

MINUTES OF THE SPECIAL MEETING OF THE BOARDS OF DIRECTORS

OF THE

POWHATON ROAD METROPOLITAN DISTRICT
NOS. 1, 2, & 7

Held: Wednesday, November 7, 2018, at 9:30 a.m., at 2154 E. Commons Avenue, Suite 2000, Centennial, Colorado.

Attendance

A combined special meeting of the Boards of Directors of Powhaton Road Metropolitan District Nos. 1, 2, & 7 was called and held as shown above and in accordance with the applicable laws of the State of Colorado. The following directors, having confirmed their qualification to serve on the Boards, were in attendance:

James Spehalski
Roger Hollard
CJ Kirst

All director absences are deemed excused unless a contrary notation is recorded in these minutes.

Also present were: Kristin B. Tompkins, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law, District general counsel; Diane Wheeler, Simmons & Wheeler, PC, District accountant; and Ryan Mott, Melcor TC/Aurora LLC (*via telephone*).

**Call to Order/Declaration
of Quorum/Director
Qualifications**

Director Spehalski noted that a quorum of each of the Boards was present, that the directors had confirmed their qualification to serve, and, therefore, called the meeting for the Districts to order.

**Conflict of Interest
Disclosures**

Ms. Tompkins advised the Boards that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Tompkins reported that disclosures for those directors with potential or existing conflicts of interest were filed with the Secretary of State's Office and the Boards at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. It was also noted that Mr. Kirst and Mr. Hollard had not completed their disclosures, although there were no items on the agenda to which they had conflicts needing to be disclosed. Mr. Kirst and Mr. Hollard both disclosed their business relationship with Melcor. Ms. Tompkins noted that a quorum was present and inquired into whether members of the Boards had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The

Boards determined that the participation of the members present was necessary to obtain a quorum or to otherwise enable the Boards to act.

Approval of Agenda

Ms. Tompkins presented the Boards with the agenda for the meeting for consideration. Following discussion, upon motion duly made, the Boards unanimously approved the agenda as presented.

Consider Approval of Minutes from August 3, 2018 Special Meeting

Ms. Tompkins presented the Boards with the minutes of the August 3, 2018 special meeting for consideration. Following discussion, upon a motion duly made, the Boards unanimously approved the minutes.

Public Comment

None.

Legal Matters

Consider Adoption of 2019 Annual Administrative Resolution

Ms. Tompkins presented the Boards with the 2019 Annual Administrative Resolution for consideration. Following discussion, upon a motion duly made, the Boards unanimously adopted the resolution.

Consider Renewal of Property and Liability Schedule and Limits, Workers Compensation Schedule, and SDA Membership

Ms. Tompkins presented the Boards with the 2019 Property and Liability Schedule and Limits and 2019 Workers Compensation Schedule for consideration. Following discussion, upon a motion duly made, the Boards unanimously approved the coverage for 2019.

Consider Approval of Engagement Letter with White Bear Ankele Tanaka & Waldron for Legal Services

Ms. Tompkins reviewed the Engagement Letters with White Bear Ankele Tanaka & Waldron with the Boards. Ms. Tompkins noted specifically that the arbitration provision had been revised to make it clear that arbitration applies to this engagement letter as well as any prior engagement with the Districts. Ms. Tompkins also noted and discussed the addition of the representative client list section. Ms. Tompkins stated that as she is not independent as to the engagement, the Boards are advised to have separate legal counsel review the engagement letters. The Boards declined to engage separate legal counsel to review the letters. After discussion, upon a motion duly made and seconded, and upon a vote, unanimously carried, the Boards approved the engagement letters with White Bear Ankele Tanaka & Waldron.

Financial Matters

Consider Approval of Payables/Financials

Ms. Wheeler presented the Boards with the check register through November 1, 2018 for consideration. Following discussion, upon a motion duly made and seconded, the Boards unanimously ratified the claims in the amount of \$22,590.19.

Conduct Public Hearing on 2018 Budget Amendment and

Director Spenhalski opened the public hearing on the 2018 Budget Amendment for District No. 1. Ms. Tompkins noted that the notice for

Consider Adoption of Resolution Amending 2018 Budget (District No. 1)

the public hearing was made in accordance with the applicable Colorado statutes. No written objections were received prior to the public hearing. After no public comment was made, the hearing was closed.

Ms. Wheeler presented the Board of District No. 1 with the amended 2018 budget for consideration. Following discussion, upon a motion duly made and seconded, the Board approved an amendment to the General Fund to \$60,000.

Conduct Public Hearing on 2019 Budget and Consider Adoption of Resolution Approving 2019 Budget

Director Spehalski opened the public hearings on the 2019 Budgets. Ms. Tompkins noted that the notice for the public hearings was made in accordance with the applicable Colorado statutes. No written objections were received prior to the public hearings. After no public comment was made, the hearings were closed.

Ms. Wheeler presented the Boards with the 2019 budgets for consideration. Following discussion, the Boards unanimously adopted the 2019 budgets, and District No. 2 certified 60 mills in its General Fund, and District No. 7 certified 40.000 mills in its General Fund.

The Boards also directed legal counsel and the Districts' accountant to certify the mill levy by December 15, 2018 and to file the 2019 Budgets by January 30, 2019.

Consider Approval of Engagement Letter with Simmons & Wheeler for accounting services

Ms. Wheeler presented the Boards with the engagement letter of Simmons & Wheeler for accounting services. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the engagement.

Update on Bond Issuance

Ms. Wheeler and Ms. Tompkins provided the Boards with an update on the proposed bond issuance and noted that the bonds are anticipated to close in January 2019.

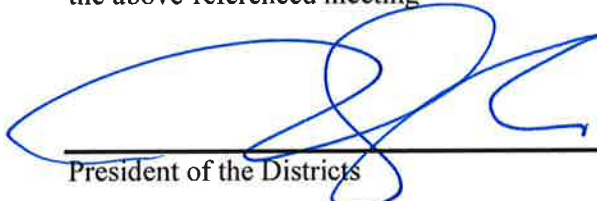
Other Business

None.

Adjournment

There being no further business to come before the Boards and following discussion and upon motion duly made, the Boards determined to adjourn the meeting.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting



President of the Districts