

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
SAGEBRUSH FARM METROPOLITAN DISTRICT NO 1
(THE “DISTRICT”)
HELD
AUGUST 23, 2022

A special meeting of the Board of Directors of the Sagebrush Farm Metropolitan District No. 1 (referred to hereafter as the “**Board**”) was convened on Tuesday, August 23, 2022, at 10:30 a.m., at the offices of McGeady Becher P.C., 450 E. 17th Avenue, Suite 400, Denver, Colorado 80203-1254 and via Zoom video/telephone conference. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Randy Danielson, President
Joe Swensson, Treasurer (for a portion of the meeting)
Jim Erwin, Assistant Secretary
Eric Chamberlin, Assistant Secretary

Director Kristin Grace was absent and excused.

Also In Attendance Were:

MaryAnn M. McGeady, Esq. (for a portion of the meeting), Tim O’Connor, Esq., Craig Sorensen, and Alexandria Myers; McGeady Becher P.C. (“**District Counsel**”)
Tiffany Leichman; Sherman & Howard L.L.C.
Anastasia Khokhryakova; Ballard Spahr LLP (for a portion of the meeting)
Lindsay Ross; CliftonLarsonAllen LLP (“**CLA**”)
Sam Hartman; D.A. Davidson & Co.
Keenan Rice; MuniCap, Inc.
Jim Marshall, Esq., and Sam Thoma; Daspin Aument LLP

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

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 Mr. Sorensen that disclosures of potential conflicts of interest were filed with the Secretary of State for all directors, and no additional conflicts were disclosed at the meeting.

ADMINISTRATIVE

Quorum/Confirmation of Meeting Location/Posting of Notice: Mr. Sorensen

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MATTERS

confirmed the presence of a quorum.

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, and upon motion duly made by Director Danielson, seconded by Director Erwin, and upon vote unanimously carried, the Board determined that the meeting would be held at the office of McGeady Becher P.C., 450 E 17th Avenue, Suite 400, Denver, CO 80203. Attorneys McGeady and O'Connor were present at the physical location, which is within 20 miles of the District. The board further determined that the meeting would also take place via Zoom video/telephone conference. Mr. Sorensen reported that notice was duly posted on the District's website and that no objections to the meeting location or the video/telephonic manner of the meeting, or any requests that the meeting or video/telephonic manner of the meeting be changed by taxpaying electors within the District boundaries have been received.

Agenda: The Board reviewed the Agenda for the meeting. Following discussion, upon motion duly made by Director Danielson, seconded by Director Erwin, and upon vote unanimously carried, the Board approved the Agenda, as amended, and excused the absence of Director Kristin Grace.

Minutes of August 9, 2022 Regular Meeting: The Board reviewed the Minutes of the August 9, 2022 Regular Meeting. Following review and discussion, upon motion duly made by Director Danielson, seconded by Director Erwin, and upon vote unanimously carried, the Board approved the Minutes, as presented.

Public Comment: There was no public comment.

FINANCIAL MATTERS

There were no financial matters presented.

LEGAL MATTERS

Multiple-Year Operation Funding Agreement: Attorney McGeady and Attorney O'Connor reviewed with the Board the Multiple-Year Operation Funding Agreement by and between the District and Sun Empire Venture, LLC (the "OFA"). Following discussion, upon motion duly made by Director Danielson, seconded by Director Swensson, and upon vote unanimously carried, the Board approved the OFA.

Reimbursement Agreement – E. 56th Avenue Roadway Improvements: The Board discussed the Reimbursement Agreement – E. 56th Avenue Roadway Improvements by and between the District and Velocity Metropolitan District No. 1 (the "**Reimbursement Agreement**"). Following discussion, the Board deferred consideration of the Reimbursement Agreement and directed that the

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item be removed from future agendas until Director Danielson informs District Counsel it is ready to be approved.

Issuance of the District's General Obligation Limited Tax Bonds, Series 2022A and its Subordinate General Obligation Limited Tax Bonds, Series 2022B Bonds (together, the "Series 2022 Bonds"):

Engagement Agreement to Prepare a Financial Forecast: The Board reviewed the Engagement Agreement to Prepare a Financial Forecast between the District and CLA. Following review and discussion, upon motion duly made by Director Danielson, seconded by Director Swensson, and upon vote, unanimously carried, the Board approved the Engagement Agreement to Prepare a Financial Forecast between the District and CLA.

Continuing Disclosure Resolution: Attorney McGeady discussed the need for the Board to adopt a resolution regarding continuing disclosure policies and procedures for the Series 2022 Bonds. Ms. Ross confirmed that CLA will be responsible for all disclosures required by the District. Director Danielson confirmed that he will be responsible for all disclosures required by the Developer. The Board directed District Counsel to draft a proposed resolution regarding continuing disclosure policies and procedures to present to the Board at the next meeting.

Bond Schedule: Mr. Hartman reported that the Bonds are still on track, with the Preliminary Limited Offering Memorandum scheduled to post on September 13, 2022, and pricing to occur on September 27, 2022.

Bond Committee Report: Director Danielson delivered the Bond Committee's report on its selection of a Cost Verification Engineer. The Bond Committee's recommendation was to engage the services of Schedio Group LLC. Following discussion, upon motion duly made by Director Swensson, seconded by Director Danielson, and upon vote, unanimously carried, the Board authorized the preparation and execution of a Master Service Agreement for Cost Verification Services between the District and Schedio Group LLC.

Resolution Authorizing the Issuance of the Series 2022 Bonds (the "Authorizing Resolution"): Mr. Hartman reviewed with the Board the economic terms of the issuance of the Series 2022 Bonds. Attorney Leichman then reviewed the Authorizing Resolution and related documents in detail with the Board. Mr. Rice then discussed with the Board the results of the review of the issuance by MuniCap, Inc.

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Following extensive discussion, upon motion duly made by Director Swensson, seconded by Director Danielson, and upon vote, unanimously carried, the Board adopted the resolution authorizing the issuance of the District's General Obligation Limited Tax Bonds, Series 2022A, and the District's Subordinate General Obligation Limited Tax Bonds, Series 2022B, in the combined maximum aggregate principal amount of \$57,000,000 for the purpose of paying, reimbursing and financing certain public improvements for the District and paying the costs incidental to the issuance of the Series 2022 Bonds; such resolution also authorizing the execution of Indentures of Trust and all agreements, documents, instruments, certificates, and actions necessary or appropriate in connection with the issuance of such bonds.

OTHER BUSINESS

Investment Advisor Services: Attorney McGeady discussed potentially engaging an investment advisor to ensure maximized proceeds from the Bonds. Director Danielson reported that the Bonds will likely remain in a reserve account for an indeterminate period of time. Mr. Rice and Ms. Ross confirmed that both MuniCap, Inc. and CLA offer investment advisor services. Following discussion, the Board authorized Director Danielson to work with MuniCap, Inc. and CLA to put together an investment strategy for the Bond proceeds.

Scheduling of Special Board Meeting: The Board scheduled a special board meeting for Thursday, September 29, 2022 at 10:30 a.m. to handle any matters that may require Board action prior to the issuance of the Series 2022 Bonds.

ADJOURNMENT

There being no further business to come before the Board at this time, the meeting was adjourned.

Respectfully submitted,

By Alexandria Myers
Secretary for the Meeting