

MINUTES OF THE SPECIAL MEETING OF THE BOARD
OF DIRECTORS OF 40 NORTH METROPOLITAN
DISTRICT

Held: Monday, October 28, 2019 at 3:00 p.m. at
5723 Arapahoe Avenue, Suite 2B, Boulder, Colorado

Attendance

The meeting referenced above was called and held in accordance with the applicable statutes of the State of Colorado. The following directors were in attendance:

Michael Markel
Jason Markel
Gail Markel

Also present were: Blair M. Dickhoner, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law, District General Counsel; and Diane Wheeler, Simmons & Wheeler, P.C., District Accountant (via phone).

Call to Order/Declaration of Quorum

It was noted that a quorum of the Board was present, and therefore the meeting was called to order.

Director Disclosures

Mr. Dickhoner advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. Dickhoner reported that disclosures for those directors that provided White Bear Ankele Tanaka & Waldron with notice of potential or existing conflicts of interest were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Mr. Dickhoner inquired into whether members of the Board 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 participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

Approval of Agenda

The Board reviewed the proposed agenda for the meeting. After consideration, a motion was made and seconded to approve the agenda. The motion passed unanimously.

Approval of Minutes from the February 27, 2019 Organizational Meeting

Mr. Dickhoner presented the Board with the Minutes from the February 27, 2019 Organizational Meeting for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the minutes.

Public Comment

None.

Consent Agenda

Mr. Dickhoner advised the Board that any item may be removed from the consent agenda to the regular agenda upon the request of any director. No items were requested to be removed from the consent agenda. Upon a motion duly made and seconded, the following items on the consent agenda were unanimously approved, ratified and adopted:

- a. Consider Renewal of Property and Liability Schedule and Limits and SDA Membership
- b. Consider Ratification of 2018 Annual Report
- c. Consider Ratification of 2018 Audit Exemption Application
- d. Consider Adoption of Resolution Calling May 2020 Election

Legal Matters

Consider Adoption of Resolution Concerning Online Notice of Regular and Special Meetings

Mr. Dickhoner presented the Board with the Resolution Concerning Online Notice of Regular and Special Meetings for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution.

Consider Adoption of 2020 Annual Administrative Resolution

Mr. Dickhoner presented the Board with the 2020 Annual Administrative Resolution for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution.

Discuss Workers' Compensation Coverage

The Board engaged in discussion regarding workers' compensation coverage. Following discussion, the Board determined not to obtain workers' compensation coverage at this time and directed legal counsel to file the appropriate documents to exclude from it.

Discuss Ditch Maintenance Agreement

Director J. Markel informed the Board that there are currently two agreements in the works. Mr. Dickhoner informed the Board that when finalized, the agreements would need to be formally approved by the Board at a meeting. No Board action taken.

Discuss Declaration of Covenants, Conditions, and Restrictions

Director J. Markel informed the Board that the form covenants provided by District Counsel were being reviewed. No Board action taken.

Consider Approval of Imposition of a Capital Fee

The Board engaged in discussion regarding the imposition of a Capital Fee. Mr. Dickhoner explained to the Board that the

revenue is not needed to support any bonding. The Board determined not to impose a fee at this time. No Board action taken.

Financial Matters

Consider Approval of Payables/Financials

Ms. Wheeler presented the Board with the September 30, 2019 unaudited financials for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously accepted the unaudited financials.

Ms. Wheeler described to the Board the need to finalize a District bank account for future developer advances and District bills; Ms. Wheeler will work with Director J. Markel to complete the process of setting up the bank account.

Conduct Public Hearing on 2020 Budget and Consider Adoption of Resolution Approving 2020 Budget

Director M. Markel opened the public hearing on the proposed 2020 Budget. Mr. Dickhoner noted that the notice of public hearing was provided in accordance with Colorado law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Ms. Wheeler reviewed the 2020 Budget Resolution with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution adopting the 2020 Budget. The District will not impose a mill levy for collection in 2020.

Other Business

Update on Progress of Construction

Director J. Markel provided a general update to the Board on the status of construction progress within the District.

Adjourn

There being no further business to come before the Board and upon a motion duly made, seconded, and unanimously carried, the meeting was adjourned.

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

Jason Markel

Secretary for the Meeting

The foregoing minutes were approved on the 26th day of October, 2020.