

RECORD OF PROCEEDINGS

**MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF
THE AURORA HIGHLANDS COMMUNITY
AUTHORITY BOARD (“CAB”)
HELD
SEPTEMBER 21, 2023**

A special meeting of the Board of Directors of the CAB, County of Adams (referred to hereafter as the “Board”) was convened on Thursday, September 21, 2023 at 1:06 p.m. via Zoom. The meeting was open to the public.

Directors in Attendance Were:

Matt Hopper (AACMD Rep.)
Michael Sheldon (TAH 1-6 Rep.)
Cynthia Shearon (AACMD Rep.)

The absence of Directors Carla Ferreira, Deanna Hopper and Kathleen Sheldon were excused.

Also in Attendance Were:

Denise Denslow, Rachel Alles and JoAnn Giddings; CliftonLarsonAllen LLP (“CLA”)
Jon Hoistad, Esq.; McGeady Becher P.C.
Jerry Jacobs and Cristina Madrigal; Timberline District Consulting, LLC (“Timberline”)
Hannah Harriman; JHL Constructors, Inc.
Dr. William Westmoreland; The Aurora Highlands MD No. 1

**ADMINISTRATIVE
MATTERS**

Disclosure of Potential Conflicts of Interest: Director M. Hopper discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. It was noted that the disclosures of potential conflicts of interest were filed with the Secretary of State for all Directors. No new conflicts were disclosed.

Quorum/Confirmation of Meeting Location/Posting of Notice: Director M. Hopper confirmed a quorum for the special meeting. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the CAB’s Board meeting. Following discussion, upon motion duly made by Director M. Hopper, seconded by Director M. Sheldon and, upon vote unanimously carried, the Board determined that because there was not a suitable or convenient physical location to conduct this meeting it was determined to conduct

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this meeting virtually via Zoom. The Board further noted that notice providing the time, date and audio / video conference access for the meeting was duly posted and that no objections, or any requests that the means of hosting the meeting be changed by taxpaying electors within the CAB's boundaries have been received.

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

Public Comment: None.

Cyber Security Insurance Coverage: Attorney Hoistad reviewed insurance coverage relating to cyber security and crime loss with the Board, noting that there are gaps in the standard coverage provided by the Colorado Special Districts Property and Liability Pool and current coverage may not be sufficient in the event of a cyber attack. Following discussion, upon a motion duly made by Director M. Sheldon, seconded by Director M. Hopper and, upon vote unanimously carried the Board authorized Attorney Hoistad to move forward with the application process to obtain additional cyber security insurance coverage to be approved by the Board at a future meeting.

Fine Art Insurance Coverage: Attorney Hoistad reviewed insurance coverage relating to personal property and public arts with the Board, noting some art pieces have gained regional/national recognition and therefore require additional protection. Fine art is insured at the appraised valuation, rather than replacement cost. Discussion ensued regarding insurance of pieces being built into the budget and not at an additional cost to any residents or taxpayers. Following discussion, upon a motion duly made by Director M. Hopper, seconded by Director M. Sheldon and, upon vote unanimously carried, the Board authorized Attorney Hoistad to move forward with the application process to obtain fine art insurance coverage to be approved by the Board at a future meeting.

CONSENT AGENDA

The Board considered the following actions:

Approval of the August 17, 2023 Special Meeting Minutes

Following discussion, upon motion duly made by Director M. Sheldon, seconded by Director M. Hopper and, upon vote unanimously carried, the Board approved of the Consent Agenda items, as presented.

FINANCIAL MATTERS

Payment of Claims for Operating Costs: Following review and discussion, upon a motion duly made by Director M. Hopper, seconded by Director M. Sheldon and, upon vote unanimously carried, the Board approved the payment of claims for operating costs in the amount of \$361,363.14.

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Cash Position Report dated August 31, 2023, updated as of September 15, 2023:

Ms. Giddings reviewed the Cash Position Report with the Board. Following review, upon a motion duly made by Director M. Hopper, seconded by Director M. Sheldon and, upon vote unanimously carried, the Board accepted the Cash Position Report dated August 31, 2023, updated as of September 15, 2023.

CAB and Aerotropolis Area Coordinating Metropolitan District (“AACMD”) Engineer’s Report and Verification of Costs Associated with Public Improvements Draw No. 63 Engineer’s Report and Verification of Costs No. 41 prepared by Schedio Group LLC (“Engineer’s Report No. 41”):

Director M. Hopper reviewed Engineer’s Report No. 41 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 accepted Engineer’s Report No. 41.

Project Funding Requisition No. 47, under the CAB’s Special Tax Revenue Refunding and Improvement Bonds, Series 2021A related to Engineer’s Report No. 41 (“Project Funding Requisition No. 47”):

Director M. Hopper reviewed Project Funding Requisition No. 47 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 Project Funding Requisition No. 47.

