

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF
INSPIRATION METROPOLITAN DISTRICT

Held: Tuesday, June 8, 2021, at 5:30 p.m. via video conference

Due to the threat posed by the COVID-19 coronavirus, the special meeting was held via teleconference.

Attendance

The special meeting of the Board of Directors of the Inspiration Metropolitan District was called and held as shown above and in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve on the Board, were in attendance:

Aaron Curtiss
Dennis Colwell
Holly Svetz
Sandi Thomas
Absent: Lindsey Linkow

Also present were:

Heather L. Hartung, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law, District General Counsel; Jeffery B. Smith, Altitude Community Law, Special Counsel, Covenant Enforcement; Sharon Sulzle, Advanced Management, LLC, Architectural Review and Covenant Enforcement; AJ Beckman, Public Alliance, District Manager; Kate Innes, Public Alliance, Resident Relations Manager; Sarah Warner, Public Alliance, Landscape and Facilities Superintendent; Angie Kelly, Public Alliance; Dawn Jones, Accountant, CliftonLarsenAllen

Members of the public in attendance were as follows: Teresa LaGare, Shelli Wolf, Yolanda Treviso, Jade Opfer, Bob Luckner, Karen Chambers, Janis Aguilar, Brenda Patrick, Paul Westby, Steve Powers, John Priecko, Nikki Rivera, Rea Heatherington, Sharon Macway, Brenda Skoglund, Kathy T., Peter Schreck, Randall Haifley, Bruce & Sally Van Der Kamp, Bill Maxwell, Nicolette Dixon, Vail Hanlon, Alisa Brayman, Ellen Burns, Barbara Tung, Mike Borman, Tracy Nichols, Eileen Brown, Courtney Thomas, Russ Paper.

Call to Order

It was noted that a quorum of the Board was present, and the meeting was called to order at 5:31pm. Upon a motion duly made by Director Thomas and seconded by Director Svetz, the Board unanimously approved the absence of Director Linkow.

**Conflict of Interest
Disclosures**

Ms. Hartung advised the Board that pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Hartung 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. Ms. Hartung 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

Director Svetz presented the agenda to the Board for consideration. It was noted that the executive session would take place immediately following the approval of the agenda. Director Curtiss also noted that an item should be added as 10.c. to amend the agreement with Icon Engineering. This would move the current 10.c to 10.d. Following discussion, and upon a motion duly made by Director Colwell and seconded by Director Curtiss, the Board unanimously approved the agenda as amended.

Executive Session

Attorney Hartung addressed members of the public regarding the need for the Board to convene in executive session and explained that the public would be able to rejoin the meeting following the executive session. All members of the public were placed in waiting room for conduct of the executive session.

Pursuant to Section 24-6-402(4)(b) C.R.S., upon motion duly made by Director Curtiss and seconded by Director Thomas, and upon affirmative vote of at least two-thirds of the quorum present, the Board convened in executive session at 5:38p.m. for the purpose of receiving legal advice for a covenant enforcement matter.

Pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., no record will be kept of the remaining portion of this executive session that, in the opinion of the District's special counsel, constitutes privileged attorney-client communication pursuant to Section 24-6-402(4)(b), C.R.S.

Also pursuant to § 24-6-402(4), C.R.S., the Board did not adopt any proposed policy, position, resolution, rule, regulation or take formal action during execution session.

The Board reconvened in regular session at 6:15pm. The public was returned to the meeting from the waiting room.

Public Comment

Ms. Innes noted that two items for public comment were submitted prior to the meeting.

An email was submitted to ask if the community could have another clean-up day for trash in the area near Pathfinder Park and the drainage area. Director Curtiss noted that a clean-up day of this nature was held this past Saturday.

An email was submitted regarding crime rates and the homeowner noted they feel there is a lack of police presence in the area. The submitter asked if the Board is getting involved, as they are concerned about home values. Director Svetz noted that a homeowner has already formed a neighborhood watch group in which police have joined the meetings.

