

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE HARVEST CROSSING METROPOLITAN DISTRICT NO. 3 HELD NOVEMBER 13, 2023

A Regular Meeting of the Board of Directors (the “Board”) of the Harvest Crossing Metropolitan District No. 3 (formerly known as Villages at Murphy Creek Metropolitan District No. 1, referred to hereafter as the “District”) was convened on Monday, November 13, 2023, at 1:00 p.m. The meeting was open to the public via video/teleconference.

ATTENDANCE

Directors In Attendance Were:

Jerry Richmond
Aaron Clutter
Kurtis Williams
Eric Lee

Also In Attendance Were:

David Solin; Special District Management Services, Inc.

Paula Williams, Esq. and Tim O’Connor, Esq.; McGeady Becher P.C.

Angela Chapman and Rebecca Givens; Moye White LLP

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST / QUORUM

Disclosure of Potential Conflicts of Interest / Quorum: 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 of Directors and to the Secretary of State. Mr. Solin noted that a quorum was present and requested members of the Board disclose any potential conflicts of interest with regard to any matters scheduled for discussion at the meeting, and incorporated for the record those applicable disclosures made by the Board members prior to the meeting in accordance with the statute. No additional conflicts were disclosed.

PUBLIC COMMENT

There were no public comments.

ADMINISTRATIVE MATTERS

Agenda: Mr. Solin reviewed a proposed Agenda for the District’s Regular Meeting with the Board.

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Following discussion, upon motion duly made by Director Richmond, seconded by Director Williams and, upon vote unanimously carried, the Agenda for the Regular Meeting was approved, as presented.

Approval of Meeting Location: The Board entered into discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District Board meetings.

Following discussion, upon motion duly made by Director Richmond, seconded by Director Williams and, upon vote unanimously carried, the Board determined that the District meeting was held by video/teleconference. The Board further noted that notice of the time, date, location and video/teleconference information was duly posted and that they have not received any objections, or any requests that the means of hosting the meeting be changed by taxpaying electors within the boundaries of the District.

Designation of 24-hour Posting Location: Following discussion, upon motion duly made by Director Richmond, seconded by Director Williams and, upon vote unanimously carried, the Board determined that notices of meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted on the District website at least 24-hours prior to each meeting.

Resolution No. 2023-11-01; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices: Mr. Solin discussed with the Board Resolution No. 2023-11-01; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices.

The Board determined to meet on January 8, 2024, April 8, 2024, July 8, 2024 and October 14, 2024 at 1:00 p.m. via video/teleconference.

Following discussion, upon motion duly made by Director Richmond, seconded by Director Williams and, upon vote unanimously carried, the Board adopted Resolution No. 2023-11-01; Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices.

Section 32-1-809, C.R.S. Reporting Requirements (Transparency Notice): Mr. Solin discussed with the Board §32-1-809, C.R.S. reporting requirements and mode of eligible elector notification for 2024. The Board directed staff to post the Transparency Notice on the Special District Association's website and the District website.

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Insurance Matters: The Board discussed Insurance matters.

Cyber Security and Increased Crime Coverage: Attorney Williams discussed cyber security and crime insurance coverage with the Board. Following discussion, the Board determined an increase was not needed at this time.

Renewal of the District's insurance and Special District Association (SDA) membership for 2024: The Board authorized the renewal of the District's insurance and Special District Association (SDA) membership for 2024.

Following discussion, upon motion duly made by Director Richmond, seconded by Director Clutter and, and, upon vote unanimously carried, the Board authorized the renewal of the District's insurance and Special District Association (SDA) membership for 2024.

CONSENT AGENDA

The Board considered the following actions:

- Approve the Minutes from the September 14, 2023 Special Meeting.

Following discussion, upon motion duly made by Director Richmond, seconded by Director Clutter and, upon vote unanimously carried, the Board approved and/or ratified approval of the remaining Consent Agenda items.

