

## RECORD OF PROCEEDINGS

### MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF ROCK CANYON METROPOLITAN DISTRICT

Held: Friday, August 28, 2020, at 1:00 p.m. via  
conference call, due to concerns regarding the  
spread of the coronavirus (COVID-19).

#### Attendance

A Special Meeting of the Board of Directors of the Rock Canyon Metropolitan District, Douglas County, Colorado, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following Directors present and acting:

Daniel R. Sheldon, President (via telephone)  
Steven A. Shoflick, Treasurer (via telephone)  
David J. Goldberg, Secretary (via telephone)

#### Also present were:

Paula J. Williams, Esq. and Craig Sorensen; McGeady  
Becher P.C. (via telephone)  
Kevin Collins and Brittany Superchi;  
CliftonLarsonAllen LLP (via telephone)  
Peter Klymkow, Matthew Valente and Natalie Fatseas;  
Taylor Morrison of Colorado, Inc. (Board  
Candidates; via telephone)

#### Disclosure of Potential Conflicts of Interest

The Board 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 by Attorney Williams that disclosures of potential conflicts of interest were filed with the Secretary of State for all directors, and no additional conflicts were disclosed at the meeting.

Quorum/Confirmation of Meeting Location/Posting of Notices

Attorney Williams confirmed the presence of a quorum. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's board meeting.

The Board determined that, 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 meeting would be held by telephonic means without any individuals (neither District Representatives nor the General Public) attending in person. Mr. Sorensen reported that notice was duly posted and that no objections to the telephonic manner of the meeting or any requests that the telephonic manner of the meeting be changed by taxpaying electors within the District boundaries have been received.

Approval of Agenda

The Board reviewed the agenda for the meeting. Following discussion, upon motion duly made by Director Sheldon, seconded by Director Shoflick, and upon vote unanimously carried, the Board approved the agenda, as amended.

Minutes

Following review and discussion, upon motion duly made by Director Shoflick, seconded by Director Sheldon, and upon vote unanimously carried, the Board approved the minutes of the April 22, 2020 Special Meeting.

Amounts Paid by Trustee Under Series 2020A Bonds

Mr. Collins discussed with the Board the need to ratify all amounts paid by the Trustee pursuant to requisitions under the District's General Obligation Limited Tax Bonds, Series 2020A.

Following review and discussion, upon motion duly made by Director Sheldon, seconded by Director Goldberg, and upon vote unanimously carried, the Board ratified all amounts paid by the Trustee pursuant to requisitions under the District's General Obligation Limited Tax Bonds, Series 2020A.

Bank Account

Following discussion, upon motion duly made by Director Sheldon, seconded by Director Goldberg, and upon vote unanimously carried, the Board authorized the withdrawal of the current signature cards for the FirstBank account, and authorized new Board Members Klymkow, Valente and Fatseas to be signers, with only

one signature required.

Cost Verification No. 3

Director Sheldon reviewed with the Board Engineer's Report and Verification of Costs Associated with Public Improvements – Cost Verification No. 3, dated August 18, 2020 and prepared by Schedio Group, LLC, verifying reimbursable costs in the amount of \$769,780.45 ("Cost Verification No. 3), noting that the amount of certified costs actually exceeds the remaining available funds in the Project Fund.

Following review and discussion, upon motion duly made by Director Sheldon, seconded by Director Goldberg, and upon vote unanimously carried, the Board approved Cost Verification No. 3.

Approval/Ratification of Requisitions

Director Sheldon reviewed with the Board the Project Fund Summary provided by the District Accountant, showing all activity in the Project Fund and the Subordinate Project Fund.

