E. 470 Beltway, Aurora, CO 80019 and via Zoom.

**Discuss matters related to the proposed 2022 Bond issuance:**

**Contract for Technical Services and Assistance between the CAB and PGAV Planners, LLC:** Attorney McGeady reviewed the Contract with the Board. Following discussion, upon a motion duly made by Director M. Hopper, seconded by Director M. Sheldon and, upon vote, unanimously carried, the

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Board approved the Contract for Technical Services and Assistance between the CAB and PGAV Planners, LLC for preparation of a market study.

**Intergovernmental Agreement Regarding Sharing of Tax Revenue and Services by and between the CAB and First Creek Ranch Metropolitan District:** Attorney McGeady reviewed the Agreement with the Board. Following discussion, upon a motion duly made by Director M. Sheldon, seconded by Director Ferreira and, upon vote, unanimously carried, the Board approved the Intergovernmental Agreement Regarding Sharing of Tax Revenue and Services by and between the CAB and First Creek Ranch Metropolitan District.

**Intergovernmental Agreement regarding Regional Transportation System Project Funding and Construction by and between the CAB and Aerotropolis Regional Transportation Authority:** Attorney McGeady reviewed the Agreement with the Board. Following discussion, upon a motion duly made by Director M. Sheldon, seconded by Director Ferreira and, upon vote, unanimously carried, the Board approved the Intergovernmental Agreement regarding Regional Transportation System Project Funding and Construction by and between the CAB and Aerotropolis Regional Transportation Authority.

### FINANCIAL MATTERS

**Lender Funding Request and Payment of Claims for Operating Costs:** Ms. Sedgley reviewed the Lender funding request with the Board. Following discussion, upon a motion duly made by Director Ferreira, seconded by Director Shearon and, upon vote, unanimously carried by roll call, the Board acknowledged approval of the Lender funding request and approved payment of claims for operating costs in the amount of \$80,342.60.

**Cash Position Report dated August 31, 2021, updated as of November 15, 2021:** Ms. Sedgley reviewed the Cash Position Report with the Board. Following review, upon a motion duly made by Director M. Sheldon, seconded by Director M. Hopper and, upon vote, unanimously carried by roll call, the Board accepted the Cash Position Reported dated August 31, 2021, updated as of November 15, 2021.

### **SECOND READING (BUDGET MATTERS):**

**Public Hearing on Amendment to 2021 Budget:** The Board opened the public hearing to consider an amendment to the 2021 Budget. It was noted that publication of Notice stating that the Board would consider amendment of the 2021 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the CAB boundaries. No written objections were received prior to the public hearing.

Public comments were accepted, and the public hearing was closed.



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Ms. Sedgeley reviewed the 2021 Budget Amendment with the Board. Following discussion, upon a motion duly made by Director M. Hopper, seconded by Director Ferreira and, upon vote, unanimously carried, the Board adopted the Resolution to Amend the 2021 Budget.

**Public Hearing on 2022 Budget:** The Board opened the public hearing to consider the proposed 2022 Budget and to discuss related issues.

It was noted that Notice stating that the Board would consider adoption of the 2022 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.

Public comments were accepted, and the public hearing was closed.

Ms. Sedgeley revised the 2022 Budget with the Board. Following discussion, upon motion duly made by Director Ferreira, seconded by Director Shearon and, upon vote, unanimously carried, the Board approved the 2022 Budget, as discussed, and considered adoption of the Resolution to Adopt the 2022 Budget and Appropriate Sums of Money. Following discussion, upon vote unanimously carried, the Board adopted the Resolution and authorized execution of the Certification of Budget. The District Accountant was directed to transmit the Certification of Budget to the Division of Local Government no later than January 30, 2022.

**Appointment of District Accountant to prepare 2023 Budget:** Following discussion, upon a motion duly made by Director M. Sheldon, seconded by Director Ferreira and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2023 Budget.

**Audit of 2020 Financial Statements:** Ms. Sedgeley provided a status update to the Board.

**Engagement of Fiscal Focus Partners LLC to perform the 2021 Audit:** Following discussion, upon a motion duly made by Director Hopper, seconded by Director Ferreira and, upon vote, unanimously carried, the Board approved the engagement of Fiscal Focus Partners LLC to perform the 2021 Audit.

**CAB and AACMD District Engineer's Report and Verification of Costs Associated with Public Improvements (Draw No. 41) Engineer's Report and Verification of Costs No. 18 prepared by Schedio Group LLC ("Engineer's Report"):** Director M. Hopper reviewed the Engineer's Report with the Board. Following review and discussion, upon a motion duly made by Director M. Hopper, seconded by Director Sheldon and, upon vote, unanimously carried by roll call, the

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Board approved the recommendation to the CAB for acceptance of the Engineer's Report.

MANAGER  
MATTERS

**Manager's Report:** There were no items to report.

**Master Service Agreement for Accounting Services by and between the District and CLA and related statement(s) of work:** Ms. Denslow reviewed the Master Service Agreement with the Board. Following discussion, upon a motion duly made by Director Ferreira, seconded by Director Shearon and, upon vote, unanimously carried, the Board approved the Master Service Agreement for Accounting Services by and between the District and CLA, including the related statement(s) of work.

COVENANT  
ENFORCEMENT  
AND COMMUNITY  
ENGAGEMENT  
MATTERS

**Other:** None.

EXXECUTIVE  
SESSION

Not needed.

OTHER BUSINESS

None.

ADJOURNMENT

There being no further items before the Board, upon motion duly made by Director Ferreira, seconded by Director Sheldon and, upon vote, unanimously carried, the meeting was adjourned at 4:44 p.m.

Respectfully submitted,

By DocuSigned by:  
*Denise Denslow*  
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Secretary for the Meeting