

**THE AURORA HIGHLANDS COMMUNITY  
AUTHORITY BOARD (“CAB”)**

8390 East Crescent Parkway, Suite 300

Greenwood Village, CO 80111

Phone: 303-779-5710

**NOTICE OF SPECIAL MEETING AND AGENDA**

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Matt Hopper (AACMD Rep.)	President	2022/May 2022
Carla Ferreira (AACMD Rep.)	Vice President	2022/May 2022
Michael Sheldon (TAH MD Nos. 1 – 3 Rep.)	Treasurer/Asst. Secretary	2023/May 2023
VACANT	Assistant Secretary	2023/May 2023
Cynthia (Cindy) Shearon (AACMD Rep.)	Assistant Secretary	2023/May 2023
Kathleen Sheldon (ATEC 1 Rep.)	Assistant Secretary	2023/May 2023
Deanna Hopper (ATEC 2 Rep.)	Assistant Secretary	2023/May 2022
Denise Denslow	Secretary	N/A

DATE: **August 19, 2021**  
TIME: **1:00 P.M.**  
PLACE: **Information Center**  
**3900 E. 470 Beltway**  
**Aurora, CO 80019**

**THERE WILL BE ONE PERSON PRESENT AT THE ABOVE-REFERENCED  
PHYSICAL LOCATION.**

**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 CAB BOARD MEETING WILL BE HELD BY VIDEO ENABLED WEB CONFERENCE. IF YOU WOULD LIKE TO ATTEND THIS MEETING, PLEASE JOIN THE VIDEO ENABLED WEB CONFERENCE VIA ZOOM AT:**

Join Zoom Meeting

<https://zoom.us/j/91753379541?pwd=UGVjRUMyQWZUYy9XRmFIRkdYZzhUQT09>

Meeting ID: 917 5337 9541

Passcode: 204832

Or call in:

1-346-248-7799

**I. ADMINISTRATIVE MATTERS**

A. Present disclosures of potential conflicts of interest.

- B. Confirm Quorum, location of meeting and posting of meeting notices. Approve Agenda.
- C. Public Comment. Members of the public may express their views to the Board on matters that affect the CAB that are otherwise not on the agenda. Comments will be limited to three (3) minutes per person.
- D. Discuss and review Organizational Flowchart (Matrix).

## **II. CONSENT AGENDA**

Consent Agenda – These items are considered to be routine and will be ratified by one motion. There will be no separate discussion of these items unless a board member so requests; in which event, the item will be removed from the Consent Agenda and considered in the Regular Agenda.

- A. Review and consider approval of the July 15, 2021 special meeting minutes (enclosure).
- B. Review and consider adoption of Resolution 2021-08-01 regarding the Intergovernmental Agreement for the Colorado Special Districts Property and Liability Pool and approval of Intergovernmental Agreement for the Colorado Special Districts Property and Liability Pool between the CAB and the Colorado Special Districts Property and Liability Pool Insurance (enclosure).

## **III. LEGAL MATTERS**

- A. Discuss status of Waiver and Release of Reimbursement Rights among the CAB, Aurora Highlands, LLC and Homebuilders.
- B. Discuss proposed 2021 Bond issuances.
  - 1. General Report from Bond Committee.
  - 2. Discuss status of Operation and Maintenance Budget.
  - 3. Discuss status of updates to Long-Term Capital Improvement Plan.
  - 4. Discuss and consider engagement of MetroStudy, Inc. (d/b/a Zonda Intelligence) for Market Study Services.
  - 5. Discuss and consider approval of Engagement Letter by and between the CAB and Lewis Young Robertson & Burningham, Inc. for External Financial Advisory Services (to be distributed).

6. Report on status of proposed Refunding of the CAB's 2020A Bonds and Refunding of a portion of 2020B Bonds.
  - a. Discuss and consider approval of Letter Agreement by and between the CAB and D.A. Davidson & Co. for Investment Banking Services (enclosure).
  - b. Discuss and consider approval of Engagement Letter by and between the CAB and Sherman & Howard L.L.C. for Disclosure Counsel Services (to be distributed).
  - c. Discuss status of updates to Plans and Specifications by Aurora Highlands, LLC, as subordinate lender under the CAB's Series 2020B Bondholder's Agreement, dated June 30, 2020.

#### **IV. FINANCIAL MATTERS**

- A. Consider approval of payment of claims for operating costs, in the amount of \$67,868.84 (numbers based upon information available at time of preparation of Agenda, final numbers to be presented by accountant at meeting) (enclosure).
- B. Review and accept cash position report dated June 30, 2021, updated as of August 16, 2021 (enclosure).
- C. Discuss and approve processing August 2021 Series 2020A Draw.
  1. Discuss and consider approval of acceptance of CAB and District Engineer's Report and Verification of Costs Associated with Public Improvements (Draw No. 38) Engineer's Report and Verification of Costs No. 15 prepared by Schedio Group LLC (enclosure).
  2. Discuss and consider adoption of Resolution of the Board of Directors of the CAB Authorizing a Draw on August 25, 2021 of the CAB Special Tax Revenue Draw-Down Bonds, Series 2020A (enclosure).

#### **V. MANAGER MATTERS**

- A. Manager's Report.

#### **VI. COVENANT ENFORCEMENT AND COMMUNITY ENGAGEMENT MATTERS**

- A. Other.

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**VII. EXECUTIVE SESSION**

- A. Convene in executive session pursuant to Section 24-6-402(4)(e), C.R.S., to discuss matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators and receive legal advice regarding same.

**VIII. OTHER BUSINESS**

**IX. ADJOURNMENT**

**THE NEXT REGULAR MEETING IS SCHEDULED FOR SEPTEMBER 16, 2021.**

## 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 JULY 15, 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, July 15, 2021 at 1:27 p.m. at the Information Center, 3900 E. 470 Beltway, Aurora, Colorado. 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, the CAB Board meeting was held and properly noticed to be held via video enabled web conference, with Directors M. Hopper, Ferreira and Shearon attending in person at the physical meeting location. The meeting was open to the public via videoconference.

#### **Directors in Attendance Were:**

Matt Hopper (AACMD Rep.)  
Michael Sheldon (TAH MDs 1 – 3 Rep.)  
Cynthia (Cindy) Shearon (AACMD Rep.)  
Carla Ferreira (AACMD Rep.)  
Deanna Hopper (ATEC 2 Rep.)

#### **Also in Attendance Were:**

Elisabeth A. Cortese, Esq. and Jon Hoistad, Esq.; McGeady Becher P.C.  
Denise Denslow, Celeste Terrell, Anna Jones and Debra Sedgely;  
CliftonLarsonAllen LLP ("CLA")  
Kamille Curylo, Esq. and Tanya Lawless, Esq.; Kutak Rock LLP  
Arianne Myers; JHL Constructors, Inc.  
Patrick Chelin; Matrix Design Group, Inc.

#### **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 as required by Statute. No new conflicts were disclosed.

**Quorum/Confirmation of Meeting Location/Posting of Notice:** A quorum for the special meeting was confirmed. 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

## **RECORD OF PROCEEDINGS**

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meeting. Following discussion, upon motion duly made by Director Ferreira, seconded by Director M. Sheldon and, upon vote, unanimously carried, the Board determined to conduct this meeting at the above-stated location, with Directors M. Hopper, Ferreira and Shearon attending in person. Due to concerns regarding the spread of COVID-19, and the benefits to the control of the virus by limiting in-person contact, the remaining Board members and consultants attended via videoconference. The Board further noted that notice providing the time, date and video link information was duly posted and that no objections, or any requests that the means of hosting the meeting be changed by any interested person have been received.

**Agenda:** The Board considered the proposed Agenda for the CAB's special meeting.

Following discussion, upon motion duly made by Director Ferreira, seconded by Director M. Sheldon and, upon vote, unanimously carried, the Agenda was approved, and the absence of Director Kathleen Sheldon was excused.

**Public Comment:** There was no public comment.

### **CONSENT AGENDA**

The Board considered the following actions:

#### **Review and consider approval of June 17, 2021 special meeting minutes:**

Following discussion, 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:** Attorney Hoistad reported there was no update with regard to Waivers and Releases. No action was taken by the Board.

**Resolution of the Board of Directors of the CAB Suspending Operations of the Community-Wide Architectural Review Committee:** The Board discussed the function of the Community-Wide Architectural Review Committee and the required composition of the Committee under the Declaration. The Board deferred action on this matter.

**Letter of Acknowledgement from Aurora Highlands, LLC as Declarant under the Master Declaration of Covenants, Conditions and Restrictions for The Aurora Highlands regarding Suspension of Operations of the Community-Wide Architectural Review Committee and Enforcement of the Design Guidelines:** The Board deferred action on this matter.

**Letter Advising City of Aurora of the Suspension of Operations of the Community-Wide Architectural Review Committee and Enforcement of the**

## **RECORD OF PROCEEDINGS**

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**Design Guidelines:** The Board deferred action on this matter.

### **2021 Bond Issuance:**

**Engagement Letter by and between the CAB and Kutak Rock LLP as Bond Counsel for the issuance of the CAB's proposed Series 2021 Bonds:** Attorney Hoistad reviewed the Engagement Letter 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 Board approved the Engagement Letter by and between the CAB and Kutak Rock LLP as Bond Counsel for the issuance of the CAB's proposed Series 2021 Bonds.

**Update from the Committee regarding Recommendation for Engagement of Various Consultants:** The appointed committee (Directors M. Hopper and M. Sheldon) discussed their review of the proposals for External Financial Advisor and Underwriter. Following discussion, upon a motion duly made by Director M. Hopper, seconded by Director M. Sheldon and, upon vote, unanimously carried, the Board approved the engagement of Lewis Young Robertson & Burningham, Inc. as External Financial Advisor and Jefferies LLC as Underwriter.

**Joint Resolution of the Boards of Directors of the CAB and Aerotropolis Area Coordinating Metropolitan District ("District") Appropriating, Encumbering and Committing Funds for Earthwork Project:** Following review and discussion, upon a motion duly made by Director Ferreira, seconded by Director M. Sheldon and, upon vote, unanimously carried, the Board adopted the Joint Resolution of the Boards of Directors of the CAB and District Appropriating, Encumbering and Committing Funds for Earthwork Project.

### **FINANCIAL MATTERS**

**Lender Funding Request and Claims for Operating Costs in the Amount of \$60,565.16:** Ms. Sedgeley reviewed the Lender funding request with the Board. Following review and discussion, upon a motion duly made by Director Ferreira, seconded by Director M. Sheldon 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 \$60,565.16.

**Cash Position Report dated April 30, 2021, updated as of July 7, 2021:** Ms. Sedgeley reviewed the Cash Position Report with the Board. Following discussion, upon a motion duly made by Director Ferreira, seconded by Director M. Sheldon and, upon vote, unanimously carried by roll call, the Board accepted the Cash Position Report dated April 30, 2021, updated as of July 7, 2021 subject to incorporation of the revision requested by Director Ferreira.

## **RECORD OF PROCEEDINGS**

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### **July 2021 Series 2020A Draw:**

**CAB and District Engineer's Report and Verification of Costs Associated with Public Improvements (Draw No. 37), Engineer's Report and Verification of Costs No. 14, prepared by Schedio Group LLC ("Engineer's Report"):** Ms. Sedgeley reviewed the Engineer's Report with the Board. Following review and discussion, upon a motion duly made by Director M. Hopper, seconded by Director M. Sheldon and, upon vote, unanimously carried by roll call, the Board approved acceptance of the Engineer's Report.

**Resolution of the Board of Directors of the CAB Authorizing a Draw on July 21, 2021 of the CAB Special Tax Revenue Draw-Down Bonds, Series 2020A:** Ms. Sedgeley reviewed the Resolution with the Board. Following discussion, upon a motion duly made by Director Ferreira, seconded by Director D. Hopper and, upon vote, unanimously carried by roll call, the Board adopted the Resolution of the Board of Directors of the CAB Authorizing a Draw on July 21, 2021 of the CAB Special Tax Revenue Draw-Down Bonds, Series 2020A.

**Status of 2020 Audit and Authorization to File Request for Extension of Time to File Audit for Year-End December 31, 2020:** Ms. Sedgeley reviewed the status of the 2020 Audit 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 authorized the filing of a Request for Extension of Time to File Audit for Year-End December 31, 2020.

### **MANAGER MATTERS**

**Manager's Report:** Ms. Denslow informed the Board that there are now 32 occupied residences.

### **COVENANT ENFORCEMENT & COMMUNITY ENGAGEMENT MATTERS**

None.

### **EXECUTIVE SESSION**

It was determined that an executive session was not necessary.

### **OTHER BUSINESS**

None.