Tracy and Randall Haifley addressed the Board regarding the pergola in a neighbor's yard. They noted their concerns that the structure obscures their view and may negatively affect the value of their home. They noted that the approval of the structure appears to have been a mistake in the approval process and advised the Board that they would like to see steps taken to ensure that similar mistakes do not occur in the future. They requested that someone from the Design Review Committee or from the covenant enforcement team visit every property submitting a request to review the work to ensure nothing gets approved that should not be. Ms. Sulzle explained that the committee receives upwards of 100 requests each month, and the committee does work to ensure approvals are done as accurately as possible. Ms. Sulzle also explained the District and the RIC require more documentation and detail than most other communities in their efforts to uphold and enforce the covenants.

Consent Agenda

The following items on the consent agenda were considered routine or administrative. Following a summary by Director Svetz, and upon motion duly made by Director Curtiss, seconded by Director Colwell, and upon vote unanimously carried the Board took the following actions:

- Approved the Minutes from the Special Board Meetings held May 11, 2021, and May 26, 2021 at 5:30 p.m. and May 26, 2021 at 6:00 p.m.
- Approved the Minutes of the February 19 and April 21, 2021 Residential Improvement Guidelines Committee
- Approved the Minutes of the June 7, 2021 Finance Committee Meeting
- Ratified the Independent Contractor Agreement with Tree Ring Digital for Website Design
- Ratified the Independent Contractor Agreement with Roberts Treescape Services for Pond Cleanup and Maintenance, and Dead Tree Limb Removal
- Ratified the Independent Contractor Agreement with PBC Professional Building Cleaning, LLC for Janitorial Services
- Ratified the Legal Services and Fee Summary Agreement with Altitude Community Law
- Ratified addendum 6B to the Independent Contractor Agreement with BrightView Landscape Services, Inc. for Auguring Holes for Dog Boxes
- Ratified the 11th Addendum to the Independent

Contractor Agreement with BrightView Landscape Services, Inc. for Irrigation Repairs

- Ratified the 12th Addendum to the Independent Contractor Agreement with BrightView Landscape Services, Inc. for Silt Fence Repairs
- Ratified the Resolution Establishing Guidelines for the Audio and Video Recording of Regular and Special Meetings of the Board of Directors by the Public
- Ratified the 1st Addendum to the Independent Contractor Agreement with Perfect Pools, Inc. for replacement of a circulation pump

Management Updates

Mr. Beckman provided an overview of the Management Report attached hereto and incorporated herein by the reference. Mr. Beckman noted that the management team has engaged with Newland regarding the tract turnover process. He also provided information regarding recent vandalism at the Inspiration Club.

Resident Relations

Ms. Innes noted that 280 inquiries were submitted this past month and noted that many were related to the pool key fobs. Five e-blast communications were sent out and three website articles were written. Ms. Innes reviewed the status of the website and confirmed that the schedule is still on track to move off the current website in July.

Landscaping Updates

Ms. Warner outlined the landscaping updates in which she noted that rain delays have been experienced. She explained that the irrigation has been activated throughout the District. She further noted that, the 85% Tree Replacement Project is complete, and explained that “tree diapers” have been put into place on the new tree plantings to provide steady irrigation. Ms. Warner also noted that the irrigation audit has begun, and the light pole painting preparation with power washing will begin next week, however fence staining is delayed due to scope clarifications being made by the contractor. Ms. Warner then reviewed the pond work schedule.

Pool Update

Ms. Innes noted that a part-time employee was hired by Public Alliance to assist with pool related inquiries and follow up items as well as community events.

Tract Turnover Process

Mr. Beckman reviewed the tract turnover report and noted that a data exchange process is being implemented with Newland. Some walk throughs have been performed, and the initial concerns were noted. Staining of the new fences by Newland prior to tract turnover was discussed and it was noted that the item would be discussed further with the Common Area Committee.

Finance Committee Updates

Dawn Jones joined the meeting at this time and reviewed the financial statements, 2020 audit, and budget amendments with the Board.

*Resolution 2021-06-01:
Resolution Amending the
2021 Budget*

Ms. Jones reviewed the proposed budget amendment with the Board.

Upon a motion duly made by Director Curtiss and seconded by Director Colwell, the Board unanimously approved opening the public hearing to amend the 2021 budget at 6:53pm.

Hearing no comments or questions, upon a motion duly made by Director Svetz and seconded by Director Curtiss, the Board unanimously approved closing the public hearing to amend the 2021 budget at 6:53pm.

Upon a motion duly made by Director Colwell and seconded by Director Curtiss, the Board unanimously approved Resolution 2021-06-01 to amend the 2021 Budget.

