

RECORD OF PROCEEDINGS

**MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1
HELD
JULY 31, 2019**

A special meeting of the Board of Directors (the "Board") of the Crowfoot Valley Ranch Metropolitan District No. 1 (the "District") was convened on Wednesday, the 31st day of July, 2019, at 9:00 a.m., at Hines, 1144 15th Street, Suite 3675, Denver, Colorado 80202. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Chad Murphy
Richard Cross
John ("Jay") W. Despard
Matthew B. Greenberg

Also In Attendance Were:

Ann E. Finn; Special District Management Services, Inc.

Matthew Ruhland, Esq. and Joe Norris, Esq.; Collins Cockrel & Cole, P.C.

Jason Carroll; CliftonLarsonAllen, LLP

Ryan Marsh; Hines

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosures of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board and to the Secretary of State.

Attorney Ruhland noted that a quorum was present and requested members of the Board 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 the statute. It was noted that all Directors' Disclosure Statements have been filed.

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ADMINISTRATIVE MATTERS

Agenda: The Board reviewed a proposed Agenda for the District's special meeting.

Following discussion, upon motion duly made by Director Cross, seconded by Director Murphy and, upon vote, unanimously carried, the Agenda was approved, as amended.

Approval of Meeting Location: 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.

Following discussion, upon motion duly made by Director Cross, seconded by Director Murphy and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within its boundaries or within Douglas County, or within 20 miles of its boundaries, to conduct this meeting, it was determined to conduct the meeting at the above-stated location. The Board further noted that a Resolution to Conduct Meeting Outside of District Boundaries and Douglas County was adopted at the previous Board meeting, notice of this location was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within its boundaries.

HB 19-1087 – Local Public Meeting Notices Posted on Website: Attorney Ruhland reviewed with the Board new legislation regarding the posting of meeting notices and establishing a website and Eligible Government Entity Agreement between the Statewide Internet Portal Authority ("SIPA") of the State of Colorado and the District.

Following discussion, upon motion duly made by Director Murphy, seconded by Director Greenberg and, upon vote, unanimously carried, the Board approved the Eligible Government Entity Agreement between the District and SIPA.

September 2, 2019 Regular Board Meeting: The Board noted the September 2, 2019 Regular Board meeting is on a holiday. Following discussion, the Board determined to cancel the September 2, 2019 Regular Board meeting.

Board Vacancy: The Board entered into discussion regarding the vacancy on the Board of Directors and no action was taken.

Minutes: The Board reviewed the Minutes of the November 19, 2018 special meeting.

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Following discussion, upon motion duly made by Director Cross, seconded by Director Despard and, upon vote, unanimously carried, the Minutes of the November 19, 2018 special meeting were approved, as presented.

FINANCIAL MATTERS

Payment of Claims: The Board then considered approval of the payment of claims for the following periods:

Fund	Period ending Dec. 18, 2018	Period ending Jan. 11, 2019	Period ending Feb. 20, 2019	Period ending March 15, 2019
General	\$ 6,855.96	\$ 7,420.00	\$ 6,353.24	\$ 6,742.26
Debt	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital	\$ -0-	\$ -0-	\$ 981.06	\$ -0-
Total	\$ 6,855.96	\$ 7,420.00	\$ 7,334.30	\$ 6,742.26

Fund	Period ending April 22 – June 18, 2019
General	\$ 39,217.89
Debt	\$ -0-
Capital	\$ -0-
Total	\$ 39,217.89

Following discussion, upon motion duly made by Director Murphy, seconded by Director Despard and, upon vote, unanimously carried, the Board approved the payment of claims, as presented.

Unaudited Financials and Cash Position Schedule: Mr. Carroll reviewed for the Board the unaudited financial statements of the District setting forth the cash deposits, investments, budget analysis, and accounts payable vouchers for the period ending May 31, 2019 and the schedule of cash position statement updated as of June 21, 2019.

Following review and discussion, upon motion duly made by Director Murphy, seconded by Director Despard and, upon vote, unanimously carried, the unaudited financial statements and the schedule of cash position statement were accepted, as presented.

Application for Exemption from 2018 Audit: The Board reviewed the execution and filing of the Application for Exemption from Audit for 2018.

Following review, upon motion duly made by Director Murphy, seconded by Director Cross and, upon vote, unanimously carried, the Board ratified approval of the execution and filing of the Application for Exemption from Audit for 2018 with the State Auditor.

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Reimbursement to HT Canyons South Development LP: The Board entered into discussion regarding the reimbursement to HT Canyons South Development LP pursuant to the Facilities Funding and Acquisition Agreement.