## **RECORD OF PROCEEDINGS**

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### **ADJOURNMENT**

There being no further business to come before the Board at this time, upon a motion duly made by Director Ferreira, seconded by Director M. Sheldon and, upon vote, unanimously carried, the meeting was adjourned at 1:54 p.m.

Respectfully submitted,

By \_\_\_\_\_  
Secretary for the Meeting

Administration

**McGriff, Seibels & Williams**

P.O. Box 1539

Portland OR 97207

Phone: (800) 318-8870

Fax: (503) 943-6622

**INSTRUCTIONS AND CHECKLIST**  
**FOR THE PROPER EXECUTION OF**  
**THE RESOLUTION AND INTERGOVERNMENTAL AGREEMENT (IGA)**

- \_\_\_ Please use the provided copies of the Resolution and IGA without alteration. When changes are warranted by the district please submit them prior to signing for review and acceptance by the Pool Board of Directors.
- \_\_\_ The board Chairman/President of the district must sign both the Resolution and IGA.
- \_\_\_ The board's Secretary or other board member must attest to the President's signature on both the Resolution and IGA. If attestment is not by the Secretary please indicate individual's title in the district.
- \_\_\_ Enter the current date on both the Resolution and IGA signature pages.
- \_\_\_ Enter the coverages and the effective dates on the second page of the Resolution. Subsequent renewal coverages or additions will be automatically recognized in the agreement.
- \_\_\_ Each district must designate on the Resolution specific individuals (not necessarily board members) to be the Primary and Alternative Pool Representatives. These may not be a company, and one person may not be both the Primary and Alternative Representative.
- \_\_\_ Please enter a current email and mailing address for the Primary and Alternative Representatives. You may specify the individual's mailing address as being in care of a company.
- \_\_\_ Groups of related districts must each provide separate signed documents if each is a separate legal entity. Each legal entity will have their own separate policy in the Pool.
- \_\_\_ Please indicate adoption of the Resolution by two Directors on Page 2 of the Resolution.
- \_\_\_ A copy of the Resolution and one original IGA document must be returned to McGriff, Seibels & Williams, the Pool Administrators. If the district wishes to retain an original copy please have duplicate originals signed at the same time.

**PLEASE NOTE IT IS IMPORTANT THAT CURRENT REPRESENTATIVE**  
**AND/OR ALTERNATE INFORMATION BE MAINTAINED WITH THE**  
**POOL ADMINISTRATOR. WE REQUEST ANY CHANGES BE SUBMITTED**  
**IN WRITING AS SOON AS POSSIBLE.**

## RESOLUTION NO. \_\_\_\_\_

WHEREAS, the Board of Directors of The Aurora Highlands Community Authority Board (hereafter referred to as "the District") has authority under Article XIV, Section 18(2)(a) of the Colorado Constitution, and Sections 24-10-115.5, 29-13-102, and 29-1-201, et seq., Colorado Revised Statutes, as amended, to participate in a self-

insurance pool for property and liability and/or workers' compensation coverages:

WHEREAS, the Board of Directors has reviewed a contract to cooperate with other Colorado Special Districts by participating in a self-insurance pool for property and liability coverages entitled "Intergovernmental Agreement for the Colorado Special Districts Property and Liability Pool", a copy of which is attached hereto as Exhibit A and incorporated into this Resolution: and,

WHEREAS, the Board of Directors finds that participation in such a pool would be in the best interest of the District, its employees, and its taxpayers:

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the District hereby:

1. Approves the contract entitled Intergovernmental Agreement for the Colorado Special Districts Property and Liability Pool, a copy of which is attached hereto as Exhibit A and incorporated into this Resolution by this reference.
2. Authorizes and directs the Chairman of the Board of Directors and President of the District to execute Exhibit A on behalf of the District.
3. Directs the Secretary of the Board of Directors to transmit to the Colorado Special Districts Property and Liability Pool (hereafter referred to as "Pool"), McGriff, Seibels & Williams, PO Box 1539, Portland, OR 97207-1539, an executed and attested copy of this Resolution and one original of Exhibit A.
4. Designates Matt Urkoski as District's initial Representative to the Pool and designates Joan Colby as the District's Alternative Representative.
5. Representative Email Address: 8390 E. Crescent Pkwy Suite 300 Greenwood Village,  
Representative Mailing Address: 8390 E. Crescent Pkwy Suite 300 Greenwood Village,

Alternate Representative Email Address: Matt.Urkoski@claconnect.com

Alternate Representative Mailing Address: Joan.Colby @claconnect.com

6. Understands that, with the adoption of this Resolution, the District becomes a member of the Pool, with coverage to be provided by or through the Pool on such date as determined by the District and Pool. The District hereby requests, unless other dates are later designated by the District, that coverage should begin on the following dates for the following type of coverage:

<u>Date</u>	<u>Coverage</u>
1-1-2021	Workers' Compensation
	Property
1-1-2021	General Liability
	Automobile
1-1-2021	Public Officials Liability
	Inland Marine
	Equipment Breakdown / Boiler & Machinery
1-1-2021	Comprehensive Crime

Director moved the adoption of the above Resolution.

Director \_\_\_\_\_ seconded the adoption of the above Resolution.

This Resolution was adopted by a majority vote of the Board of Directors of the District on the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

Chairman of the Board and  
President of the District

ATTEST:

Secretary of the Board

**INTERGOVERNMENTAL AGREEMENT FOR THE  
COLORADO SPECIAL DISTRICTS  
PROPERTY AND LIABILITY POOL**

As Amended  
SEPTEMBER 16, 2020

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## INTERGOVERNMENTAL AGREEMENT FOR THE COLORADO SPECIAL DISTRICTS PROPERTY AND LIABILITY POOL

### **ARTICLE 1. Definitions**

As used in this Pool Agreement, the following terms shall have the meaning hereinafter set out:

- 1.1 **BOARD**: Board of Directors of the Pool.
- 1.2 **CLAIM YEAR**: Any twelve consecutive month period established by the Board. The "initial" claim year is the first claim year established for the Pool.
- 1.3 **DIRECTOR**: A person serving on the Board.
- 1.4 **MEMBER**: A Special District which enters into this Pool Agreement. An "initial" member of the Pool is a member which obtains coverage through the Pool during the initial claim year.
- 1.5 **MEMBER REPRESENTATIVE**: That person who is an elected official, employee, or other person designated in writing by a Member as its representative or alternate to the Pool.
- 1.6 **POOL**: The Colorado Special Districts Property and Liability Pool established pursuant to the Constitution and the statutes of this state by this Pool Agreement.
- 1.7 **POOL AGREEMENT**: This Intergovernmental Agreement for the Colorado Special Districts Property and Liability Pool.
- 1.8 **PUBLIC ENTITY**: A public entity pursuant to Section 24-10-103(5), C.R.S., as amended, and that is formed by this Pool Agreement by Member Special Districts as a separate and independent governmental and legal entity pursuant to the provisions of Article XIV, Section 18(2) of the Colorado Constitution and Sections 29-1-201 et. seq., 8-44-101(1)(C) and (3), 8-44-204, 24-10-115.5, and 29-13-102, C.R.S., as amended.
- 1.9 **SPECIAL DISTRICT**: A political subdivision of the State of Colorado that is a unit of local government pursuant to Article 13, Title 29, C.R.S., as amended, that is a public entity pursuant to Section 24-10-103(5), C.R.S., as amended, and that is eligible for membership in the Special District Association of Colorado according to the Association's bylaws as amended and in effect from time to time. "Special District" also includes any separate entity created by intergovernmental agreement authorized by Part 2, Article 1, Title 29, C.R.S., as amended, if at least one of the contracting entities is a special district and if all of the contracting entities are units of a local government pursuant to Article 13, Title 29, C.R.S., as amended, and are public entities pursuant to Section 24-10-103(5), C.R.S., as

amended.

- 1.10 SDA BOARD: The Board of Directors of the Special District Association of Colorado.

## **ARTICLE 2. Creation of Pool**

- 2.1 The Colorado Special Districts Property and Liability Pool is hereby formed by this Pool Agreement by Member Special Districts as a separate and independent governmental and legal entity pursuant to the provisions of Article XIV, Section 18(2) of the Colorado Constitution and Sections 29-1-201 et. seq., 8-44-101(1)(C) and (3), 8-44-204, 24-10-115.5, and 29-13-102, C.R.S., as amended.
- 2.2 Each Special District entering into this Pool Agreement has the power under Colorado law to make provision for the property and liability coverages, workers' compensation benefits, and risk management, claims handling, and other functions and services which constitute the specific functions and services jointly provided by means of the Pool.

## **ARTICLE 3. Purposes**

- 3.1 The purposes of the Pool are to provide defined property, liability, workers' compensation and associated coverages, and claims and risk management services related thereto, for Member Special Districts through a self-insurance pool.
- 3.2 It is the intent of the Members to use Member contributions to defend and indemnify, in accordance with this Pool Agreement, any Member against stated liability or loss to the extent of the coverage provided by or through the Pool.
- 3.3 All income and assets of the Pool shall be at all times dedicated to the exclusive benefit of its Members.

## **ARTICLE 4. Non-Waiver of Governmental or Other Immunity**

- 4.1 All Pool money, plus earned interest, is money derived from its Members which consist solely of Special Districts and a Public Entity within the State of Colorado. It is the intent of the Members and the Public Entity that, by entering into this Pool Agreement, they do not waive and are not waiving any immunity provided by any law to the Public Entity, Members or their public employees, as defined in Section 24-10-103(4), C.R.S., as amended.

## **ARTICLE 5. Participation**

- 5.1 The Board shall have the authority to limit the Members of the Pool to those Colorado Special Districts which are members of the Special District Association of Colorado and which properly enter into and adopt this Pool Agreement.



- 5.2 New Members, including special districts which have previously withdrawn or been expelled from the Pool, shall be admitted only upon approval by the Board, subject to the payment of such sums and under such conditions as the Board in each case or from time-to-time establishes.
- 5.3 A Member may participate in the Pool for either or both of the following purposes:
1. The property and liability coverages authorized by Sections 24-10-115.5 and 29-13-102, C.R.S., as amended, and risk management, claims handling and other functions and services related to such coverages;
  2. The workers' compensation coverages authorized by Sections 8-44-101(1)(C) and (3) and 8-44-204, C.R.S., as amended, and risk management, claims handling, and other functions and services related to such coverages.
- 5.4 A Member who is participating in the Pool for one of the purposes set forth in Paragraph 5.3 may be authorized to participate in the Pool for the other of those purposes upon further compliance, as necessary, with Paragraph 5.1 and approval of the Board, subject to the payment of such sums and under such conditions as the Board in each case or from time-to-time establishes.
- 5.5 Upon a vote of the Directors, the Board shall have the authority to approve a Public Entity to participate in the Pool for one of the purposes set forth in Paragraph 5.3. If a Public Entity is allowed to participate in the Pool, the Board must adopt rules, pursuant to Subparagraph 14 of Paragraph 8.2, to ensure that participation by the Public Entity will not interfere or conflict with the Board's obligations to its Members or impair the financial condition of the Pool. The Board shall also have the authority, upon a vote of the Directors, to remove the Public Entity from participation in the Pool. A Public Entity approved by the Board to participate in the Pool is not a Member, does not have powers of a Member under Article 9, and may not request binding arbitration under Paragraph 16.11.

#### **ARTICLE 6. Board of Directors and Officers**

- 6.1 The Pool Board of Directors shall be composed of nine persons to be appointed by the SDA Board. Directors shall be appointed from among the Member Representatives, each from a different Member. At least one (1) Pool Director shall be appointed by the SDA Board from among the SDA directors. Pool Directors who are not SDA directors shall be appointed by the SDA Board from nominations received from Members. In no event may more than three Pool Directors be appointed from any one of the following types of special districts: Ambulance, Fire, Metropolitan, Park and Recreation, Sanitation, Water, Water and Sanitation, Hospital, or Library Districts. Nominations from the Members shall be submitted to the SDA Board at such time as the SDA Board may provide, and any nomination must be approved by the Board of Directors of the Member submitting the

nomination.