FINANCIAL MATTERS

Claims: The Board considered ratifying the approval of the payment of claims as follows:

Fund	Period Ending Aug. 31, 2023	Special Payment Aug. 31, 2023	Special Check Aug. 31, 2023	Period Ending Sept. 30, 2023
General	\$ 9,862.28	\$ -0-	\$ -0-	\$ 5,161.50
Debt	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital	\$ -0-	\$ 8,915.70	\$ 61,945.75	\$ -0-
Total	\$ 9,862.28	\$ 8,915.70	\$ 61,945.75	\$ 5,161.50

Fund	Period Ending Oct. 31, 2023	Special Payment Oct. 31, 2023
General	\$ 8,651.94	\$ 2,200.00
Debt	\$ -0-	\$ -0-
Capital	\$ 12,977.92	\$ 3,300.00
Total	\$ 21,629.86	\$ 5,500.00

Following discussion, upon motion duly made by Director Richmond, seconded by Director Williams and, upon vote unanimously carried, the Board ratified approval of the payment of claims, as presented.

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Unaudited Financial Statements: There were no unaudited financial statements at this time.

2023 Audit: The Board reviewed the proposal from Scott Wright, CPA to perform the 2023 Audit, for an amount not to exceed \$6,000.

Following discussion, the Board deferred discussion at this time.

Public Hearing on Amendment to 2023 Budget: The President opened the public hearing to consider an amendment to the 2023 Budget.

It was noted that publication of Notice stating that the Board would consider amendment of the 2023 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District.

No public comments were received, and the public hearing was closed.

It was noted that no amendment to the 2023 Budget was required.

Public Hearing on 2024 Budget: The President opened the public hearing to consider the proposed 2024 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2024 Budget and the date, time and place of the public hearing was published pursuant to statute. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Mr. Solin reviewed the estimated year-end 2023 revenues and expenditures and the proposed 2024 estimated revenues and expenditures with the Board.

Following discussion, the Board considered the adoption of Resolution No. 2023-11-02 to Adopt the 2024 Budget and Appropriate Sums of Money and Resolution No. 2023-11-03 to Set Mill Levies (for the General Fund at 10.000 mills and the Debt Service Fund at 55.664 mills, Other Fund at 1.114 mills, for a total of 66.778 mills). Upon motion duly made by Director Richmond, seconded by Director Clutter and, upon vote unanimously carried, the Resolutions were adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before January 3, 2024. Mr. Solin was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of Arapahoe County and the Division of Local Government not later than January 10, 2024.

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Mr. Solin was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2024. Copies of the adopted Resolutions are attached hereto and incorporated herein by this reference.

DLG-70 Mill Levy Certification Form: The Board considered authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

Following discussion, upon motion duly made by Director Richmond, seconded by Director Clutter and, upon vote unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Service Plan: The Board reviewed Resolution No. 2023-11-04, Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Service Plan.

Following discussion, upon motion duly made by Director Richmond, seconded by Director Clutter and, upon vote unanimously carried, the Board adopted Resolution No. 2023-11-04, Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Service Plan. A copy of the adopted Resolution is attached to these minutes and incorporated herein by this reference.

2025 Budget Preparation: The Board discussed the preparation of the 2025 Budget.

Following discussion, upon motion duly made by Director Richmond, seconded by Director Clutter and, upon vote unanimously carried, the Board appointed the District Accountant to prepare the 2025 Budget, and set October 14, 2023 at 1:00 p.m. as the date and time for the Budget Hearing.

LEGAL MATTERS

Termination of Facilities Acquisition Agreement with Jewell Developers, Inc. and Harvest & Jewell, LLC: The Board discussed the Termination of Facilities Acquisition Agreement with Jewell Developers, Inc. and Harvest & Jewell, LLC.

Following discussion, upon motion duly made by Director Clutter, seconded by Director Williams and, upon vote unanimously carried, the Board approved the Termination of Facilities Acquisition Agreement with Jewell Developers, Inc. and Harvest & Jewell, LLC, subject to final legal review.

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Termination of 2021-2022 Operation Funding Agreement with Jewell Developers, Inc.: The Board discussed the Termination of 2021-2022 Operation Funding Agreement with Jewell Developers, Inc.