Following discussion, upon motion duly made by Director Murphy, seconded by Director Despard and, upon vote, unanimously carried, the Board approved the reimbursement to HT Canyons South Development LP pursuant to the Facilities Funding and Acquisition Agreement, for previous incurred capital costs for public infrastructure, in the amount of \$642,163.03.

2018 Budget Amendment Hearing: The President opened the public hearing to consider a Resolution to Amend the 2018 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2018 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No public comments were received and the public hearing was closed.

Following review and discussion, Director Murphy moved to adopt the Resolution to Amend 2018 Budget, Director Despard seconded the motion and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-07-01 to Amend the 2018 Budget. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

LEGAL MATTERS

Owner's Representation Agreement between the District and Hines Interests Limited Partnership ("Hines"): Attorney Ruhland reviewed with the Board a draft Owner's Representation Agreement between the District and Hines to serve as the Owner's Representative for District Owned Construction Projects.

Following review and discussion, upon motion duly made by Director Murphy, seconded by Director Cross and, upon vote, unanimously carried, the Board ratified approval of the Owner's Representation Agreement between the District and Hines to serve as the Owner's Representative for District Owned Construction Projects.

Operations Funding Agreement between the District and Hines. The Board deferred discussion.

Resolution No. 2019-07-02, Resolution Adopting Consumer Data Privacy Policy: Attorney Ruhland reviewed with the Board Resolution No. 2019-07-02, Resolution Adopting Consumer Data Privacy.

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Following review and discussion, upon motion duly made by Director Murphy, seconded by Director Despard and, upon vote, unanimously carried, the Board approved Resolution No. 2019-07-02, Resolution Adopting Consumer Data Privacy Policy. A copy of the adopted Resolution is attached to these Minutes and incorporated herein by this reference.

Resolution No. 2019-07-03, Resolution to Conduct Business Outside of District Boundaries and Douglas County: Attorney Ruhland reviewed with the Board Resolution No. 2019-07-03, Resolution to Conduct Business Outside of District Boundaries and Douglas County.

Following review and discussion, upon motion duly made by Director Murphy, seconded by Director Despard and, upon vote, unanimously carried, the Board approved Resolution No. 2019-07-03, Resolution to Conduct Business Outside of District Boundaries and Douglas County. A copy of the adopted Resolution is attached to these Minutes and incorporated herein by this reference.

Resolution No. 2019-07-04, Resolution Designating Location to Post Notice: Attorney Ruhland reviewed with the Board Resolution No. 2019-07-04, Resolution Designating Location to Post Notice.

Following review and discussion, upon motion duly made by Director Murphy, seconded by Director Despard and, upon vote, unanimously carried, the Board approved Resolution No. 2019-07-04, Resolution Designating Location to Post Notice. A copy of the adopted Resolution is attached to these Minutes and incorporated herein by this reference.

Assignment of an Amendment to the Denver Southeast Suburban Water and Sanitation District Service Agreement (The Canyons): Attorney Ruhland updated the Board on the status of the Assignment of an Amendment to the Denver Southeast Suburban Water and Sanitation District Service Agreement (The Canyons). No action was taken by the Board at this time.

CAPITAL IMPROVEMENTS

Submittals from Contractors to the Request for Qualifications ("RFQ"): The Board entered into discussion regarding the submittals from contractors to the RFQ. Director Cross reported to the Board submissions for utilities, paving and concrete work have been rejected and will be re-bid.

Award and Consider Approval of Contract(s):

Off-Site Sanitary Improvement Project: The Board reviewed the bids for Off-Site Sanitary Improvement Project.

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Following review and discussion, upon motion duly made by Director Cross, seconded by Director Despard and, upon vote, unanimously carried, the Board awarded the contract to Iron Woman Construction and Environmental Services LLC ("Contractor") for the amount of \$1,381,555 and authorized Director Cross to finalize the Agreement between the District and the Contractor.

On-Site Wet Utilities Project: The Board reviewed the bids for the On-Site Wet Utilities Projects.

Following review and discussion, upon motion duly made by Director Cross, seconded by Director Greenberg and, upon vote, unanimously carried, the Board awarded the contract to Iron Woman Construction and Environmental Services LLC ("Contractor") for the amount of \$8,912,080.12 and authorized Director Cross to finalize the Agreement between the District and the Contractor.

Future Construction Projects: There was no discussion.

There was no other business to discuss at this time.