- 6.2 The Executive Director of the SDA shall serve as an ex-officio, non-voting Director on the Board. Additionally, an employee of the SDA, as designated by the Executive Director of the SDA, shall serve as a non-voting Director on the Board in the role of Pool Liaison, to act as an intermediary between the Pool Board and its vendors for the purpose of coordinating services.
- 6.3 Terms of the Directors shall be two-year, overlapping terms or until their successors have been appointed, except as provided herein. The term of office shall begin on a January 1, and end at midnight on a December 31, except that the Directors appointed to the first Board following the formation of the Pool shall begin their term prior to a January 1 if the SDA Board so directs. Directors may serve successive terms. The SDA Board shall appoint to the first Board following formation of the Pool, three Directors to serve one-year terms and four Directors to serve two year terms, with the successors of each appointed for two-year terms. Of the two additional persons to be appointed to the Board upon expansion of the Board from seven to nine persons, one shall be appointed to serve a one-year term and one shall be appointed to serve a two-year term, with the successors of each appointed for two-year terms; the terms of office of the two additional persons initially appointed may begin prior to a January 1 if the SDA Board so directs.
- 6.4 The officers of the Pool shall be: president, one or more vice presidents, secretary, one or more assistant secretaries, and comptroller. The officers shall be elected annually by and from among the Directors at the first meeting of the Board following each December 31.
- 6.5 A vacancy shall occur on the Board when a Director:
  1. Submits a written resignation to the Board;
  2. Dies;
  3. Ceases to be a Member Representative;
  4. Fails to attend three consecutive regular meetings of the Board without the Board having entered upon its minutes an approval for an additional absence or absences, except that such additional absence or absences shall be excused for temporary mental or physical disability or illness; or
  5. Is convicted of a felony.
- 6.6 A change in which Member has designated a Director as its Member Representative, including alternates, does not cause a vacancy on the Board unless the change causes there to be more than three Directors appointed from the types of special districts listed in Paragraph 6.1.

- 6.7 Any vacancy on the Board shall be filled by appointment by the SDA Board for the unexpired portion of the term.

#### **ARTICLE 7. Meetings of the Board of Directors**

- 7.1 The Board may set a time and place for regular meetings which may be held without further notice. The Members shall be notified of the time and place set for regular meetings.
- 7.2 Special meetings may be called by the President or by a majority of the Directors by mailing written notice at least ten (10) days in advance to all Directors or by unanimously executed waiver of notice.
- 7.3 Five Directors shall constitute a quorum to do business. All acts of the Board shall require approval of a majority of the Directors present, except as otherwise specifically provided in this Pool Agreement.
- 7.4 One or more or all Directors may participate in any meeting of the Board by means of a conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence at the meeting.
- 7.5 Any action of the Board may be taken without a meeting if a consent in writing setting forth the action so taken is signed by all Directors appointed to the Board. Such consent shall have the same effect as a unanimous vote. The consent may be executed in counterparts.

#### **ARTICLE 8. Powers and Duties of the Board of Directors**

- 8.1 The business and affairs of the Pool shall be managed by the Board which shall exercise all the authority and powers and discharge all the duties of the Pool, except as is otherwise provided in this Pool Agreement.
- 8.2 In addition to all other powers of the Board set out in this Pool Agreement, the Board shall have the power to:
1. Exercise all powers necessary to carry out the purposes of the Pool.
  2. Retain agents, independent contractors and employees necessary to administer and achieve the purposes of the Pool, including, but not limited to, attorneys, accountants, investigators, experts, consultants, and others.
  3. Purchase, sell, encumber, and lease real property, and purchase, sell, encumber or lease equipment, machinery, and personal property.

4. Invest money as allowed for the Pool by Colorado statutes or by lawful regulations adopted pursuant to Colorado statutes, as from time-to-time amended.
  5. Purchase excess insurance, stop-loss insurance, and reinsurance as the Board deems prudent.
  6. Adopt and adjust the coverages provided through the Pool.
  7. Adopt and adjust contributions to the Pool.
  8. Enter into contracts including, but not limited to, contracts for risk management, claim adjustment, and brokerage services.
  9. Reimburse Directors for reasonable and approved expenses, including expenses incurred in attending Board meetings, and pay compensation to each Director for his or her services in a sum not to exceed the maximum sum which may by statute be paid as compensation for services of directors on Colorado special district boards of directors.
  10. Purchase fidelity bonds from an insurance company approved by the Insurance Commissioner of the State of Colorado to do business in Colorado.
  11. Establish reasonable and necessary loss reduction, prevention and risk management policies and procedures to be followed by the Members.
  12. Appoint committees from time to time as the Board considers desirable.
  13. Provide for claims and loss control procedures, and establish conditions to be met prior to the payment or defense of claims.
  14. Establish rules governing its own conduct and procedure, and the authority of its officers, not inconsistent with this Pool Agreement.
  15. Approve attorneys or firms of attorneys to represent Members in claims covered through the Pool.
  16. Delegate in writing fiduciary responsibilities or ministerial powers and duties to individual Directors or committees of the Board or to such agents, employees, and independent contractors as the Board considers desirable.
- 8.3 In addition to all other duties of the Board set out in this Pool Agreement, the Board shall have the duty to:

1. Have an audit of the financial affairs of the Pool be made annually by a certified public accountant in accordance with applicable laws and regulations, and provide a copy thereof to each Member.
2. Select a qualified actuary to conduct periodic reviews of the Pool's funds and any reviews required by the Insurance Commissioner of Colorado, and make recommendations to the Board based on such reviews.
3. Designate one or more persons or entities to administer the Pool.
4. Adopt a budget annually and report the budget to the Members.
5. Three persons shall be appointed annually to an expulsion committee to serve until January 1 of the year following the appointment. One person, to be appointed by the Board, shall be a director on the board, one person, to be appointed by the Board, shall be a representative of the person(s) or entity(ies) providing general administrative services to the Pool, and one person, to be appointed by the SDA Board, shall be a member of the SDA Board.

#### **ARTICLE 9. Members' Powers and Meetings**

##### **9.1 The Members shall have the power to:**

- a. Amend the Pool Agreement by a two thirds (2/3) vote of the Members present at a meeting. Written notice of any proposed amendment shall be provided to each Member at least forty-five (45) days in advance of any vote on the amendment.
- b. Dissolve the Pool and disburse its assets by a two thirds (2/3) vote of the Members present at a meeting, pursuant to such notice and in keeping with such procedure as shall be established by the Board, and upon which question proxy voting shall not be allowed. Notice of the dissolution and plan for disbursement of assets and payment of the remaining obligations of the Pool shall be mailed to the Insurance Commissioner of Colorado at least ninety (90) days prior to the effective date of the dissolution. The plan for disbursement of assets and payment of the remaining obligations of the Pool shall not take effect until approved by the Insurance Commissioner of Colorado. Upon dissolution of the Pool, the assets of the Pool not used or needed for the purposes of the Pool, as determined by the Board and subject to approval by the Insurance Commissioner of Colorado, shall be distributed exclusively to Special Districts which are members of the Pool prior to dissolution to be used for one or more public purposes.

##### **9.2 Meetings of the Members shall be held as follows:**

- a. Members shall meet at least once annually at a time and place to be set by the Board,

with notice mailed to each Member at least thirty (30) days in advance.

- b. Special meetings may be called by the Board upon its own motion and shall be called by the Board upon written request of thirty (30) percent of the Members, with notice mailed to each Member at least thirty (30) days in advance.
- c. The president of the Pool shall preside at the meetings; a vice president of the Pool shall preside in the absence of the president.
- d. Twenty (20) percent of the Members shall constitute a quorum to do business.
- e. Except for action to dissolve the Pool, proxy voting shall be allowed, pursuant to such procedures as the Board may determine.
- f. Each Member shall be entitled to one vote on each issue, to be cast by its Member Representative. No Director may cast a vote for a Member under Article 9.
- g. Notwithstanding any other provision of the Pool Agreement, any amendment to the Pool Agreement, except an amendment relating to dissolution of the Pool, may be adopted without a meeting if an approval in writing, setting forth the amendment approved, is signed by the Member Representatives of at least two thirds (2/3) of the Members. The approval may be executed in counterparts.

#### **ARTICLE 10. Obligations of Members**

10.1 Each Member and any Public Entity participating in the Pool shall have the obligation to:

- a. Pay all contributions or other payments to the Pool at such times and in such amounts as shall be established by the Board. Any delinquent payments shall be paid with interest pursuant to a policy established by the Board and uniformly applied.
- b. Designate in writing, a Member Representative and one or more alternates for the Members' meetings. The Representative and any alternate shall be an elected official, employee, or other designee of the Member, and may be changed from time-to-time. Any alternate may exercise all the powers of the Representative during a Member meeting in the absence of the Member Representative. No Public Entity Member may have a Member Representative or any alternates.
- c. Allow the Pool and its agents, contractors, employees and officers reasonable access to all facilities and records of the Member as required for the administration of the Pool.
- d. Cooperate fully with the Pool and all agents, contractors, employees and officers

thereof in matters relating to the Pool.

- e. Provide information requested by the Pool, and all agents, contractors, employees, and officers thereof, as reasonably required for the administration of the Pool.
- f. Allow the Pool to make decisions regarding, and to designate attorneys to represent the Member in, the investigation, settlement and litigation of any claim within the scope of coverage furnished through the Pool.
- g. Comply with the claims, loss reduction, prevention and risk management policies and procedures established by the Board.
- h. Promptly report to the Pool all incidents or occurrences which could reasonably be expected to result in the Pool being required to consider a claim, in any form required by the Board and in compliance with any applicable excess insurance or reinsurance.
- i. Promptly report to the Pool the addition of new programs and facilities or the significant reduction or expansion of existing programs and facilities or other acts, as directed by the Board and in compliance with any applicable excess insurance or reinsurance.

#### **ARTICLE 11. Contributions**

- 11.1 The Board shall establish Member and Public Entity contributions pursuant to guidelines established by the Board from time-to-time. The contributions may include an annual contribution and any additional contributions at such times and in such amounts as the Board deems necessary to insure the solvency and avoid impairment of the Pool or which the Board otherwise deems beneficial to protect the financial condition of the Pool. The Board may provide for disbursement of non-surplus credit balances which are, pursuant to guidelines adopted by the Board from time to time, due a Member, and such disbursements shall not be subject to the provisions of Paragraphs 11.2 or 15.1.
- 11.2 Any excess funds which the Board determines are not needed for the purposes of the Pool, may be distributed among the Members and former Members, subject to Paragraph 15.1, pursuant to the following:
  - 1. Any such distribution may be in the form of credits against future contributions or in the form of payments, or a combination thereof, as the Board may determine.
  - 2. Money distributed for any claim year shall be distributed only to those Members and former Members which were Members during that claim year and shall be distributed in order of claim year contribution, with Members and former Members of the initial claim year to receive the initial credits.

3. The amount which may be distributed for any claim year shall be established by the Board which shall have discretion as to the amount and timing of any distribution. That amount may not exceed the net sum of (i) the net income of the Pool for that claim year less (ii) the portion of the Pool's net income which equals the amount of the excess loss reserve of the claim year prior to the claim year (which is subject to the distribution) which was taken into income in that claim year plus (iii) the excess loss reserve for the claim year which is subject to the distribution.
  4. For the purpose of this Paragraph 11.2, the term "excess loss reserves" means the amount by which the amounts credited to loss reserves and charged to operating expenses in any claim year exceed the actual losses (including loss adjustment expenses) for that claim year.
  5. The amount established by the Board for a claim year pursuant to Subparagraph 3 of this Paragraph 11.2, shall be distributed among each Member and former Member which was a Member during that claim year based on the ratio which each Member's and former Member's contribution (excluding any surplus contribution) for the claim year bears to the total contributions (excluding surplus contributions) for the claim year and less the contributions of former Members which are not eligible for a distribution pursuant to Paragraph 15.1.
  6. Excess surplus funds contributed by Members and former Members may be distributed only among such contributing Members or former Members, subject to the five year membership requirement of Paragraph 15.1. The Board has discretion to determine, from time to time, the amount and timing of any distribution of such funds. The amount established by the Board shall be distributed among each Member and eligible former Member based on the ratio which each Member's and former Member's surplus contribution bears to the total amount of surplus funds contributed to the Pool by Members and former Members.
  7. No distribution of excess funds, including excess surplus funds contributed by Members, shall be made to any Member or former Member which owes any amount to the Pool until the amount so owed is paid, and any amount so owed may be deducted from the distribution to the Member or former Member.
  8. No distribution of excess funds, including excess surplus funds contributed by Members, shall cause the Pool to become impaired or insolvent.
- 11.3 The total amount of surplus shall be determined by the Board from time-to-time, but in no event shall be less than that required by the Insurance Commissioner of Colorado, and the Board may require all Members to make additional contributions to surplus as the Board deem necessary, or the Insurance Commissioner of Colorado may require.



- 11.4 The Pool shall account separately for contributions made for the property and liability coverages authorized by Sections 24-10-115.5 and 29-13-102, C.R.S., as amended, and for contributions made for the workers' compensation coverage authorized by Sections 8-44-101(1)(C) and (3) and 8-44-204, C.R.S., as amended.
- 11.5 Notwithstanding any provision of this Agreement to the contrary, the Pool Board may establish from any contributions or other assets of the Pool the initial minimum surplus for workers' compensation coverage required by the Insurance Commissioner of Colorado; provided that contributions or other assets derived from coverages other than workers' compensation shall not be used to establish such minimum surplus unless and until the Board first determines that workers' compensation contributions are or will be insufficient to fund such surplus in the amounts and within the time required by the Insurance Commissioner of Colorado; and provided further, that such minimum surplus shall be established from contributions for workers' compensation coverage as soon as the Board determines practicable consistent with ensuring the solvency and avoiding the impairment of the Pool. The Board may issue subordinated debt to establish such minimum surplus consistent with applicable requirements of the Insurance Commissioner of Colorado.
- 11.6 The Pool shall repay the Special District Association of Colorado for its ongoing services to the Pool, provided subsequent to the creation of the Pool, within such time and in such amount as the SDA Board and Pool Board may agree.

