

**RECORD OF PROCEEDINGS**

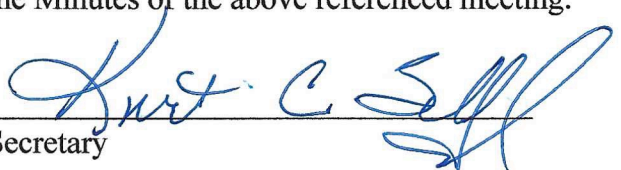
	<p><b>MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE E-86 METROPOLITAN DISTRICT</b></p> <p>Held: Friday, October 29, 2021, at 12:00 p.m.</p> <p>This meeting was held via Zoom videoconference and teleconference.</p>
<p>Attendance</p>	<p>A Special Meeting of the Board of Directors of the E-86 Metropolitan District, Town of Elizabeth, County of Elbert, State of 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:</p> <p>James E. Marshall David Feiner Tery Larrew</p> <p><u>Also present were:</u></p> <p>Samantha Lillehoff, Esq., McGeady Becher P.C. Eric Weaver and James Schultz, Marchetti &amp; Weaver, LLC Kurt C. Schlegel, Special District Solutions, Inc.</p> <p>The meeting was open to the public.</p> <p>Mr. Schlegel confirmed the presence of a quorum and Director Feiner called the meeting to order at 12:05 p.m.</p>
<p><b>ADMISTRATIVE MATTERS:</b></p>	
<p>Disclosure of Potential Conflicts of Interest</p>	<p>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 Lillehoff that disclosures of potential conflicts of interest were filed with the Secretary of State for all</p>

	<p>directors, and no new conflicts of interest were disclosed at the meeting.</p>
<p>Quorum / Meeting Location and Manner / Posting of Notices / Agenda</p>	<p>The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the venue for the District's board meeting. Following discussion, and upon motion duly made by Director Larrew, seconded by Director Feiner, and upon vote unanimously carried, the Board determined to conduct the meeting virtually. The Board further noted that notice of this meeting was duly posted and that no objections or any requests that the meeting venue be changed were received from taxpaying electors within its boundaries.</p> <p>Mr. Schlegel reported that the Meeting Notice and Agenda was posted within the boundaries of the District at least 24-hours prior to the meeting, all in accordance with statute.</p> <p>Upon motion duly made by Director Larrew, seconded by Director Feiner and, upon vote unanimously carried, the Agenda was approved, as presented.</p>
<p>Consent Agenda</p>	<p>Upon motion duly made by Director Feiner, seconded by Director Larrew and, upon vote, unanimously carried, the Board approved the Consent Agenda items, as follows:</p> <p style="padding-left: 40px;">A. Approve the minutes of the August 20, 2021 Special Meeting.</p>
<p>Resolution No. 2021-10-01, Resolution Establishing Regular Meeting Dates, Times, and Location, and Designating Location for Posting of 24-Hour Notices</p>	<p>Mr. Schlegel reviewed the proposed Resolution with the Board. The Board scheduled its regular 2022 meeting dates to be held virtually on June 24, 2022, and October 21, 2022, at 11:00 a.m., and to call special meetings as needed in 2022.</p> <p>Following review and discussion and upon a motion duly made by Director Feiner, seconded by Director Larrew, and upon vote unanimously carried, the Board adopted Resolution No. 2021-10-01, Resolution Establishing Regular Meeting Dates, Times, and Location, and Designating Location for Posting of 24-Hour Notices.</p>
<p>District Insurance</p>	<p>The Board approved renewing the District's insurance coverage and instructed consultants to proceed accordingly. The Board further directed renewal of the District's Special District</p>
<p><b>PUBLIC COMMENT:</b></p>	<p>None.</p>

<b>FINANCIAL MATTERS:</b>	
Claims for Payment	Mr. Weaver presented a list of payments for the Board's consideration. Following review and discussion and upon a motion duly made by Director Marshall, seconded by Director Feiner, and upon vote unanimously carried, the Board approved the payment of claims presented, totaling \$6,271.33.
Unaudited Financial Statements	Mr. Weaver presented the District's unaudited financial statements for the period ending September 30, 2021. Following review and discussion and upon a motion duly made by Director Feiner, seconded by Director Marshall, and upon vote unanimously carried, the Board accepted the unaudited financial statements for the period ending September 30, 2021.
Public Hearing on Amendment to 2021 Budget	Director Marshall opened the public hearing to consider an amendment to the 2021 Budget.  The Board noted that publication of Notice stating that the Board would consider amendment of the 2021 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 the public hearing.  No public comments were received, and the public hearing was closed.  The Board noted that no amendment to the 2021 Budget was required.