OTHER BUSINESS

ADJORNMENT

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

Respectfully submitted,

By: _____



Secretary for the Meeting

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1

RESOLUTION NO. 2019-07-01

RESOLUTION TO AMEND 2018 BUDGET

WHEREAS, the Board of Directors of Crowfoot Valley Ranch Metropolitan District No. 1 (the "District") adopted a budget and appropriated funds in the General Fund for the 2018 fiscal year as follows:

General Fund	\$ 75,000
Capital Projects Fund	<u>\$500,000</u>
Total	\$575,000

WHEREAS, additional expenditures in the General Fund are necessary resulting in expenditures in excess of appropriations for the 2018 fiscal year; and

WHEREAS, such additional expenditures are contingencies which could not have been reasonably foreseen at the time of adoption of the budget; and

WHEREAS, funds are available for such expenditures from unanticipated revenue (other than property taxes), developer advances or other surplus funds in the General Fund.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Crowfoot Valley Ranch Metropolitan District No. 1 hereby adopts a supplemental budget and appropriation for the General Fund for the 2018 fiscal year as follows:

General Fund	\$ 82,000
Capital Projects Fund	<u>\$500,000</u>
Total	\$582,000

BE IT FURTHER RESOLVED, that such sums are hereby appropriated for expenditure from any available funds in the General Fund in accordance with the provisions of §29-1-109, C.R.S.

ADOPTED this 31st day of July, 2019.

CROWFOOT VALLEY RANCH
METROPOLITAN DISTRICT NO. 1

By: _____


Chad Murphy, Chair

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1

RESOLUTION NO. 2019-07-02

A RESOLUTION ADOPTING A CONSUMER DATA PRIVACY POLICY

WHEREAS, the Crowfoot Valley Ranch Metropolitan District No. 1 (“District”) is a quasi-municipal corporation and political subdivision of the State of Colorado and a duly organized and existing special district pursuant to Title 32, Article 1, C.R.S.; and

WHEREAS, Article 73, Title 24, of C.R.S. regarding security breaches and personal information enacted by H.B. 18-1128, the “Protections for Consumer Data Privacy” Act (the “Act”), requires governmental entities to: (i) develop a written policy for the destruction and proper disposal of paper and electronic documents that contain personal identifying information; (ii) maintain reasonable security procedures for personal identifying information; and (iii) notify Colorado residents following a security breach; and

WHEREAS, the Board of Directors (“Board”) of the District hereby finds that, in the course of its business, the District from time-to-time maintains “personal identifying information” or “personal information” as defined by the Act and is therefore subject to the requirements of the Act; and

WHEREAS, the Board hereby finds and determines that adopting a consumer data privacy policy (“Policy”) in compliance with the Act is appropriate and necessary to the function and operation of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Crowfoot Valley Ranch Metropolitan District No. 1 as follows:

1. Preambles Incorporated. The preambles to this Resolution are hereby incorporated into this Resolution as if set out fully herein.

2. Consumer Data Privacy Policy.

(a) Definitions:

(i) “Personal Identifying Information” means a social security number; a person identification number; a password; a pass code; an official state or government-issued driver’s license or identification card number; a government passport number; biometric data as defined in C.R.S. § 24-73-103(1)(a); an employer, student, or military identification number; or a financial transaction device as defined in C.R.S. § 18-5-710(3).

(ii) “Personal Information” means information, including Personal Identifying Information, associated with a Colorado resident as defined and limited by C.R.S. § 27-73-103(1)(g)(I) and (II).

(iii) “Third-Party Service Provider” means a third-party entity, contractor, subcontractor, or other person that has been contracted to maintain, store, dispose of, destroy, or process Personal Identifying Information or Personal Information or both on behalf of the District.

(b) **Destruction/Disposal Policy**: Unless required by State or Federal law or regulation, the District and the District’s Third-Party Service Providers are required to destroy or arrange for the destruction of such paper and electronic documents within its custody or control that contain Personal Identifying Information when no longer needed by shredding, erasing, or otherwise modifying the Personal Identifying Information in the paper or electronic documents to make the Personal Identifying Information unreadable or indecipherable through any means. The District may rely upon the State Archivist’s Records Management Manual for purposes of determining when a document is no longer needed and may be destroyed pursuant to this Policy.

(c) **Security Measures**: The District shall protect Personal Identifying Information from unauthorized access, use, modification, disclosure, or destruction by implementing reasonable security procedures and practices, including, but not limited to, the following:

(i) limiting individual access to Personal Identifying Information to the minimum level necessary to accomplish their responsibilities;

(ii) modifying or terminating an individual’s access to Personal Identifying Information when the individual’s job responsibilities change, new or upgraded application software allows greater control of application access, or the individual’s association with the District has been terminated;

(iii) monitoring system logs, file access, and security incidents associated with Personal Identifying Information stored on or transmitted by the District’s computer systems; and

(iv) ensuring that reasonable and appropriate education procedures are in place for all individuals with access to Personal Identifying Information in accordance with the District’s policies and applicable laws and regulations.