## **ARTICLE 12. Liability of Directors, Officers and Employees**

- 12.1 No Director, officer, committee member, Pool Liaison, or employee of the Pool shall be personally liable for any acts performed or omitted in good faith. The Pool shall indemnify each Director, officer, committee member, Pool Liaison, and employee of the Pool against any and all expense including attorney fees and liability expenses sustained by them, or any of them in connection with any suit or suits which may be brought against them involving or pertaining to any of their acts or duties performed for this Pool or omitted in good faith. This provision shall not be deemed to prevent compromises of any such litigation where the compromise is deemed advisable in order to prevent greater expense or cost in the defense or prosecution of such litigation.
- 12.2 The Pool shall obtain a fidelity bond or other bond to guarantee the faithful performance of each Director's, officer's Pool Liaison's, and employee's duties hereunder, and shall make reasonable effort to obtain errors and omissions coverage for each Director, officer, committee member, Pool Liaison, and employee of the Pool. The Pool shall obtain bonds for all Directors, officers, committee members, Pool Liaison, and employees who handle or have access to Pool funds, in an amount which the Board deems appropriate but no less than the minimum amount deemed necessary by the Insurance Commissioner of Colorado.

### **ARTICLE 13. Withdrawal of Members**

- 13.1 Any Member may withdraw from the Pool by giving written notice to the Board of its intent to withdraw at least sixty (60) days prior to the Member's coverage renewal date. A Member which has different renewal dates for different coverages must give such written notice at least sixty (60) days prior to the first renewal date following any January 1. Unless a different date is agreed to by the Board and the Member, the withdrawal shall be effective on the Member's coverage renewal date but, if the Member has different renewal dates for different coverages, the withdrawal shall be effective the latest renewal date following the written notice of withdrawal. After the notice of withdrawal is given, no coverage will be renewed but all coverages will remain in effect only until their respective expiration dates.
- 13.2 Except as otherwise provided in this Paragraph, any Member which dissolves or which is consolidated with another Special District shall be considered a withdrawn Member with the same rights and obligations under this agreement as any other withdrawn Member, such withdrawal to be effective on the date of dissolution or consolidation, as the case may be. Notwithstanding Paragraph 15.1 and under the following circumstances only, a Special District shall receive the credits against its future contributions to the Pool otherwise allocable to a dissolved or consolidated Member pursuant to Paragraph 11.2:
1. If the Special District was formed by a consolidation which included such a Member, the Special District assumed all rights of that Member under this agreement, and the Special District is a Member no later than one year after the effective date of the consolidation; or,
  2. If the Special District assumed all rights of a dissolved Member under this agreement, and the Special District is a Member no later than one year after the effective date of the dissolution.

A Special District entitled to receive such credits of a dissolved or consolidated Member shall not be obligated for any liabilities to the Pool of the dissolved or consolidated Member in excess of the amount of such credits.

### **ARTICLE 14. Expulsion of Members**

- 14.1 A Member which fails to make a contribution or other payment due to the Pool shall be automatically expelled from the Pool on the sixtieth (60) day following the due date, unless time for payment is extended by the Board and payment is made within any extended period. A notice of failure to make a contribution or other payment due to the Pool shall be mailed to the Member at least thirty (30) days prior to the date of automatic expulsion. If payment is not made within any extended period, the automatic expulsion shall occur on a date, no later than twenty (20) days after the last day of the extended period, set by the Board. An expulsion under this Paragraph 14.1 shall not be subject to the provisions of Paragraph 14.2.

- 14.2 A Member may be expelled by the Board for failure to carry out any other obligation of the Member, or for failure to maintain its membership in the Special District Association of Colorado if such membership was required by the Board at the time the Member was admitted to the Pool, subject to the following:
1. The Member shall receive notice from the Board of the alleged failure and not less than thirty (30) days in which to cure the alleged failure, along with notice that expulsion may result if the failure is not so cured.
  2. The Member shall receive at least thirty (30) days prior notice from the Board, of the date, place and time when the Board will consider expelling the Member from the Pool, and the Member shall be entitled to be present at that meeting and to present evidence and reasons why it should not be expelled. The decision of the Board shall be effective as of the date and upon the terms and conditions set forth in the Pool Agreement and applicable excess or reinsurance policies and otherwise specified by the Board, except as provided in Subparagraph 3 of this Paragraph 14.2.
  3. The Member may appeal the Board's decision to the expulsion committee, which shall schedule a hearing thereon. The Member and the Board shall be provided at least ten (10) days prior written notice of the date, time and place of the hearing. The appealing Member shall be entitled to be present at that hearing and to present evidence and reasons why it should not be expelled and the Board may present evidence and reasons why expulsion is proper. The decision of the expulsion committee shall be final and any expulsion effective as of the date and upon the terms and conditions set forth in the Pool Agreement and applicable excess or reinsurance policies, and otherwise specified by the Board.

#### **ARTICLE 15. Effect of Withdrawal or Expulsion**

- 15.1 No withdrawn or expelled Member shall be entitled to any reimbursement of contributions or distribution or excess funds, including excess surplus funds contributed by Members, unless the Member was a Member for at least five consecutive years.
- 15.2 A withdrawn or expelled Member shall remain obligated for all amounts owing at the time of withdrawal or expulsion for the years during which the member was an active member of the Pool and for all amounts which thereafter become owing for such years pursuant to the Pool Agreement and any other Pool documents which are in effect at the time of withdrawal.
- 15.3 A withdrawn or expelled Member shall be considered a Member of the Pool for the purpose of payment of the Member's claims and expenses related thereto which remain covered under the terms of coverage existing at the time of withdrawal. A withdrawn or expelled

Member shall remain subject to all conditions of coverage and obligations of a Member which are in effect at the time of withdrawal. A withdrawn or expelled Member shall have no right to vote on any matter pending before the Pool membership.

- 15.4 No withdrawn or expelled Member may be adversely affected by any change in the Pool Agreement or other Pool documents adopted subsequent to the effective date of the Member's withdrawal or expulsion.
- 15.5 Unless disapproved by an affected excess carrier or reinsurer, the Pool shall offer a withdrawing or expelled Member, no later than forty-five (45) days after the expulsion or Board's receipt of the written notice of withdrawal, at least twenty-four (24) months extended reporting period on any claims-made coverage provided through the Pool, at a cost reasonably calculated by the Board and subject to any contracts existing at the time of withdrawal or expulsion.

#### **ARTICLE 16. Miscellaneous**

- 16.1 This document constitutes an intergovernmental agreement among those Special Districts which become Members of the Pool. The terms of this agreement may be enforced in court by the Pool or by any of its Members. The consideration for the duties herewith imposed on the Members to take certain actions and to refrain from certain other actions shall be based upon the mutual promises and agreements of the Members set forth herein.
- 16.2 A certified or attested copy of the resolution of approval for each Member shall be attached to the Member's Pool Agreement on file with the Pool.
- 16.3 Except to the extent of the limited financial contributions to the Pool agreed to herein or such additional obligations as may come about through amendments to this Pool Agreement, the contracting parties intend in the creation of the Pool to establish an organization to operate only within the scope herein set out and have not otherwise created as between Member and Member any relationship of surety, indemnification or responsibility for the debts of or claims against any other Member.
- 16.4 The provisions of this Pool Agreement and of the other documents referred to herein, and the assets of the Pool, are for the benefit of the Members of the Pool only, and no other persons or entities shall have any rights or interest in this Pool Agreement or in any of the other documents referred to herein, or in any such assets, as a third party beneficiary or otherwise. The assets of the Pool shall not be subject to attachment, garnishment, or any equitable proceeding.
- 16.5 It is the intention of the Members that the Pool and any income of the Pool not be subject to taxation, and the Members shall cooperate in such respects, including amending this Pool Agreement, as reasonably necessary to establish and maintain the non-taxable status of the Pool.

- 16.6 The Insurance Commissioner of Colorado shall have such authority with respect to the formation and operation of the Pool as is provided by applicable Colorado law.
- 16.7 Except as permitted in this Pool Agreement, and amendments hereto, neither the Board nor any other person or entity is authorized to incur liabilities or obligations or enter into contracts on behalf of the Members.
- 16.8 "Insolvency" as applied to the Pool shall have the meaning as defined in Section 10-3-212, C.R.S., as amended, or as the Insurance Commissioner of Colorado may otherwise provide.
- 16.9 The statutory reporting period for the Pool shall be the calendar year or such other period as the Insurance Commissioner of Colorado may provide.
- 16.10 If any provision of this Pool Agreement is held invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the other provisions, and this Pool Agreement is expressly declared to be severable.
- 16.11 If the Board or its authorized representative and a Member disagree on whether a loss is covered through the Pool or on the amount of a covered loss, the Board or its authorized representative or the Member may request that the disagreement be submitted to binding arbitration as follows:
  - 1. Unless otherwise agreed by the Board or its authorized representative and the Member, three persons shall be selected for the arbitration panel, one by the Board or its authorized representative, one by the Member, and one by the two so selected to act as umpire to decide the items upon which the other two disagree. If the two so selected fail for fifteen days to agree upon the umpire, the umpire shall be selected by a judge of a court of record agreed to by the Board or its authorized representative and the Member.
  - 2. The decision of the panel shall be binding on the Board or its authorized representative and the Member.
  - 3. The Pool shall pay the fees and expenses of the panelist selected by the Board or its authorized representative, the Member shall pay the fees and expenses of the panelist selected by it, and the fees and expenses of the umpire shall be shared equally by the Pool and the Member.

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Title: Chairman, Board of Directors and President

Special District [name]: The Aurora Highlands Community Authority Board

By: \_\_\_\_\_  
Title: Chairman, Board of Directors and President

Date: \_\_\_\_\_

Attest:

By: \_\_\_\_\_  
Title: District Secretary



**D | A | DAVIDSON**  
FIXED INCOME CAPITAL MARKETS

1550 Market Street, Suite 300  
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303.764.6000  
[www.davidson.com/ficm](http://www.davidson.com/ficm)  
D.A. Davidson & Co. member SIPC

August 13, 2021

The Aurora Highlands Community Authority Board  
c/o MaryAnn McGeady  
McGeady Becher P.C.  
450 E. 17th Avenue, Suite 400  
Denver, CO 80203

**RE: Letter Agreement for Investment Banking Services to  
The Aurora Highlands Community Authority Board**

Community Authority Board,

This letter agreement confirms the terms and conditions upon which D.A. Davidson & Co. Fixed Income Capital Markets ("Davidson"), its successors or assigns will provide investment banking services to The Aurora Highlands Community Authority Board (the "Client").

The investment banking services rendered by Davidson under this agreement may include:

- Analysis of the project's credit quality
- Analysis of the capital markets, including interest rates and terms available in the market
- Evaluating potential strategies to achieve the Client's goals
- Working with the Client's consultants and attorneys to determine the feasibility of various borrowing or restructuring options
- Advising the Client on the structure and terms of a restructured bond or a new bond or loan
- Coordinating with the Client's attorneys and consultants, the dissemination of financial data
- Negotiating the structure and terms of the Bonds/loan with the purchaser on behalf of the Client
- Underwriting or privately placing Bonds on behalf of the Client or assisting the Client in obtaining a direct, tax exempt loan
- Under the direction and legal advice of nationally recognized bond counsel, assist and supervise the steps necessary to be taken to close the transaction

Delivered with this letter are the disclosures required by MSRB Rule G-17 regarding our role, duties and interests as an underwriter of the Bonds. By signing this letter agreement, the Client acknowledges and agrees that: (i) the transaction contemplated by this Agreement will be an arm's length, commercial transaction between the Client and the purchaser, in which Davidson may be acting as an agent or as an underwriter, but not as a municipal advisor, financial advisor or fiduciary to the Issuer; (ii) Davidson has not assumed any fiduciary responsibility to the Client with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto; (iii) the only obligations Davidson will have to the Client with respect to the transaction contemplated hereby are expressly set forth in this letter agreement; and (iv) the Issuer has consulted and will continue to consult with its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it deems appropriate.

The representative of the Client signing this letter agreement has been duly authorized to execute this letter agreement and to act hereunder.

This letter agreement shall remain in full force and effect until such time as the Client notifies Davidson in writing of its intent to terminate this letter agreement. Davidson may resign and terminate this letter agreement by providing written notification with no less than 30 days prior notice to the Client.