2020 Audit

Ms. Jones reviewed the 2020 audit and explained that the District has received a clean, unmodified opinion from Haynie & Company, the District's independent auditor. Ms. Jones further explained that no changes were made to the audit process or information and neither she nor the auditor saw any concerning items with the most recent audit. Ms. Jones also noted that CLA will file the audit with the state auditor, once approved by the Board.

Upon a motion duly made by Director Colwell and seconded by Director Curtiss, the Board unanimously approved the 2020 audit as presented and the execution of the representation letter.

Financial Statements

Ms. Jones reviewed the April 2021 financial statements. Each fund was reviewed and nothing is of concern or out of the ordinary. Ms. Jones pointed out the new columns added to show the monthly activity and variances as well as annual. Ms. Jones noted that the Series 2014A bond payment was made June 1, 2021, as scheduled.

Upon a motion duly made by Director Colwell and seconded by Director Curtiss, the Board unanimously accepted the April 30, 2021 financial statements, as presented.

Upon a motion duly made by Director Colwell and seconded by Director Curtiss, the Board unanimously approved the claims list, ending May 31, 2021, as presented.

Debt Refinancing

Director Colwell reviewed the status of the potential refinancing with the Board. An executive summary was distributed to the Board and reviewed by Director Colwell. He reported that three different underwriting firms were contacted. Each of the firms provided feedback and conceptual plans on the steps the District can take to refund the existing debt. He further reported that the

Finance Committee has discussed the possibility of engaging a Financial Advisor to act as a fiduciary to the District in the selection of an underwriter and the structure of a proposed refinancing. A financial advisor would help guide the District through options for refinancing, identify potential risks and benefits of various scenarios.

Director Colwell reported that the Finance Committee, attorney, and manager have been in contact with North Slope Financial Advisors, which acts as a municipal financial advisor. If engaged the firm would receive a fee contingent on the successful closing of the transaction, of \$48,000. North Slope was also the firm hired when the bonds were last refinanced in 2017. Director Colwell reported that the next steps necessary to move forward in the process would be to consider engaging the financial advisor and an underwriter. He recommended that the Board hold a special meeting to consider the recommended actions. The Board agreed to a special meeting for this purpose. Mr. Beckman will set up the meeting.

The Board then considered engaging North Slope Financial Advisors.

Following discussion, upon a motion duly made by Director Svetz and seconded by Director Curtiss, the Board unanimously approved the engagement of North Slope Financial Advisors to act as the financial advisor for the proposed refinancing.

Ms. Jones excused herself from the meeting at this time.

Social Committee Update

Ms. Innes provided a summary of upcoming events. Events are updated on the District calendar on the website. The first Spark event will be this Friday. Ms. Innes also reviewed many of the fitness and engagement activities set for the summer.

Residential Improvement Committee Updates

Amend Residential Improvement Guidelines

Director Svetz reviewed the proposed changes to the Architectural Guidelines. There were 4 changes for consideration:

1. Dog runs and dog doors were modified to indicate they can only be installed at ground level.
2. A modification was made to fencing allowing homeowners to attach ½” by ½” 16-gauge galvanized steel wire mesh to the lower part of the interior of their fences to deter rabbits.
3. Gazebos and pergola regulations will now include a statement restating and requiring adherence to the City of Aurora’s standards. A maximum of one pergola would be allowed per lot.

4. The committee is proposing modifications to the lighting regulations which would incorporate a testing period of one year for under-eaves lighting. While this was approved for holiday lighting, requests have been made to allow this lighting year-round. Discussion ensued regarding the additional lighting and the overall effect this may have on the dark sky concept. The Board determined to table this item for the time being and readdress at a future meeting.

Upon a motion duly made by Director Curtiss and seconded by Director Colwell, the Board unanimously approved the proposed changes to guidelines 4.18, 4.22, and 4.27, as presented.

Director Svetz discussed an ongoing issue with builders installing landscaping for new homes which does not meet the District's requirements. It should be known that homeowners are still responsible for the landscaping requirements, even if the builder does not comply. The homeowner will be required to modify the landscape to obtain compliance with guidelines. Builders are supposed to notify homeowners if the plan is not in compliance.