(d) **Third Party Service Providers**: All existing, prospective, and future Third-Party Service Providers of the District are hereby notified of this Policy and shall be subject to the terms thereof. By providing services or continuing to provide services on behalf of the District, any Third-Party Service Provider acknowledges and

affirms that it implements and maintains reasonable security procedures and a written policy for destruction of Personal Identifying Information and Personal Information as required by this Policy as a legislative measure of the Board and by the Act, whether codified in Title 24 or Title 6, C.R.S.

(e) **Notification of Security Breach:**

(i) If the District becomes aware that a security breach of Personal Information about a resident of Colorado may have occurred, the District shall conduct in good faith a prompt investigation in accordance with C.R.S. § 24-73-103(2) to determine the likelihood that such Personal Information has been or will be misused.

(ii) Unless the District's investigation determines that the misuse of Public Information about a resident of Colorado has not occurred and is not reasonably likely to occur, the District shall give notice to the affected Colorado residents in accordance with the procedures, timing, and method of notice as required by C.R.S. § 24-73-103(2).

3. Records Management Manual/Open Records. The purpose of this Policy is to supplement and not replace the State Archivist's Records Management Manual, as amended from time-to-time, or any other Resolution of the Board

4. Severability. If any part, section, subsection, sentence, clause or phrase of this Resolution or Policy is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining provisions.

5. Effective Date. This Resolution and Policy shall take effect and be enforced immediately upon its approval by the Board and be implemented and administered to conform with the Act, as may be amended from time to time.

ADOPTED this 31st day of July, 2019.

CROWFOOT VALLEY RANCHY
METROPOLITAN DISTRICT NO. 1

By


Chad Murphy, Chair

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1

RESOLUTION NO. 2019-07-03

**RESOLUTION TO CONDUCT MEETING OUTSIDE
OF DISTRICT BOUNDARIES AND DOUGLAS COUNTY**

WHEREAS, the Crowfoot Valley Ranch Metropolitan District No. 1 (the “District”) is a special district of the State of Colorado, governed by Title 32, Article 1, C.R.S., also known as the Special District Act; and

WHEREAS, pursuant to Section 32-1-903(1), C.R.S., all special and regular meetings of the Board of Directors of a special district are to be held at locations which are within the boundaries of the District or which are within the boundaries of any county in which the District is located, in whole or in part, or in any county so long as the meeting location does not exceed twenty (20) miles from the District boundaries; and

WHEREAS, the Board of Directors (the “Board”) of the District has determined that, for reasons of convenience and fiscal efficiencies, a Board meeting must be held at a location more than twenty (20) miles from the District boundaries.

NOW, THEREFORE, BE IT RESOLVED, that:

1. The next meeting of the Board of Directors of the Crowfoot Valley Ranch Metropolitan District No. 1 will be held at the offices of the Board Chair, located at 1144 15th Street, Suite 3675, Denver, Colorado.

2. The reasons for holding such meeting more than twenty (20) miles outside of the District boundaries are that:

(a) All the Directors and consultants of the District reside outside of the District boundaries; and

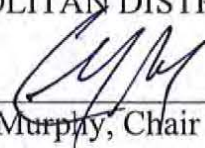
(b) It is more convenient and economical under the circumstances to conduct the business of the Board and the District at the offices of the District’s Board Chair, which is outside of the District boundaries and Douglas, Colorado.

3. The Board may consider holding other meetings more than twenty (20) miles outside of the District boundaries at subsequent meetings.

ADOPTED this 31st day of July, 2019.

CROWFOOT VALLEY RANCH
METROPOLITAN DISTRICT NO. 1

By: _____


Chad Murphy, Chair

CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1

RESOLUTION NO. 2019-07-04

RESOLUTION DESIGNATING LOCATION TO POST NOTICE

WHEREAS, pursuant to Sections 24-6-402(2)(c) and 32-1-903(2), C.R.S., notice and, where possible, the agenda of the Crowfoot Valley Ranch Metropolitan District No. 1 ("District") Board of Directors ("Board") meetings at which the adoption of any formal action is to occur or at which a majority or quorum of the body is in attendance, or is expected to be in attendance, shall be posted within the boundaries of the District at least 24 hours prior to each meeting at a location designated at the first regular meeting of each year.


NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Crowfoot Valley Ranch Metropolitan District No. 1 that notices of meetings (regular, special and study session) of the Board required pursuant to Section 24-6-401, et seq., C.R.S., shall be posted within the boundaries of the District at least 24 hours prior to each meeting at, as a minimum, the following location:

Intersection of Crowfoot Valley
Ranch Rd. + E. Scott Rd.

ADOPTED this 31st day of July, 2019.

CROWFOOT VALLEY RANCH
METROPOLITAN DISTRICT NO. 1

By: _____


Chad Murphy, Chair