At such time as arrangements for the sale of Bonds or other borrowing have been completed, Davidson shall be paid as shown below:

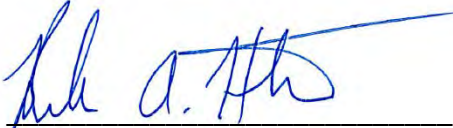
- 1.5% of par for underwriting/placement of non-investment grade rated Bonds (regardless of whether they are senior or subordinate Bonds)

In addition to such compensation, the following shall be paid by Client as a component of the cost of issuance of the Bonds or placement of the debt: (i) legal fees incurred by Davidson's engagement of underwriter's counsel or placement agent's counsel in connection with the issuance of Bonds or placement of the debt, as applicable; and (ii) legal fees related to third-party review of past continuing disclosure compliance. Unless otherwise agreed to by Client, Client's payment of the foregoing is contingent upon the sale of Bonds or placement of debt.

This letter agreement is not an offer to purchase Bonds. If the sale of Bonds or other borrowing does not occur, Davidson shall not be owed compensation. Please indicate by your signature below your desire to engage D.A. Davidson & Co. Fixed Income Capital Markets to provide investment banking services on these terms.

Respectfully submitted,

*D.A. Davidson & Co. Fixed Income Capital Markets*



Brooke Hutchens  
Managing Director

ACCEPTED this \_\_\_\_\_ day of \_\_\_\_\_ 2021.

\_\_\_\_\_  
Authorized Officer  
The Aurora Highlands Community Authority Board



## EXHIBIT A

D.A. Davidson & Co. (hereinafter referred to as “Davidson” or “underwriter”) intends/ proposes to serve as an underwriter, and not as a financial advisor or municipal advisor, in connection with the issuance of the Bonds.

As part of our services as underwriter/senior managing underwriter, Davidson may provide advice concerning the structure, timing, terms, and other similar matters concerning the issuance of the Bonds.

### **Disclosures Concerning the Underwriters Role:**

- (i) MSRB Rule G-17 requires an underwriter to deal fairly at all times with both municipal issuers and investors.
- (ii) The underwriters' primary role is to purchase the Bonds with a view to distribution in an arm's-length transaction with the Issuer. The underwriters financial and other interests that may differ from those of the Issuer.
- (iii) Unlike a municipal advisor, the underwriters do not have a fiduciary duty to the Issuer under the federal securities laws and are, therefore, not required by federal law to act in the best interests of the Issuer without regard to their own financial or other interests.
- (iv) The Issuer may choose to engage the services of a municipal advisor with a fiduciary obligation to represent the Issuer's interest in this transaction.
- (v) The underwriters have a duty to purchase the Bonds from the Issuer at a fair and reasonable price, but must balance that duty with their duty to sell the Bonds to investors at prices that are fair and reasonable.
- (vi) The underwriter will review the official statement for the Bonds in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of this transaction.

### **Disclosures Concerning the Underwriters Compensation:**

As underwriter, Davidson will be compensated by a fee and/or an underwriting discount that will be set forth in the bond purchase agreement to be negotiated and entered into in connection with the issuance of the Bonds. Payment or receipt of the underwriting fee or discount will be contingent on the closing of the transaction and the amount of the fee or discount may be based, in whole or in part, on a percentage of the principal amount of the Bonds. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest since the underwriter may have an incentive to recommend to the Issuer a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.

### **Additional Conflicts Disclosure:**

Davidson has not identified any additional potential or actual material conflicts that require disclosure.

**The Aurora Highlands CAB**

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**Check List**

All Bank Accounts

August 16, 2021

Check Number	Check Date	Payee	Amount
<b>Vendor Checks</b>			
1028	08/16/21	CliftonLarsonAllen LLP	11,470.71
1029	08/16/21	Fairfield and Woods, P.C.	6,965.00
1030	08/16/21	Gift Baskets Unlimited Inc.	764.75
1031	08/16/21	McGeady Becher P.C.	42,362.74
1032	08/16/21	Rocky Mountain Bottled Water	96.60
1033	08/16/21	Waste Management	70.90
1034	08/16/21	Xcel Energy	1,138.14
1035	08/16/21	ZFNB- Utah Corporate Trust	5,000.00
<b>Vendor Check Total</b>			<u>67,868.84</u>
<b>Check List Total</b>			<u><u>67,868.84</u></u>

Check count = 8

**The Aurora Highlands CAB**  
**Cash Requirement Report - Detailed**

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All Dates

GL Account	Description	Gross Open Amount	Discount Available	Net Open Amount	Cash Required
<b>CLA</b>	<b>CliftonLarsonAllen LLP</b>				
Reference:	2944954	Date:	06/30/21	Discount exp date:	
GL AP account:	102500	Due date:	06/30/21	Payment term:	
107441	District Management - CliftonLarsonAllen LLP	3,140.03			
107440	Community Management - Accounting	2,543.62			
	Totals	5,683.65	0.00	5,683.65	5,683.65
Reference:	2942930	Date:	06/30/21	Discount exp date:	
GL AP account:	102500	Due date:	06/30/21	Payment term:	
107446	Billing & Fee Collection - Accounting	1,851.91			
	Totals	1,851.91	0.00	1,851.91	1,851.91
Reference:	2969853	Date:	07/31/21	Discount exp date:	
GL AP account:	102500	Due date:	07/31/21	Payment term:	
107000	Accounting - CliftonLarsonAllen LLP	2,654.15			
	Totals	2,654.15	0.00	2,654.15	2,654.15
Reference:	2969854	Date:	07/31/21	Discount exp date:	
GL AP account:	102500	Due date:	07/31/21	Payment term:	
107000	Accounting - CliftonLarsonAllen LLP-TAHMD1	271.95			
	Totals	271.95	0.00	271.95	271.95
Reference:	2969855	Date:	07/31/21	Discount exp date:	
GL AP account:	102500	Due date:	07/31/21	Payment term:	
107000	Accounting - CliftonLarsonAllen LLP-ATEC	1,009.05			
	Totals	1,009.05	0.00	1,009.05	1,009.05
	<b>Totals for CliftonLarsonAllen LLP</b>	<b>11,470.71</b>	<b>0.00</b>	<b>11,470.71</b>	<b>11,470.71</b>
<b>Fairfield</b>	<b>Fairfield and Woods, P.C.</b>				
Reference:	211717	Date:	03/31/21	Discount exp date:	
GL AP account:	102500	Due date:	03/31/21	Payment term:	
107570	Covenant Enforcement - Fairfield and Woods, P.C.	2,695.00			
	Totals	2,695.00	0.00	2,695.00	2,695.00
Reference:	213206	Date:	04/30/21	Discount exp date:	
GL AP account:	102500	Due date:	04/30/21	Payment term:	
107570	Covenant Enforcement - Fairfield and Woods, P.C.	2,310.00			
	Totals	2,310.00	0.00	2,310.00	2,310.00
Reference:	214324	Date:	05/31/21	Discount exp date:	
GL AP account:	102500	Due date:	05/31/21	Payment term:	
107570	Covenant Enforcement - Fairfield and Woods, P.C.	1,960.00			
	Totals	1,960.00	0.00	1,960.00	1,960.00
	<b>Totals for Fairfield and Woods, P.C.</b>	<b>6,965.00</b>	<b>0.00</b>	<b>6,965.00</b>	<b>6,965.00</b>
<b>Gift Bas</b>	<b>Gift Baskets Unlimited Inc.</b>				
Reference:	1384	Date:	07/31/21	Discount exp date:	
GL AP account:	102500	Due date:	07/31/21	Payment term:	
107250	Community relations - Gift Baskets Unlimited Inc.	764.75			
	Totals	764.75	0.00	764.75	764.75

**The Aurora Highlands CAB**  
**Cash Requirement Report - Detailed**

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All Dates

GL Account	Description	Gross Open Amount	Discount Available	Net Open Amount	Cash Required
<b>Totals for Gift Baskets Unlimited Inc.</b>		<u>764.75</u>	<u>0.00</u>	<u>764.75</u>	<u>764.75</u>
<b>McGeady</b>	<b>McGeady Becher P.C.</b>				
Reference:	1397M JUL21	Date:	07/31/21	Discount exp date:	
GL AP account:	302500	Due date:	07/31/21	Payment term:	
307460	Legal - McGeady Becher P.C.	<u>31,136.74</u>			
	Totals	31,136.74	0.00	31,136.74	31,136.74
Reference:	1397M JUL21	Date:	07/31/21	Discount exp date:	
GL AP account:	102500	Due date:	07/31/21	Payment term:	
107460	Legal - McGeady Becher P.C.	<u>11,226.00</u>			
	Totals	11,226.00	0.00	11,226.00	11,226.00
<b>Totals for McGeady Becher P.C.</b>		<u>42,362.74</u>	<u>0.00</u>	<u>42,362.74</u>	<u>42,362.74</u>
<b>Rocky Mount</b>	<b>Rocky Mountain Bottled Water</b>				
Reference:	0146810	Date:	06/30/21	Discount exp date:	
GL AP account:	102500	Due date:	06/30/21	Payment term:	
107480	Miscellaneous - Rocky Mountain Bottled Water	<u>83.45</u>			
	Totals	83.45	0.00	83.45	83.45
Reference:	0157178	Date:	07/13/21	Discount exp date:	
GL AP account:	102500	Due date:	07/13/21	Payment term:	
107480	Miscellaneous - Rocky Mountain Bottled Water	<u>8.15</u>			
	Totals	8.15	0.00	8.15	8.15
Reference:	0171973	Date:	08/10/21	Discount exp date:	
GL AP account:	102500	Due date:	08/10/21	Payment term:	
107480	Miscellaneous - Rocky Mountain Bottled Water	<u>5.00</u>			
	Totals	5.00	0.00	5.00	5.00
<b>Totals for Rocky Mountain Bottled Water</b>		<u>96.60</u>	<u>0.00</u>	<u>96.60</u>	<u>96.60</u>
<b>Waste Manag</b>	<b>Waste Management</b>				
Reference:	7161586-2514-6	Date:	08/31/21	Discount exp date:	
GL AP account:	102500	Due date:	08/31/21	Payment term:	
107711	Trash and Recycling - Waste Management	<u>70.90</u>			
	Totals	70.90	0.00	70.90	70.90
<b>Totals for Waste Management</b>		<u>70.90</u>	<u>0.00</u>	<u>70.90</u>	<u>70.90</u>
<b>XCEL</b>	<b>Xcel Energy</b>				
Reference:	53-0013498327-3	Date:	06/30/21	Discount exp date:	
GL AP account:	102500	Due date:	06/30/21	Payment term:	
107703	Electricity - Xcel Energy	<u>132.33</u>			
	Totals	132.33	0.00	132.33	132.33
Reference:	53-0013297409-6	Date:	06/30/21	Discount exp date:	
GL AP account:	102500	Due date:	06/30/21	Payment term:	
107703	Electricity - Xcel Energy	<u>1,005.81</u>			
	Totals	1,005.81	0.00	1,005.81	1,005.81

# The Aurora Highlands CAB

## Cash Requirement Report - Detailed

		All Dates			
GL Account	Description	Gross Open Amount	Discount Available	Net Open Amount	Cash Required
	Totals for Xcel Energy	1,138.14	0.00	1,138.14	1,138.14
<b>ZFNB</b>	<b>ZFNB- Utah Corporate Trust</b>				
Reference:	1190001	Date:	06/30/21	Discount exp date:	
GL AP account:	202500	Due date:	06/30/21	Payment term:	
207591	Paying agent fees - ZFNB- Utah Corporate Trust	5,000.00			
	Totals	5,000.00	0.00	5,000.00	5,000.00
	Totals for ZFNB- Utah Corporate Trust	5,000.00	0.00	5,000.00	5,000.00
	Company Totals	67,868.84	0.00	67,868.84	67,868.84

**THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD**

Schedule of Cash Position

June 30, 2021

Updated as of August 16, 2021

	General Fund	Debt Service Fund	Capital Projects Fund	Total
<b>1st Bank XX6684</b>				
Balance as of 06/30/2021	\$ 24,968.12	\$ -	\$ -	\$ 24,968.12
07/07/2021 Checks 1023-1027	(30,962.66)	-	(29,602.50)	(60,565.16)
07/26/2021 Transfer from AACMD	-	-	29,602.50	29,602.50
07/31/2021 Administrative/Maintenance fees	100.00	-	-	100.00
07/31/2021 Administrative/Maintenance fees	3,700.00	-	-	3,700.00
8/13/2021 Administrative/Maintenance fees	100.00	-	-	100.00
<i>Anticipated Administrative checks</i>	<i>(31,734.20)</i>	<i>(5,000.00)</i>	<i>(31,136.74)</i>	<i>(67,870.94)</i>
<i>Anticipated transfer from AACMD</i>	<i>-</i>	<i>-</i>	<i>31,136.74</i>	<i>31,136.74</i>
<i>Anticipated draw from Zions Working Cap Acct</i>	<i>49,096.51</i>	<i>5,000.00</i>		<i>54,096.51</i>
Anticipated Balance	<u>\$ 15,267.77</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,267.77</u>

**THE AURORA HIGHLANDS  
COMMUNITY AUTHORITY BOARD  
AND  
AEROTROPOLIS AREA COORDINATING  
METROPOLITAN DISTRICT**

**ENGINEER'S REPORT AND VERIFICATION OF COSTS  
ASSOCIATED WITH PUBLIC IMPROVEMENTS**

**Draw No. 38**

PREPARED BY:

SCHEDIO GROUP LLC

808 9<sup>TH</sup> STREET

GREELEY, COLORADO 80631

LICENSED PROFESSIONAL ENGINEER:

TIMOTHY A. MCCARTHY

STATE OF COLORADO

LICENSE NO. 44349

DATE PREPARED: August 10, 2021

PROJECT: 181106

Engineer's Report and Verification of Costs No. 15

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## ENGINEER'S REPORT

### INTRODUCTION

Schedio Group LLC ("Schedio Group") entered into a Master Service Agreement ("MSA") for Engineering Services with Aerotropolis Area Coordinating Metropolitan District ("AACMD" and/or "District") on December 11, 2018. Task Order 01 AACMD/ARTA - Cost Verification was approved on December 19, 2018. This Engineer's Report and Verification of Costs Associated with Public Improvements ("Report") is Schedio Group's fourteenth deliverable associated with Task Order 01 of the MSA as it pertains to AACMD.