AMI Update

Ms. Sulzle reviewed recent activity:

- 80 new architectural review requests were received.
- AMI and the committee continued to address old requests that require more information before approval.
- 74 were approved with conditions, 3 were denied.
- Violations jumped as reminders went out regarding the dead tree letters sent last year.
- There are 201 open violations.

Common Area Updates

Director Curtiss noted that the clean-up day held the previous weekend was a success. He further reported that a public art option to be installed along Inspiration Lane was selected, with input from the Common Area Committee.

Piney Creek Trail Update

Director Curtiss noted that the Piney Creek trail extension application has run into some red tape at the City of Aurora. Additional requirements are now being asked of the District that were not part of the original discussion with the City. The committee does not expect approval until late October. This may push construction to 2022, instead of the planned 2021 schedule. Xcel Energy has signed off on the engineering plan. The committee anticipates submitting the application to Douglas County later this month.

Due to the changed requirements from the City, the scope of work will need to be amended for Icon Engineering, the firm completing the engineering plans for the applications. A full drainage report will now be needed and changes to the retaining wall work will be made. The additional scope is estimated to be \$26,106.

Upon a motion duly made by Director Thomas and seconded by Director Colwell, the Board unanimously approved the amendment to the scope of work for Icon Engineering, for an amount not to exceed \$26,106.

Reservation Policy

Director Curtiss noted that the committee is working on the reservation policy to include all amenities. Director Curtiss noted that the Board can expect an updated reservation policy to approve in July.

Common Area Committee Application

The application by Ralph Charlip was reviewed by the Board.

Upon a motion duly made by Director Svetz and seconded by Director Thomas, the Board unanimously approved the application by Ralph Charlip for the Common Area Committee.

Legal Updates

Temporary Foreclosure Action

Attorney Hartung explained that the temporary resolution was passed during the onset of the COVID-19 Pandemic to suspend foreclosure actions by the District. She asked the Board if they were ready to end the temporary suspension.

Following discussion, upon motion duly made by Director Curtiss, seconded by Director Colwell, and upon vote unanimously carried, the Board approved the removal of the suspension for foreclosure action effective July 1, 2021. Ms. Hartung will prepare a resolution to the effect for approval at the July Board meeting.

Resolution Establishing Guidelines for the Audio and Video Recording of Board Meetings by the Public

Discussion ensued regarding the potential consequences of members of the public recording the Board and their neighbors. Director Curtiss noted that there should be no expectation of privacy at public meeting such as the District's Board meetings. Ms. Hartung explained that the resolution set parameters for public recording of Board meetings. The resolution was approved with the Consent Agenda items.

Resolution Establishing Guidelines for the Audio and Video Recording of Board Meetings by the District

The Board discussed potentially recording Board meetings. Director Curtiss expressed his support for the idea. Discussion ensued regarding the logistics of recording Board meetings. Attorney Hartung noted that her firm does not recommend that the District record Board meetings. Potential legislative changes were also discussed regarding the format of public meetings. The Board determined to table the item for the time being, monitor legislative changes take place, and reevaluate.

2017 Infrastructure Acquisition and Reimbursement Agreement with Nash Inspiration, LLC

Attorney Hartung discussed the potential termination of the 2017 agreement with Nash Inspiration, LLC. The agreement outlines infrastructure acquisitions by the District and reimbursements to the Developer. Director Curtiss reported that discussions with

Newland are ongoing, and the termination of the agreement should be discussed at the next Board meeting.

Public Art Acquisition

Ms. Hartung discussed addressing the acquisition of public art as an addendum to the 2017 Infrastructure Acquisition and Reimbursement Agreement. Director Svetz noted that Infrastructure Acquisition and Reimbursement Agreement and the Public Art Acquisition should be addressed as separate agreements since there is no financial obligation for the District to reimburse Newland for the artwork.

Other Business

The Board discussed holding a Special Meeting toward the end of June to consider the engagement of an underwriter based on the recommendation of from North Slope Capital Advisors.

Adjournment

There being no further business to come before the Board and following discussion and upon motion duly made by Director Thomas, seconded by Director Colwell and unanimously carried, the Board determined to adjourn the meeting at 8:40pm.

Next meeting will be on July13, 2021.

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

DocuSigned by:

Aaron Curtiss

Secretary for the Meeting