Following review and discussion, upon motion duly made by Director Sheldon, seconded by Director Goldberg, and upon vote unanimously carried, the Board ratified/approved the specific requisitions, as follows:

- **Project Fund Requisition No. 3 dated 5/4/20 for payment to UDCM Rock Canyon, LLC in the amount of \$171,697.38:** Ratified. It was noted that this requisition was previously approved at the April 22, 2020 meeting for an amount not to exceed \$415,000.
- **Project Fund Requisition No. 4 dated 5/4/20 for payment to Taylor Morrison of Colorado, Inc. in the amount of \$75,000.00:** Ratified.
- **Project Fund Requisition No. 5 dated 8/20/20 for payment to CliftonLarsonAllen LLP in the amount of \$8,647.07:** Approved.
- **Project Fund Requisition No. 6 dated 8/20/20 for payment to Taylor Morrison of Colorado, Inc. in the amount of \$75,000.00:** Approved.
- **Project Fund Requisition No. 7 dated 8/20/20 for payment to Schedio Group, LLC in the amount of \$4,634.50:** Approved.
- **Project Fund Requisition No. 8 dated 8/20/20 for payment to UDCM Rock Canyon, LLC in the amount of \$221,871.76:** Approved.

- **Subordinate Project Fund Requisition No. 1 dated 8/20/20 for payment to UDCM Rock Canyon, LLC in the amount of \$388,039.47: Approved.**

Termination of 2019-2020  
Operation Funding  
Agreement between the  
District and UDCM Rock  
Canyon, LLC

Following review and discussion, upon motion duly made by Director Sheldon, seconded by Director Shoflick, and upon vote unanimously carried, the Board approved the Termination of 2019-2020 Operation Funding Agreement between the District and UDCM Rock Canyon, LLC, subject to changing the effective date of the termination from August 31, 2020 to August 28, 2020.

2020-2021 Operation  
Funding Agreement between  
the District and Taylor  
Morrison of Colorado, Inc.

Attorney Williams reviewed with the Board the 2020-2021 Operation Funding Agreement between the District and Taylor Morrison of Colorado, Inc., noting that the it was necessary for the agreement to be approved by the outgoing Board Members under their fiduciary duty to the District to provide a funding source, since the 2019-2020 Operation Funding Agreement with UDCM Rock Canyon, LLC was terminated.

Following review and discussion, upon motion duly made by Director Sheldon, seconded by Director Shoflick, and upon vote unanimously carried, the Board approved the 2020-2021 Operation Funding Agreement between the District and Taylor Morrison of Colorado, Inc., subject to the acceptance of the agreement's terms by Taylor Morrison of Colorado, Inc.

Board Resignation

Director Shoflick resigned from the Board of Directors, effective immediately, and his resignation was acknowledged by Directors Sheldon and Goldberg.

Board Appointments

Following discussion, upon motion duly made by Director Sheldon, seconded by Director Goldberg, and upon vote unanimously carried, the Board appointed qualified individuals Peter Klymkow, Matthew Valente and Natalie Fatseas to the Board of Directors.

It was noted that a Notice of Vacancies was published on August 13, 2020, and that no letters of interest from qualified individuals were received by the statutory deadline following publication.

It was further noted that the new Board Members could not take any substantive actions at the meeting, since conflict disclosures were not filed on their behalf, and

their Oaths of Director need to be signed and filed with the Douglas County Clerk and Recorder before they can act as Board Members.

Appointment of Officers

Following discussion, upon motion duly made by Director Sheldon, seconded by Director Goldberg, and upon vote unanimously carried, the Board appointed the following officers:

- President: Peter Klymkow
- Secretary: Matthew Valente
- Treasurer: Natalie Fatseas
- Assistant Secretary: Daniel Sheldon
- Assistant Secretary: David Goldberg

Board Resignations

Director Sheldon and Director Goldberg resigned from the Board of Directors, effective immediately, and their resignations were acknowledged by Directors Klymkow, Valente and Fatseas.

Other Business

It was noted that the location of the November 10, 2020 budget hearing will need to be moved to the offices of Taylor Morrison of Colorado, Inc., and that the new Board Members will need to be added to the meeting invitation. The Board directed Mr. Sorensen to follow up.

Adjournment

There being no further business coming before the Board, upon motion duly made by Director Klymkow, seconded by Director Valente, and upon vote unanimously carried, the meeting was adjourned.

The foregoing Minutes were approved by the Board of Directors on November 10, 2020.

The foregoing record constitutes a true and correct copy of the Minutes of the above referenced meeting.

*Matthew Valente*

Secretary