Section 4.1 of the First Amended and Restated Facilities Funding and Acquisition Agreement entered into on August 23, 2018, between Aerotropolis Area Coordinating Metropolitan District and Aurora Highlands, LLC, a Nevada limited liability company ("Developer") states, "...the District agrees to make payment to the Developer for all Developer Advances and /or Verified Costs, together with interest thereon." This Report consists of a review of costs incurred, and verification of costs associated with the design and construction of Public Improvements. Accrued interest is not considered in this report.

### SUMMARY OF FINDINGS

Schedio Group reviewed \$3,193,763.01 of incurred expenses associated with Draw Request No. 38 and an additional \$1,500,000.00 in estimated water tap fees payable to the City of Aurora, resulting in \$4,693,763.01 in total costs reviewed associated with Draw 38. Of the \$4,693,763.01 reviewed, Schedio Group verified \$4,693,763.01 as being associated with the design and construction of Public Improvements. Of the verified amount, \$3,959,581.91 is associated with AACMD Series A Bonds, \$6,227.00 with AACMD Series B Bonds, \$660.63 with ATEC Metropolitan District ("ATEC MD"), and \$727,293.47 with Aerotropolis Regional Transportation Authority ("ARTA"). As costs associated with ARTA are reviewed and verified separately, they will not be included in this Report.

In summary, the total amount verified associated with AACMD and ATEC MD is **\$3,966,469.54**.

For a summary of verified expenses associated with the design and construction of Public Improvements for AACMD and ATEC MD, please see *Figure 1 – Summary of Verified Expenses for AACMD and ATEC MD* below and attached *Exhibit A – Summary of Costs Reviewed (by Job Code and by Vendor)*.

	DRAW 38	DEVELOPER DRAW 38	AACMD DRAW 38			ATEC DRAW 38	AACMD + ATEC DRAW 38	ARTA DRAW 38	TOTAL DRAW 38
	REVIEWED AMT	PRIVATE AMT	VERIFIED AMT	VERIFIED AMT	VERIFIED AMT	VERIFIED AMT	VERIFIED AMT	VERIFIED AMT	VERIFIED AMT
			(SERIES A BONDS)	(SERIES B BONDS)	(SERIES A + B BONDS)				
SOFT AND INDIRECT+ HARD COSTS									
TOTALS -->	\$ 4,693,763.01	\$ -	\$ 3,959,581.91	\$ 6,227.00	\$ 3,965,808.91	\$ 660.63	\$ 3,966,469.54	\$ 727,293.47	\$ 4,693,763.01

*Figure 1 - Summary of Verified Expenses for AACMD and ATEC MD*

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## **DETERMINATION OF PUBLIC PRORATION PERCENTAGE**

As final plats are not available for the entire The Aurora Highlands (“TAH”) development at the time of this report, Schedio Group was unable to calculate an area-based Public Proration Percentage for application to expenditures with both public and private components. Instead, Schedio Group requested an estimate of Public Area compared to Total Area as a percentage from Norris Design, the planner for The Aurora Highlands development. As a result, Norris Design provided an estimated Public Proration Percentage of 40% for the entire TAH development. Schedio Group and Norris Design reserve the right to revise the project’s Public Proration Percentage should additional information become available that would warrant such and either credit or debit the verified amount to date at that time.

## **VERIFICATION OF COSTS**

Schedio Group reviewed soft, indirect, and hard costs associated with the design and construction of Public Improvements. Schedio Group found costs associated with Public Improvements to be reasonable when compared to similar projects, during similar timeframes in similar locales.

## **VERIFICATION OF PAYMENTS**

As Draw No. 38 will be ratified during an upcoming board meeting, vendors have not yet received payment for services rendered as of the date of this report.

## **VERIFICATION OF CONSTRUCTION**

Schedio Group LLC performed a site visit on August 4, 2021. Observation of the constructed improvements was performed to ensure that Public Improvements are being constructed in general conformance with the approved construction drawings. Photos are available from Schedio Group LLC upon request.

## **SPECIAL CIRCUMSTANCES AND NOTABLE METHODOLOGIES**

Schedio Group reserves the right to revise or amend this report should additional information become available that would warrant such.

Various job code changes were implemented between Draw 26 and Draw 38. These job code changes were determined by others (developer, program manager, construction manager, etc.). Schedio Group was not involved in determining the job code changes. Schedio Group has incorporated the job code changes into Draw 38. As a result of the job code changes, historical and current verified dollar amounts have, in some cases, shifted from one job code (project segment) to another job code (project segment), which has caused ARTA’s financial obligation to change per the following agreements:

- Intergovernmental Agreement Among The Board Of County Commissioners Of The County Of Adams, The City of Aurora And The Aerotropolis Area Coordinating Metropolitan District Establishing The Aerotropolis Regional Transportation Authority, prepared by McGeady Becher P.C. and dated February 27, 2018
- Intergovernmental Agreement Regarding Design and Construction of The Aurora Highlands Parkway Among Aerotropolis Area Coordinating Metropolitan District and Aerotropolis Regional Transportation Authority, prepared by McGeady Becher P.C. and dated August 12, 2020

Schedio Group has been reviewing, and will continue to review, details associated with the cost code changes. Based on our reviews to date, Schedio Group has no reason to doubt the validity of the cost code changes. Schedio Group reserves the right to revise any verified amount(s) and its(their) respective assignment to a Cost Code or Job Code throughout the review process.

## ENGINEER'S VERIFICATION

Timothy A. McCarthy, P.E. / Schedio Group, LLC (the Independent Consulting Engineer) states as follows:

The Independent Consulting Engineer is an engineer duly qualified and licensed in the State of Colorado with experience in the design, construction and verification of costs associated with the design and construction of Public Improvements of similar type and function as those described in the attached Engineer's Report dated August 10, 2021.

The Independent Consulting Engineer has reviewed applicable construction and legal documents related to the Public Improvements under consideration to state the conclusions set forth in this Engineer's Verification.

The Independent Consulting Engineer finds and determines that Public Improvements considered in the attached Engineer's Report were constructed in general accordance with the approved construction drawings.

The Independent Consulting Engineer finds and determines that Public Improvements considered in the attached Engineer's Report, from January 19, 2021 (date of City of Aurora Invoice No. 631227) to August 1, 2021 (date of OxBlue Invoice No. 454515), are reasonably valued at **\$3,966,469.54**.

In the opinion of the Independent Consulting Engineer, the above stated value for soft, indirect and hard costs associated with the design and construction of the Public Improvements is reasonable and consistent with costs of similar improvements constructed for similar purposes during the same timeframe and similar locales and is eligible for reimbursement from Aerotropolis Area Metropolitan Coordinating District to Aurora Highlands, LLC, a Nevada limited liability company.



August 10, 2021

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**Timothy A. McCarthy, P.E.**

**Colorado License No. 44349**

## **EXHIBIT A**

### **SUMMARY OF COSTS REVIEWED**

# SUMMARY OF COSTS REVIEWED BY JOB CODE

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JOB CODE	JOB CODE DESCRIPTION	TOTAL DRAW 38	PRIVATE DRAW 38	AACMD SERIES A DRAW 38	AACMD SERIES B DRAW 38	ARTA DRAW 38	ATEC DRAW 38
100	Overall Project Management	\$ 2,079,566.49	\$ -	\$ 2,079,566.49	\$ -	\$ -	\$ -
101	Overall Project (Non Specific)	\$ 250,332.79	\$ -	\$ 250,332.79	\$ -	\$ -	\$ -
104	Engineer's Report and Verification of Costs	\$ 25,251.53	\$ -	\$ 19,956.53	\$ -	\$ 5,295.00	\$ -
142	ISP (Phase 3)	\$ 805.75	\$ -	\$ 805.75	\$ -	\$ -	\$ -
155	Monitoring	\$ 7,070.00	\$ -	\$ 7,070.00	\$ -	\$ -	\$ -
200	Demolition	\$ 435.00	\$ -	\$ 435.00	\$ -	\$ -	\$ -
203	Monument (Phase 1)	\$ 132,892.80	\$ -	\$ 132,892.80	\$ -	\$ -	\$ -
204	Monument (Phase 2)	\$ 2,432.26	\$ -	\$ 2,432.26	\$ -	\$ -	\$ -
205	Monument (E470)	\$ 2,002.55	\$ -	\$ 2,002.55	\$ -	\$ -	\$ -
206	26th Ave (E470 - Main St)	\$ 76,831.42	\$ -	\$ 76,831.42	\$ -	\$ -	\$ -
207	26th Avenue (Main Street-Harvest)	\$ 40,346.16	\$ -	\$ 40,346.16	\$ -	\$ -	\$ -
208	26th Ave (Harvest - Powhatan)	\$ 10,335.00	\$ -	\$ 6,717.75	\$ -	\$ 3,617.25	\$ -
210	E470 Interchange (Phase 1)	\$ 96,977.37	\$ -	\$ -	\$ -	\$ 96,977.37	\$ -
212	E470 Interchange (Phase 2)	\$ 7,553.00	\$ -	\$ -	\$ -	\$ 7,553.00	\$ -
214	E470 Interchange (Phase 4)	\$ 38,622.00	\$ -	\$ -	\$ -	\$ 38,622.00	\$ -
220	Main St (26th Ave -TAH Pkwy)	\$ 144,583.34	\$ -	\$ 144,583.34	\$ -	\$ -	\$ -
221	Main St (TAH Pkwy-42nd Ave)	\$ 15,351.06	\$ -	\$ 15,351.06	\$ -	\$ -	\$ -
230	Denali Blvd (TAH Pkwy to 42nd Ave)	\$ 67,198.90	\$ -	\$ 67,198.90	\$ -	\$ -	\$ -
231	Denali Blvd (42nd Ave - 48th Ave)	\$ 2,734.10	\$ -	\$ 2,734.10	\$ -	\$ -	\$ -
232	38th Place (Main St to Denali Blvd)	\$ 9,229.85	\$ -	\$ 9,229.85	\$ -	\$ -	\$ -
241	TAH Parkway (Main St-Denali Blvd)	\$ 1,187,714.38	\$ -	\$ 706,661.42	\$ -	\$ 481,052.96	\$ -
244	TAH Parkway (30th-26th)	\$ 4,948.48	\$ -	\$ 2,870.12	\$ -	\$ 2,078.36	\$ -
246	38th Ave (Himalaya St to E470) North	\$ 3,461.63	\$ -	\$ -	\$ -	\$ 3,461.63	\$ -
247	38th Ave (Himalaya St to E470) South	\$ 2,801.00	\$ -	\$ -	\$ -	\$ 2,801.00	\$ -
248	38th Pkwy (Powhatan Rd to Monaghan Rd)	\$ 660.63	\$ -	\$ -	\$ -	\$ -	\$ 660.63
249	38th Pkwy (TAH Pkwy to Powhatan Rd)	\$ 660.63	\$ -	\$ 660.63	\$ -	\$ -	\$ -
250	42nd Ave (Main St-Denali Blvd)	\$ 54,093.36	\$ -	\$ 54,093.36	\$ -	\$ -	\$ -
251	42nd Ave (Denali Blvd-School)	\$ 49,271.16	\$ -	\$ 49,271.16	\$ -	\$ -	\$ -
252	42nd Ave (School-Reserve Blvd)	\$ 660.63	\$ -	\$ 660.63	\$ -	\$ -	\$ -
260	Reserve Blvd (42nd Ave - TAH Pkwy)	\$ 210,139.68	\$ -	\$ 210,139.68	\$ -	\$ -	\$ -
261	Hogan St Park (West Village Ave-TAH Pkwy)	\$ 1,297.71	\$ -	\$ 1,297.71	\$ -	\$ -	\$ -
270	SS Outfall (E470-Main St)	\$ 6,340.00	\$ -	\$ 6,340.00	\$ -	\$ -	\$ -
290	I-70 Interchange (Phase 1)	\$ 70,658.67	\$ -	\$ 4,803.75	\$ -	\$ 65,854.92	\$ -
293	I-70 Interchange (Phase 4)	\$ 15,174.98	\$ -	\$ -	\$ -	\$ 15,174.98	\$ -
300	Powhatan Rd (I-70-26th Ave)	\$ 4,805.00	\$ -	\$ -	\$ -	\$ 4,805.00	\$ -
301	Powhatan Road (26th-38th)	\$ 7,874.50	\$ -	\$ 7,874.50	\$ -	\$ -	\$ -
302	Powhatan Road (38th-48th)	\$ 7,874.50	\$ -	\$ 7,874.50	\$ -	\$ -	\$ -
348	36" Waterline	\$ 543.07	\$ -	\$ 543.07	\$ -	\$ -	\$ -
350	Mass Grading	\$ 47,344.00	\$ -	\$ 47,344.00	\$ -	\$ -	\$ -
511	Recreation Center 01 (CSP 1) Pool	\$ 660.63	\$ -	\$ 660.63	\$ -	\$ -	\$ -
900	Filing 01	\$ 4,535.00	\$ -	\$ -	\$ 4,535.00	\$ -	\$ -
908	Filing 08	\$ 564.00	\$ -	\$ -	\$ 564.00	\$ -	\$ -
911	Filing 11	\$ 564.00	\$ -	\$ -	\$ 564.00	\$ -	\$ -
916	Filing 16	\$ 564.00	\$ -	\$ -	\$ 564.00	\$ -	\$ -
TOTALS -->		\$ 4,693,763.01	\$ -	\$ 3,959,581.91	\$ 6,227.00	\$ 727,293.47	\$ 660.63