Following discussion, upon motion duly made by Director Clutter, seconded by Director Williams and, upon vote unanimously carried, the Board approved the Termination of 2021-2022 Operation Funding Agreement with Jewell Developers, Inc., subject to final legal review.

Operation Funding Agreement with Jen Colorado 20 LLC: The Board discussed the Operation Funding Agreement with Jen Colorado 20 LLC.

Following discussion, upon motion duly made by Director Clutter, seconded by Director Williams and, upon vote unanimously carried, the Board approved the Operation Funding Agreement with Jen Colorado 20 LLC, subject to final legal review.

Facilities Funding and Agreement with Jen Colorado 20 LLC: The Board discussed the Facilities Funding and Agreement with Jen Colorado 20 LLC.

Following discussion, upon motion duly made by Director Clutter, seconded by Director Williams and, upon vote unanimously carried, the Board approved the Facilities Funding and Agreement with Jen Colorado 20 LLC, subject to final legal review.

Resolution Amending Policy on Colorado Open Records Act Requests: The Board discussed adoption of Resolution No. 2023-11-05, Amending Policy on Colorado Open Records Act Requests.

Following discussion, upon motion duly made by Director Williams, seconded by Director Clutter and, upon vote, unanimously carried, the Board adopted the Resolution amending policy on Colorado Open Records Act Requests.

Termination of Engagement of LJA Engineers LLC: The Board discussed the termination of engagement of LJA Engineers LLC.

Following discussion, upon motion duly made by Director Williams, seconded by Director Clutter and, upon vote unanimously carried, the Board approved the termination of engagement of LJA Engineers LLC.

Amendment(s) to the Aurora Regional Transportation Authority Establishment Agreement by and among HM Metropolitan District Nos. 1, 3, 4, 5, 6, 7, 8 and 9; SLC Metropolitan District Nos. 1, 2, 3 and 4; Fitzsimons

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Village Metropolitan District Nos. 1, 2 and 3; Harvest Crossing Metropolitan District Nos. 1, 2, 3, and 4; Sagebrush Farm Metropolitan District Nos. 1, 2, 3, 4, 5 and 6; Abilene Station Metropolitan District Nos. 1 and 2; Park70 Metropolitan District; EastPark70 Metropolitan District; ACC Metropolitan District; Waterstone Metropolitan District Nos. 1 and 2; Bristol Metropolitan District; Aurora High Point at DIA Metropolitan District; Colorado International Center Metropolitan District Nos. 3, 4 and 5; East Bend Metropolitan District; Sky Dance Metropolitan District Nos. 1 and 2; TBC Metropolitan District; Powhaton Road Metropolitan District Nos. 8, 9, 10 and 11; MJC Metropolitan District; and Tollgate Creek Commons Metropolitan District Nos. 1 and 2 (“Amendment(s) to ARTA Establishment Agreement”): Following discussion, upon motion duly made by Director Clutter, seconded by Director Lee and, upon vote unanimously carried, the Board acknowledged the Amendment(s) to the ARTA Establishment Agreement.

The Board deferred appointment of an ARTA delegate.

CONSTRUCTION MATTERS

Status of Public Bidding for District Infrastructure Project: The Board discussed the status of the public bidding for the District Infrastructure Project, and considered appointment of a construction committee to award projects and approve pay requisitions.

Following discussion, upon motion duly made by Director Richmond, seconded by Director Clutter and, upon vote unanimously carried, the Board appointed Jerry Richmond and Doug Richter as the construction committee and authorized the committee to award projects with authority to approve Change Orders up to \$100,000.

Status of Construction of Harvest Road: Director Richmond updated the Board on the status of the Construction of Harvest Road Project, pursuant to the Offsite Improvement Reimbursement Agreement with Lennar Colorado LLC.

OPERATIONS AND MAINTENANCE MATTERS

There were no updates at this time.

OTHER MATTERS


Attorney Williams noted that an intergovernmental agreement will be needed to memorialize the cost sharing allocations between the District and Harvest Crossing Metropolitan District No. 4. The Board requested that Attorney Williams draft the agreement for consideration at a future meeting.

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ADJOURNMENT

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

Respectfully submitted,

By: 
Secretary for the Meeting