

MINUTES OF A JOINT REGULAR MEETING OF THE
BOARDS OF DIRECTORS OF

FLAT ROCK METROPOLITAN DISTRICT NOS. 1-4

Held: the 21st day of October, 2021, at 10:00 A.M., by
teleconference

Attendance

The meeting was held in accordance with the laws of the State of Colorado. The following directors were in attendance:

Cynthia Myers
Taylor Lilly

Also present were: George M. Rowley, Esq. and Erin K. Stutz, White Bear Ankele Tanaka & Waldron, Attorneys at Law, District General Counsel; Debbie Sedgeley, CliftonLarsonAllen, LLP, District Accountant.

Call to Order

The meeting was called to order.

Declaration of Quorum and Confirmation of Director Qualifications

It was noted that a quorum for each of the Boards was present and that the directors had confirmed their qualification to serve.

Reaffirmation of Disclosures of Potential or Existing Conflicts of Interest

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

Combined Meetings

The Districts are meeting in a combined Board meeting. Unless otherwise noted below, the matters set forth below shall be deemed to be the actions of the Flat Rock Metropolitan District Nos. 1, 2, 3 and 4, collectively.

Approval of Agenda

Mr. Rowley presented the Boards with the agenda for the meeting.

Upon motion and seconded, the Boards unanimously approved the agenda as amended.

Public Comment

None.

Director Matters

None.

Consent Agenda

Mr. Rowley reviewed the items on the consent agenda with the Boards. Mr. Rowley advised the Boards 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:

- Minutes from September 29, 2021 Special Meeting
- Special District Disclosures Pursuant to § 32-1-809, C.R.S.

Legal Matters

Adoption of Resolution Designating the Location of Meetings of the Board of Directors

Mr. Rowley presented the Resolution Designating the Location of Meetings of the Board of Directors. The Board determined regular meetings would be held the third Thursday of the second month of every quarter at 10:00 a.m. Following discussion, upon a motion duly made and seconded, the Boards unanimously adopted the resolution.

Legislative Update

Mr. Rowley presented the new legislative updates to the Board. No action was taken.

Consider Adoption of Joint Resolution Calling May 2022 Election

Mr. Rowley presented the Joint Resolution Calling May 2022 Election. Following discussion, upon a motion duly made and seconded, the Boards unanimously adopted the resolution.

Designation of Method for Providing Notice of Call for Nominations

Mr. Rowley noted the Boards must designate of method for providing notice of call for Nominations. The Boards request the Call for Nomination emailed to each registered elector at the email address provided by the county, or if no email is provided, by mailing to the household of each registered elector and by posting to the District's website or by publication in a newspaper that circulated within the boundaries of the Districts if the Districts' website is unavailable.

Consider Adoption of Joint 2022 Annual Administrative Resolution

Mr. Rowley presented the Joint 2022 Annual Administrative Resolution to the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously adopted the resolution.

Renewal of Property and Liability Coverage and Workers Compensation Coverage and SDA Membership

Mr. Rowley noted that the Proposal for Property and Liability Coverage and Workers Compensation Coverage was not available but provided an estimate of coverage costs. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved coverage, subject to the Boards' final review.

Consider Approval of Joint Heather Sosa Creative Contract for Website Services

Mr. Rowley noted that the District must have a District website available to the public by January 1, 2023. Following discussion, the Boards requested CliftonLarsonAllen provide proposal for website creation at the next meeting.

Consider Approval of Amended Joint Public Records Policy

Mr. Rowley presented the Amended Joint Public Records Policy to the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the policy.

Discussion Regarding District Boundary Adjustments

Mr. Rowley engaged in general discussion with the Boards regarding the district boundary adjustments. Following discussion, the Boards requested lot layouts and bond financing information prior to finalizing boundary adjustments.

Consider Approval of Funding the Reimbursement Agreement with Century Communities

Mr. Rowley presented the Funding the Reimbursement Agreement with Century Communities for District No. 1. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the agreement.

Consider Approval of Infrastructure Acquisition and Reimbursement Agreement with Century Communities
Discussion Regarding District Fees

Mr. Rowley presented the Infrastructure Acquisition and Reimbursement Agreement with Century Communities. The Boards requested an update to the Agreement and to be added to the next agenda for approval after changes have been made.

Deferred.

Discussion Regarding Covenant Enforcement by the Districts

The Boards engaged in the general discussion regarding covenant enforcement. It was noted that covenant enforcement will likely be within only one District. No further action was taken.

Financial Matters

Consider Approval of Payables and Acceptance of Financials

Ms. Sedgeley presented the Boards with the payables for consideration, and the District Financial Report. The Boards requested developer to fund \$25,000. Following discussion, upon a

motion duly made and seconded, the Boards unanimously approved the Claims as amended and accepted the Financials.

Conduct 2022 Budget Hearing and Consider Adoption of Resolutions to Adopt 2022 Budget and Set Mill Levies

The Boards opened the public hearing on the proposed 2022 Budget. Mr. Rowley 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.

Deferred to next meeting.

Discussion of Possible Bond Issuance

Deferred.

Other Business

The Boards discussed appointment of additional board members. No action taken.

Adjournment

There being no further business to come before the Boards and following discussion and upon motion duly made, seconded and unanimously carried, the Boards determined to adjourn the meeting.

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

Taylor Lilly

Secretary for the Meeting

The foregoing minutes were approved by the Boards of Directors on the 28th day of March, 2022.