## SUMMARY OF COSTS VERIFIED BY VENDOR

VENDOR	TOTAL DRAW 38	PRIVATE DRAW 38	AACMD SERIES A DRAW 38	AACMD SERIES B DRAW 38	ARTA DRAW 38	ATEC DRAW 38
AECOM	\$ 93,454.82	\$ -	\$ 93,454.82	\$ -	\$ -	\$ -
Aggregate Industries	\$ 3,894.05	\$ -	\$ 3,894.05	\$ -	\$ -	\$ -
Aztec Consultants	\$ 15,174.98	\$ -	\$ -	\$ -	\$ 15,174.98	\$ -
Beam, Longest & Neff	\$ 48,811.50	\$ -	\$ -	\$ -	\$ 48,811.50	\$ -
Big West Consulting	\$ 24,170.00	\$ -	\$ 24,170.00	\$ -	\$ -	\$ -
Brightview Landscaping	\$ 410,789.28	\$ -	\$ 298,239.24	\$ -	\$ 112,550.04	\$ -
City of Aurora	\$ 1,727,443.00	\$ -	\$ 1,712,596.00	\$ 1,692.00	\$ 13,155.00	\$ -
Concrete Curb and Paving	\$ 8,859.61	\$ -	\$ 8,859.61	\$ -	\$ -	\$ -
CTL Thompson	\$ 8,490.50	\$ -	\$ 8,490.50	\$ -	\$ -	\$ -
Dyna Electric	\$ 36,491.36	\$ -	\$ 28,546.17	\$ -	\$ 7,945.19	\$ -
Ecological Resource Consultants	\$ 2,060.50	\$ -	\$ -	\$ -	\$ 2,060.50	\$ -
EV Studio	\$ 1,640.00	\$ -	\$ 1,640.00	\$ -	\$ -	\$ -
Iron Woman	\$ 59,507.07	\$ -	\$ 59,507.07	\$ -	\$ -	\$ -
JHL	\$ 1,626,655.02	\$ -	\$ 1,201,943.40	\$ -	\$ 424,711.62	\$ -
Lamb Star	\$ 55,846.05	\$ -	\$ -	\$ -	\$ 55,846.05	\$ -
Martin Marietta	\$ 77,620.51	\$ -	\$ 77,620.51	\$ -	\$ -	\$ -
Merrick	\$ 47,275.19	\$ -	\$ 27,419.62	\$ -	\$ 19,855.57	\$ -
Norris Design	\$ 10,227.75	\$ -	\$ 10,227.75	\$ -	\$ -	\$ -
OxBlue Corporation	\$ 7,070.00	\$ -	\$ 7,070.00	\$ -	\$ -	\$ -
Schedio Group	\$ 29,786.53	\$ -	\$ 19,956.53	\$ 4,535.00	\$ 5,295.00	\$ -
Stormwater Risk Mgmt	\$ 123,550.88	\$ -	\$ 115,179.23	\$ -	\$ 8,371.65	\$ -
Summit Strategies	\$ 71,323.86	\$ -	\$ 57,146.86	\$ -	\$ 13,516.37	\$ 660.63
Wagner	\$ 171,461.76	\$ -	\$ 171,461.76	\$ -	\$ -	\$ -
Xcel Energy	\$ 32,158.79	\$ -	\$ 32,158.79	\$ -	\$ -	\$ -
TOTALS -->	\$ 4,693,763.01	\$ -	\$ 3,959,581.91	\$ 6,227.00	\$ 727,293.47	\$ 660.63

## **EXHIBIT B**

### **SUMMARY OF DOCUMENTS REVIEWED**

## **SUMMARY OF DOCUMENTS REVIEWED**

### **SERVICE PLANS**

- First Amended and Restated Service Plan for Aerotropolis Area Coordinating Metropolitan District, City of Aurora Colorado, prepared by McGeady Becher P.C., dated October 16, 2017

### **DISTRICT AGREEMENTS**

- Facilities Funding and Acquisition Agreement between Aerotropolis Area Coordinating Metropolitan District and The Aurora Highlands, LLC, prepared by McGeady Becher P.C., executed July 20, 2018
- 2017-2018 Operation Funding Agreement between Aerotropolis Area Metropolitan District and The Aurora Highlands, LLC, prepared by McGeady Becher P.C., executed on July 20, 2018
- First Amended and Restated Facilities Funding and Acquisition Agreement between Aerotropolis Area Coordinating Metropolitan District and The Aurora Highlands, LLC, prepared by McGeady Becher P.C., executed on August 23, 2018
- Intergovernmental Agreement Regarding Coordination of Facilities Funding for ATEC Metropolitan District No. 1 Projects between The Aurora Highlands Community Authority Board and Aurora Tech Center Development, LLC, prepared by McGeady Becher P.C. (unexecuted)

### **CONSTRUCTION DRAW REQUESTS**

- AACMD Draw Request No. 01, dated September 7, 2018, revised October 15, 2018
- AACMD Draw Request No. 02, dated September 14, 2018
- AACMD Draw Request No. 03, dated September 30, 2018
- AACMD Draw Request No. 04, dated October 15, 2018
- AACMD Draw Request No. 05, dated November 13, 2018
- AACMD Draw Request No. 06, dated December 11, 2018
- AACMD Draw Request No. 07, dated January 15, 2019
- AACMD Draw Request No. 08, dated February 12, 2019
- AACMD Draw Request No. 09, dated March 12, 2019
- AACMD Draw Request No. 10, dated April 12, 2019
- AACMD Draw Request No. 11, dated May 16, 2019
- AACMD Draw Request No. 12, dated June 20, 2019
- AACMD Draw Request No. 13, dated July 18, 2019
- AACMD Draw Request No. 14, dated August 15, 2019
- AACMD Draw Request No. 15, dated September 19, 2019
- AACMD Draw Request No. 16, dated October 17, 2019
- AACMD Draw Request No. 17, dated November 21, 2019



- AACMD Draw Request No. 18, dated December 19, 2019
- AACMD Draw Request No. 19, dated January 16, 2020
- AACMD Draw Request No. 20, dated February 20, 2020
- AACMD Draw Request No. 21, dated March 19, 2020
- AACMD Draw Request No. 22, dated April 16, 2020
- AACMD Draw Request No. 23, dated May 21, 2020
- AACMD Draw Request No. 24, dated June 18, 2020
- AACMD Draw Request No. 25, dated July 16, 2020
- AACMD Draw Request No. 26, dated August 20, 2020
- AACMD Draw Request No. 27, dated September 17, 2020
- AACMD Draw Request No. 28, dated October 21, 2020
- AACMD Draw Request No. 29, dated November 17, 2020
- AACMD Draw Request No. 30, dated December 17, 2020
- AACMD Draw Request No. 31, dated January 18, 2021
- AACMD Draw Request No. 32, dated February 7, 2021
- AACMD Draw Request No. 33, dated March 6, 2021
- AACMD Draw Request No. 34, dated April 5, 2021
- AACMD Draw Request No. 35, dated May 11, 2021
- AACMD Draw Request No. 36, dated June 7, 2021
- AACMD Draw Request No. 37, dated July 2, 2021
- AACMD Draw Request No. 38, dated August 10, 2021

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**CERTIFIED RECORD  
OF  
PROCEEDINGS OF  
THE BOARD OF DIRECTORS  
OF  
THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD**

Authorizing a draw on August 25, 2021 of the

**The Aurora Highlands Community Authority Board  
Special Tax Revenue Draw-Down Bonds  
Series 2020A**

Adopted at a Special Meeting Held on August 19, 2021

*This cover page is not a part of the following resolution and is included solely for the convenience of the reader.*

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STATE OF COLORADO )  
COUNTY OF ADAMS COUNTY ) ss.  
CITY OF AURORA )  
THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD )

The Board of Directors (the “Board”) of The Aurora Highlands Community Authority Board, in the City of Aurora, Adams County, Colorado (the “Authority”), held a special meeting open to the public at Information Center, 3900 E. 470 Beltway, Aurora, Colorado 80019, on Thursday, the 19th day of August, 2021 at 1:00 p.m.

***In accordance with §11-57-211, C.R.S., one or more of the members of the Board participated in this meeting and voted through the use of a conference telephone, and there was at least one person physically present at the designated meeting area to ensure that the public meeting was in fact accessible to the public.***

At such meeting, the following members of the Board were present, constituting a quorum:

[Matthew Hopper	President
Carla Ferreira	Vice President
Michael Sheldon	Treasurer
Deanna Hopper	Assistant Secretary
Cynthia Shearon	Assistant Secretary]

At such meeting, the following members of the Authority Board were excused and not present:

[Kathleen Sheldon	Assistant Secretary]
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Also present at such meeting:

Authority Manager:	Denise Denslow CliftonLarsonAllen LLP
Authority Counsel:	MaryAnn McGeady, Esq., Jon Hoistad, Esq. & Elisabeth Cortese, Esq. McGeady Becher P.C.
Authority Bond Counsel:	Kamille Curylo, Esq. and Tanya Barton, Esq. Kutak Rock LLP
Placement Agent:	Brooke Hutchens D.A. Davidson & Co.
Accountant:	Debra Sedgeley CliftonLarsonAllen LLP

At such meeting thereupon there was introduced the following resolution:

## RESOLUTION

Capitalized terms used and not otherwise defined herein have the respective meanings set forth in the Authorizing Resolution (as defined herein) or in the 2020A Indenture (as defined herein).