<p>Public Hearing on 2022 Budget</p>	<p>Director Marshall opened the public hearing to consider the proposed 2022 Budget and discuss related issues.</p> <p>The Board noted that publication of Notice stating that the Board would consider adoption of the 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 the public hearing.</p> <p>No public comments were received, and the public hearing was closed.</p> <p>Mr. Weaver reviewed with the Board the estimated 2021 expenditures and the proposed 2022 expenditures.</p> <p>The Board determined to certify a general fund mill levy of 11.000 mills, and a debt service mill levy of 50.000 mills, for a combined total of 61.000 mills, for the 2022 Budget year.</p> <p>Upon a motion duly made by Director Feiner, seconded by Director Marshall, and upon a vote unanimously carried the Board adopted Resolution No. 2021-11-02 to Adopt the 2022 Budget and Appropriate Sums of Money, and Resolution No. 2021-11-03 to Set Mill Levies. The Board directed staff to transmit the Certification of Tax Levies to the Board of County Commissioners of Elbert County no later than December 15, 2021, and to transmit the Certification of Budget to the Division of Local Government no later than January 31, 2022.</p>
<p>DLG-70 Certification of Tax Levies</p>	<p>Following discussion, upon motion duly made by Feiner, seconded by Director Marshall, and upon vote unanimously carried, the Board directed the District's Accountant to prepare, sign, and file the DLG-70 Certification of Tax Levies with the Board of County Commissioners and other interested parties.</p>
<p>2021 Audit Engagement</p>	<p>Mr. Weaver discussed the engagement of Dazzio &amp; Associates, P.C. to perform the 2021 Audit. Following discussion, and upon a motion duly made by Director Marshall, seconded by Director Feiner, and upon vote unanimously carried, the Board approved and accepted the 2021 Audit Engagement Letter from Dazzio &amp; Associates, P.C.</p>

Preparation of 2023 Budget	Upon a motion duly made by Director Larrew, seconded by Director Feiner, and upon vote unanimously carried, the Board directed the District Accountant to prepare the 2023 Budget.
<b>LEGAL MATTERS:</b>	
Resolution No. 2021-10-04; Calling May 3, 2022 Election	Attorney Lillehoff presented a Resolution calling for a Regular Election for Directors on May 3, 2022. Following discussion and upon a motion duly made by Director Marshall, seconded by Director Feiner, and upon vote unanimously carried, the Board approved and adopted Resolution No. 2021-10-04 Calling a Regular Election for Directors on May 3, 2022, appointing Kurt Schlegel as the Designated Election Official (“DEO”) and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.
First Amendment to Amended and Restated Operation Funding Agreement	Attorney Lillehoff discussed the need to amend the Multiple Fiscal Year Operation Funding Agreement by and between the District and E-86 J.V., LLC. Following review and upon a motion duly made by Director Marshall, seconded by Director Feiner, and upon vote unanimously carried, the Board approved the First Amendment to the Amended and Restated Operation Funding Agreement by and between the District and E-86 J.V., LLC.
Proposed First Amendment to Facilities Acquisition and Reimbursement Agreement	The Board noted that the Facilities Acquisition and Reimbursement Agreement by and among the District, E-86 J.V., LLC, and Lennar Colorado, LLC (the “FARA”) should be amended to provide for a potential increase to the amount and priority of Organization Expenses Reimbursement (as defined in the FARA), given the availability of bond proceeds. The Board directed general counsel to prepare the proposed First Amendment to the FARA and to work with E-86 J.V., LLC, and Lennar Colorado, LLC regarding the proposed terms of same.
Section 32-1-809, C.R.S. Requirements (Annual Transparency Notice)	Following discussion, and upon a motion duly made by Director Marshall, seconded by Director Feiner, and upon vote unanimously carried, the Board directed management to prepare and file the Annual Transparency Notice for the District.

<b>OTHER BUSINESS:</b>	
Development Update	An update was given concerning the status of development within the District; it was noted that closing with Lennar is expected in November 2021.
Adjournment	There being no further business coming before the Board, upon motion duly made by Director Marshall, seconded by Director Feiner, and upon vote unanimously carried, the meeting was adjourned at 12:40 p.m.
	The foregoing Minutes were approved by the Board of Directors on December 10, 2021.
	The foregoing record constitutes a true and correct copy of the Minutes of the above referenced meeting.   <hr/> Secretary