Project Funding Requisition No. 11, under the CAB’s Subordinate Special Tax Revenue Refunding and Improvement Bonds, Series 2022B related to Engineer’s Report No. 41 (“Project Funding Requisition No. 11”):

Director M. Hopper reviewed Project Funding Requisition No. 11 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 Project Funding Requisition No. 11.

CAB and AACMD Engineer’s Report and Verification of Costs Associated with Public Improvements, In-Tract Improvements / In Tract Home Builder Expenses, Engineer’s Report and Verification of Costs No. 23 prepared by Schedio Group LLC (“Engineer’s In-Tract Report No. 23”):

Director M. Hopper reviewed Engineer’s In-Tract Report No. 23 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 accepted Engineer’s In-Tract Report No. 23.

Project Funding Requisition No. 48 under the CAB’s Special Tax Revenue Refunding and Improvement Bonds, Series 2021A related to Engineer’s In-Tract Report No. 23 (“Project Funding Requisition No. 48”):

Director M. Hopper reviewed Project Funding Requisition No. 48 with the Board. Following discussion, upon a motion duly made by Director M. Hopper, seconded by Director M. Sheldon and, upon vote unanimously carried, the

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Board approved Project Funding Requisition No. 48 and authorized reimbursement to Aurora Highlands, LLC pursuant to the Amended and Restated Capital Construction and Reimbursement Agreement (In-Tract Improvements) by and between the CAB and Aurora Highlands, LLC.

Project Funding Requisition No. 49, under the CAB’s Special Tax Revenue Refunding and Improvement Bonds, Series 2021A (“Project Funding Requisition No. 49”): Director M. Hopper reviewed Project Funding Requisition No. 49 with the Board, noting that Project Funding Requisition No. 49 replenishes funds in the construction reserve account. Following discussion, upon a motion duly made by Director M. Hopper, seconded by Director M. Sheldon and, upon vote unanimously carried, the Board approved Project Funding Requisition No. 49.

Bond Committee Report:

Special Tax Revenue Bonds, Series 2023_(A), in the maximum aggregate principal amount of up to \$200,000,000 (ATEC MD No. 1 / Commercial) (“2023A Bonds”): Director M. Hopper provided an update to the Board regarding the status of the CAB’s 2023A Bonds, noting that the 2023A Bonds had been issued and that the funds have been invested with Zions for six months at a 5.5% return rate.

LEGAL MATTERS

Task Order No. 1 under the Master Service Agreement (“MSA”) for Landscape Maintenance Services by and between the CAB and BrightView Landscape Services, Inc., for 2023-2024 Annual Flowerbed Maintenance (“BrightView Task Order No. 1”): Attorney Hoistad reviewed Task Order No. 1 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 **Task Order No. 1**, in the amount of \$11,340.00, upon review and recommendation by the Construction Committee.

Task Order No. 2 under the MSA for Landscape Maintenance Services by and between the CAB and BrightView Landscape Services, Inc., for 2024-2025 Annual Flowerbed Maintenance (“BrightView Task Order No. 2”): Attorney Hoistad reviewed Task Order No. 2 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 **Task Order No. 2**, in the amount of \$11,907.00, upon review and recommendation by the Construction Committee.

Task Order No. 3 under the MSA for Landscape Maintenance Services by and between the CAB and BrightView Landscape Services, Inc., for July – December Maintenance Services (“BrightView Task Order No. 3”): The Board removed **BrightView Task Order No. 3** from consideration.

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MSA for Landscape Maintenance Services by and between the CAB and Landtech Contractors, LLC (“Landtech MSA”): Attorney Hoistad reviewed the **Landtech MSA** 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 **Landtech MSA**, upon review and recommendation by the Construction Committee.

Task Order No. 1 under the MSA for Landscape Maintenance Services by and between the CAB and Landtech Contractors, LLC for 2023-2024 Landscape Maintenance Services (“Landtech Task Order No. 1”): Attorney Hoistad reviewed **Landtech Task Order No. 1** 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 **Landtech Task Order No. 1**, upon review and recommendation by the Construction Committee.

COVENANT
ENFORCEMENT
AND COMMUNITY
MANAGEMENT
MATTERS

Update from Timberline: Ms. Madrigal reviewed the information provided in the meeting packet, noting there was nothing additional to add.

OTHER BUSINESS

Schedule for Annual (Town Hall) Meeting: Attorney Hoistad reported he continues to coordinate with Attorney Ruhland on a date and time for all CAB member districts to hold a joint Annual (Town Hall) Meeting due to all of them being part of the same development/community. The date and time for this meeting has yet to be determined.

ADJOURNMENT

There being no further items before the Board, upon motion duly made by Director M. Sheldon, seconded by Director M. Hopper and, upon vote unanimously carried, the meeting was adjourned.

Respectfully submitted,

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By Denise Denstow
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Secretary for the Meeting