WHEREAS, The Aurora Highlands Community Authority Board (the “Authority”) is a public corporation and political subdivision of the State, duly organized and existing as a separate legal entity under the constitution and laws of the State, including particularly Title 29, Article 1, Part 2, C.R.S. (the “Act”); and

WHEREAS, the Authority and the Districts have entered into that certain The Aurora Highlands Community Authority Board Establishment Agreement, dated as of November 21, 2019, as supplemented and amended by the First Amended and Restated Aurora Highlands Community Authority Board Establishment Agreement, dated as of April 16, 2020 (collectively, the “CABEA”), for the purpose of creating the Authority in order that the Authority can establish a method of coordinating among the Districts the design, planning, construction, acquisition, financing, operations and maintenance of public facilities, the debt for which was approved at the Election (as defined in the Indentures), including, without limitation, necessary or appropriate equipment (the “Public Improvements”) necessary for the community located in the service area of the Authority, in the City of Aurora, Adams County, Colorado, and commonly known as The Aurora Highlands (the “The Aurora Highlands Development”); and

WHEREAS, pursuant to the Act, the Authority generally may, to the extent provided by contract (such as the CABEA), exercise any general power of a special district specified in Part 10 of Article 1 of Title 32, C.R.S., other than levying a tax or exercising the power of eminent domain, and may additionally issue bonds payable solely from revenue derived from one or more of the functions, services, systems, or facilities of the Authority, from money received under contracts entered into by the Authority, or from other available money of the Authority; and

WHEREAS, the Board of Directors (the “Board”) of the Authority previously authorized the issuance of up to \$165,159,327 of its Special Tax Revenue Draw-Down Bonds, Series 2020A (the “Bonds”) pursuant to a resolution adopted by the Board on April 16, 2020 (the “Authorizing Resolution”), to or at the direction of Oxnard Financial, LLC, a Nevada limited liability company (the “Purchaser”), from time to time, subject to the conditions of that certain Indenture of Trust, dated June 30, 2020 (the “2020A Indenture”), by and between the Authority and Zions Bancorporation, National Association (the “Trustee”) in order to provide for the payment of the Payment Obligation (as defined in the Authorizing Resolution); and

WHEREAS, the Bonds have been previously issued in the aggregate principal amount of \$82,799,429; and

WHEREAS, the Board has determined that it is in the best interests of the Authority, the Districts and the inhabitants therein, that additional Bonds be issued by the Authority to enable the Authority to plan, design, construct and acquire the Public Improvements within or otherwise serving the residents, property owners and taxpayers of the Districts and the Authority and to pay the costs of issuance related thereto (the “Project”); and

WHEREAS, the additional Bonds to be issued will be purchased by the Purchaser, on the basis of terms set forth in the 2020A Indenture and the investor letter received from the Purchaser in substantially the form attached to the 2020A Indenture as Exhibit C-2 (the “Investor Letter”); and

WHEREAS, the Bonds shall be issued pursuant to the provisions of the Act, Title 32, Article 1, Part 11, C.R.S., the CABEA, the Service Plans of the Districts, and all other laws thereunto enabling; and

WHEREAS, the Board specifically elects to apply all of the provisions of Title 11, Article 57, Part 2, C.R.S., to the Bonds; and

WHEREAS, the Bonds shall be special limited tax revenue obligations of the Authority, and shall be payable solely from the Pledged Revenue (as defined in the 2020A Indenture) on a basis subordinate to any Senior Obligations (as defined in the 2020A Indenture), if any, issued hereafter by the Authority, and on a basis senior to the 2020B Subordinate Bonds (as defined in the 2020A Indenture); and

WHEREAS, the Bonds will be issued to the Purchaser and the Purchaser has certified that it constitutes (a) an “accredited investor” within the meaning of Rule 501(A) of Regulation D promulgated by the Securities and Exchange Commission under the Securities Act of 1933, as amended, such that the Bonds will be exempt from registration under the Colorado Municipal Bond Supervision Act and (b) an “institutional investor” as such term is defined in Section 32-1-103(6.5), such that the Bonds may be issued under the provisions of Section 32-1-1106(a)(IV), C.R.S.; and

WHEREAS, pursuant to Section 18-8-308, C.R.S., all known potential conflicting interests of the members of the Board were disclosed to the Colorado Secretary of State and to the Board in writing at least 72 hours in advance of this meeting and, additionally, in accordance with Section 24-18-110, C.R.S., the appropriate Board members have made disclosure of their personal and private interests relating to the issuance of the Bonds in writing to the Secretary of State and the Board; finally, the Board members having such interests have stated for the record immediately prior to the adoption of this Resolution the fact that they have such interests and the summary nature of such interests and the participation of those Board members is necessary to obtain a quorum or otherwise enable the Board to act; and

WHEREAS, in connection with the issuance of the Bonds, bond counsel delivered to the Authority instructions (the “Investment Instructions”) for the investment of gross proceeds of the Bonds, which Investment Instructions are attached as Exhibit D to the Tax Compliance Certificate, dated June 30, 2020, for the Bonds; and

WHEREAS, the Board anticipates receiving payments from the Aurora Regional Transportation Authority (“ARTA”) that are intended as reimbursements (the “Reimbursements”) to the Authority for expenditures previously paid by the Authority with proceeds of the Bonds, and acknowledges that such Reimbursements may be treated as additional gross proceeds of the Bonds; and

WHEREAS, bond counsel has provided to the Authority supplemental instructions to the Investment Instructions (the “Supplemental Investment Instructions”) to set forth requirements for how the Reimbursements may be invested prior to the expenditure thereof to ensure continued tax-exemption of interest on the Bonds for federal income tax purposes; and

WHEREAS, the Board desires to authorize the issuance and delivery of the Bonds; to acknowledge receipt of the Supplemental Investment Instructions; and to authorize the execution, completion, and delivery of such certificates and other documents as may be necessary to effect the intent of this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD, IN THE CITY OF AURORA, ADAMS COUNTY, COLORADO:

**Section 1. Approval and Authorization of Issuance of Bonds in Additional Draw Amount.** A draw in the amount of \$4,822,726 of the Bonds is hereby approved. The Bonds to be drawn will be dated the date of such draw and will comply in all respects with the 2020A Indenture and the Authorizing Resolution. The amount and date of such draws will be evidenced by a notation in the records of the Authority. Such draw shall be further evidenced by a bond or bonds in Authorized Denominations, substantially in the form attached as Exhibit A to the 2020A Indenture.

The appropriate officers of the Authority are hereby authorized and directed to prepare and furnish to any interested person certified copies of all proceedings and records of the Authority relating to the Bonds and such other affidavits and certificates as may be required to show the facts relating to the authorization and issuance thereof.

**Section 2. Investor Letter.** The Authority hereby accepts the Purchaser’s executed Investor Letter covering its purchase of the Bonds authorized to be drawn hereunder.

**Section 3. Delegation of Authority.** The Board hereby delegates Matthew Hopper, the President of the Authority as the Authorized Delegate or such other authorized officer of the Authority to complete, revise and finalize the bond details for the Bonds to be drawn according to this Resolution, with the approval of the Authority’s general counsel, to affect the purposes of the Authority.

**Section 4. Findings and Declarations of the Board.** The Board, having been fully informed of and having considered all the pertinent facts and circumstances, hereby finds, determines, and declares as follows:

(a) For the purpose of financing or reimbursing costs of the acquisition, construction and installation of the Public Improvements, the Board hereby determines to issue and make a draw on the Bonds.

(b) The Board specifically elects to apply all of the provisions of Title 11, Article 57, Part 2, C.R.S., to the Bonds.

(c) The Board acknowledges receipt of the Supplemental Investment Instructions.

**Section 5. Authorization.** In accordance with the Constitution of the State of Colorado; the Act; the Supplemental Public Securities Act; and all other laws of the State of Colorado thereunto enabling, the Authority shall issue the Bonds for the purposes of financing or reimbursing costs of the Public Improvements.

**Section 6. Permitted Amendments to Resolution.** Except as otherwise provided herein, the Authority may amend this Resolution in the same manner, and subject to the same terms and conditions, as apply to an amendment or supplement to the 2020A Indenture as provided therein.

**Section 7. Authorization to Execute Other Documents and Instruments.** The President, Vice President, Treasurer and Assistant Secretaries of the Authority shall, and they are each hereby authorized and directed, to take all actions necessary or appropriate to effectuate the provisions of this Resolution, including, but not limited to, such certificates, documents, instruments, and affidavits as may be reasonably required by Bond Counsel, the Trustee, or general counsel to the Authority. The execution by the President, Vice President, Treasurer or any Assistant Secretary of any document not inconsistent herewith shall be conclusive proof of the approval by the Authority of the terms thereof.

**Section 8. Pledge.** The creation, perfection, enforcement, and priority of the pledge of the Pledged Revenue to secure the payment of the principal of, premium, if any, and interest on the Bonds shall be governed by Section 11-57-208 of the Supplemental Public Securities Act, the 2020A Indenture, and this Resolution. The amounts pledged to the payment of the principal of, premium, if any, and interest on the Bonds shall immediately be subject to the liens of such pledges without any physical delivery, filing, or further act. The liens of such pledges shall have the priority set forth in the 2020A Indenture, and shall not necessarily be exclusive such liens. The liens of such pledges shall be valid, binding, and enforceable as against all persons having claims of any kind in tort, contract, or otherwise against the Authority irrespective of whether such persons have notice of such liens.

**Section 9. No Recourse Against Officers and Agents.** Pursuant to Section 11-57-209 of the Supplemental Public Securities Act, if a member of the Board, or any officer or agent of the Authority acts in good faith, no civil recourse shall be available against such member, officer, or agent for payment of the principal of, premium, if any, or interest on the Bonds. Such recourse shall not be available either directly or indirectly through the Board or the Authority, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of a Bond, each purchaser or transferee thereof specifically waives any such recourse.

**Section 10. Conclusive Recital.** Pursuant to Section 11-57-210 of the Supplemental Public Securities Act, the Bonds shall contain a recital that the Bonds are issued pursuant to certain provisions of the Supplemental Public Securities Act. Such recital shall be conclusive evidence of the validity and the regularity of the issuance of the Bonds after delivery for value.

**Section 11. Limitation of Actions.** Pursuant to Section 11-57-212 of the Supplemental Public Securities Act, no legal or equitable action brought with respect to any legislative acts or proceedings in connection with the authorization or issuance of the Bonds shall be commenced more than thirty days after the authorization of such securities.

**Section 12. Ratification and Approval of Prior Actions.** All actions heretofore taken by the officers and agents of the Authority and the members of the Board, not inconsistent with the provisions of this Resolution, relating to the authorization and issuance of the Bonds, or the execution and delivery of any documents in connection therewith, are hereby ratified, approved, and affirmed.

**Section 13. Resolution Irrepealable.** After the issuance of the Bonds, this Resolution shall be and remain irrepealable until such time as the Bonds shall have been fully discharged pursuant to the terms thereof and of the Indentures.

**Section 14. Repealer.** All orders, bylaws, and resolutions of the Authority, or parts thereof, inconsistent or in conflict with this Resolution, are hereby repealed to the extent only of such inconsistency or conflict.

**Section 15. Severability.** If any section, paragraph, clause, or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution, the intent being that the same are severable.

**Section 16. Effective Date.** This Resolution shall take effect immediately upon its adoption and approval.

[End of Bond Draw Resolution; Signatures Appear on Following Page]



APPROVED AND ADOPTED by the Board of Directors of The Aurora Highlands Community Authority Board, in the City of Aurora, Adams County, Colorado, on the 19th day of August, 2021.

**THE AURORA HIGHLANDS  
COMMUNITY AUTHORITY BOARD**

[SEAL]

By \_\_\_\_\_  
Matthew Hopper, President

ATTEST:

By \_\_\_\_\_  
Deanna Hopper, Assistant Secretary

[Signature page to Bond Draw Resolution of Authority]

Thereupon, Director [\_\_\_\_\_] moved for the adoption of the foregoing resolution. The motion to adopt the resolution was duly seconded by Director [\_\_\_\_\_] , put to a vote, and carried on the following recorded vote:

Those voting AYE:

Those voting NAY:

Those abstaining:

Those absent:

Thereupon the President, as Chairman of the meeting, declared the Resolution duly adopted and directed the Assistant Secretaries to duly and properly enter the foregoing proceedings and Resolution upon the minutes of the Board.

STATE OF COLORADO )  
COUNTY OF ADAMS ) ss.  
CITY OF AURORA )  
THE AURORA HIGHLANDS COMMUNITY AUTHORITY BOARD )

I, Deanna Hopper, Assistant Secretary of The Aurora Highlands Community Authority Board, in the City of Aurora, Adams County, Colorado (the “Authority”), do hereby certify that the foregoing pages numbered (i) through (iii) and 1 through 6 inclusive, constitute a true and correct copy of that portion of the record of proceedings of the Board of Directors of the Authority (the “**Board**”) relating to the adoption of a resolution authorizing a draw of the Authority’s Special Tax Revenue Draw-Down Bonds, Series 2020A, and other matters relating thereto, adopted at a special meeting of the Board, held on Thursday, the 19th day of August, 2021, at 1:00 p.m. at Information Center, 3900 E. 470 Beltway, Aurora, Colorado 80019, as recorded in the official record of proceedings of said Authority kept in my office; that the proceedings were duly had and taken; that the meeting was duly held; that the persons therein named were present at said meeting and voted as shown therein; and that a notice of meeting, in the form herein set forth at page (i), was posted prior to the meeting in accordance with applicable law.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Authority, this 19th day of August, 2021.

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Deanna Hopper, Assistant Secretary

SEAL

[Certification Page to Bond Draw Resolution]