

**MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF
SAGEBRUSH FARM METROPOLITAN DISTRICT NO. 1
(THE “DISTRICT”)
HELD
AUGUST 14, 2024**

A Regular Meeting of the Board of Directors of the Sagebrush Farm Metropolitan District No. 1 (referred to hereafter as the “Board”) was convened on Wednesday, August 14, 2024, at 11:00 a.m., via Zoom video teleconference. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Randy Danielson, President
Joe Swensson, Treasurer
Eric Chamberlin, Assistant Secretary
James Erwin, Assistant Secretary
JR Reynolds, Assistant Secretary

Also in attendance were:

Suzanne Meintzer, Esq., Tim O’Connor, Esq. and Lisa Jacoby; McGeady Becher Cortese Williams P.C.
Terri Boroviak; CliftonLarsonAllen LLP (“CLA”)
Jim Marshall; Daspin & Aument, LLP

ADMINISTRATIVE MATTERS

Disclosures of Potential Conflicts of Interest and Quorum:

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 Board members 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 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.

Quorum/Confirmation of Meeting Location/Posting of Notice:

Ms. Jacoby 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 and notice posting. Following discussion, upon motion duly made by Director Danielson, seconded by Director Reynolds, and upon vote unanimously carried, the Board determined that the

meeting would be conducted via Zoom video teleconference. Notice of this meeting and the meeting information was duly posted, and the Board had not received any objections to the manner in which the meeting was being held, or any requests that the meeting be changed by taxpaying electors within the District's boundaries.

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.

Public Comment:

There was no public comment.

Minutes of the July 10, 2024, Regular Meeting:

The Board reviewed the Minutes of the July 10, 2024, Regular Meeting.

Following discussion, upon motion duly made by Director Danielson, seconded by Director Erwin, and upon vote unanimously carried, the Board approved the Minutes of the July 10, 2024, Regular Meeting.

FINANCIAL MATTERS

Engineer's Report and Verification of Costs No. 20:

The Board reviewed the Engineer's Report and the Verification of Costs No. 20 associated with Public Improvements, prepared by Schedio Group LLC.

Following discussion, upon motion duly made by Director Danielson, seconded by Director Reynolds, and upon vote unanimously carried, the Board accepted the Engineer's Report and the Verification of Costs No. 20 associated with Public Improvements, for the reimbursable amount of \$601,593.08.

Project Fund Requisition No. 32 under the Series 2022A Bonds:

Following discussion, upon motion duly made by Director Danielson, seconded by Director Chamberlin, and upon vote unanimously carried, the Board approved Project Fund Requisition No. 32 under the Series 2022A Bonds for payment to vendors in the amount of \$8,355.73.

Claims:

The Board reviewed the claims for the period ending August 6, 2024.

Following review, upon motion duly made by Director Danielson, seconded by Director Swensson, and upon vote unanimously carried, the Board approved the claims for the period ending August 6, 2024, in the amount of \$60,065.83.

Schedule of Cash Position:

Ms. Boroviak reviewed the Schedule of Cash Position for the period ending June 30, 2024, updated as of August 7, 2024.

Following review, upon motion duly made by Director Danielson, seconded by Director Swensson, and upon vote unanimously carried, the Board accepted the Schedule of Cash Position for the period ending June 30, 2024, updated as of August 7, 2024.

2024 BOND TRANSACTION – SUBORDINATE LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2024B

Engagement of Consultants for the Series 2024B Bonds:

Following discussion, upon motion duly made by Director Danielson, seconded by Director Swensson, and upon vote unanimously carried, the Board approved the following actions:

1. Engagement of D.A. Davidson & Co. as Underwriter;
2. Engagement of Sherman & Howard L.L.C. as Bond Counsel;
3. Engagement of Ballard Spahr LLP as Disclosure Counsel;
4. Engagement of Economic & Planning Systems for Market Study;
5. Engagement of CliftonLarsonAllen LLP for financial forecasting; and
6. Authorized staff to obtain a proposal from MuniCap, Inc. for External Financial Advisor.

Term Sheet for the Series 202B Bonds:

Attorney Meintzer reviewed with the Board the highlights of the 2024 Bond transaction terms noting: this issuance will be subordinate to the Series 2022A Bonds; the anticipated interest rate of appropriately 8.5%; the anticipated par amount of \$13,660,000, with an anticipated project fund of \$13,000,000; the anticipated mill levy of 35 mills (as adjusted) to pay both the Series 2022A and Series 2024 Bonds; and that the Series 2024B Bonds are anticipated to mature in 2043.

Director Danielson informed the Board that there are certain improvements that may not need to be funded by the District. Also, the District may receive additional money back for work the District funded along East 56th Avenue. As a result, the amount needed for the project fund may be decreased from the originally anticipated \$13,000,000.

No additional action was required by the Board.

Series 2024B Bonds Schedule of Events:

Attorney Meintzer reviewed schedule of events for the Series 2024B Bonds, noting that the Series 2024B Bonds are scheduled to price on October 9, 2024, and to close on October 17, 2024. The next Regular Board Meetings are scheduled to take place on September 11, 2024, and on October 9, 2024. Thus, the District may need to schedule a Special Meeting prior to the October 9, 2024, meeting to authorize the actions necessary for the bond issuance.

No action was required by the Board.

LEGAL MATTERS

Transition of Participation in the Aurora Regional Transportation Authority (“Aurora RTA”) to the Aerotropolis Regional Transportation Authority (the “Aerotropolis RTA”):

Attorney Meintzer provided a status update on the transition from the Aurora RTA to the Aerotropolis RTA, noting that the Aerotropolis RTA anticipates including the property within the District’s boundaries into the Aerotropolis RTA during the August 28, 2024 Aerotropolis RTA Board Meeting.

No action was required by the Board.

Notice of Resignation of Participation in the Aurora RTA:

Attorney Meintzer provided a status update on the Notice of Resignation of Participation in the Aurora RTA.

No action was required by the Board.

Submittal of Request for Inclusion into Aerotropolis RTA by landowners Sun Empire Venture, LLC and Sun Empire One Owner, LLC:

Attorney Meintzer provided a status update.

No action was required by the Board.

Agreement Regarding Inclusion into the Aerotropolis Regional Transportation Authority, Regional Transportation System Improvements Funding, and Imposition, Collection and Transfer of ARI Mill Levies (Sun Empire Inclusion), between the District, Aerotropolis Regional Transportation Authority, Sun Empire Venture, LLC and Sun Empire One Owner, LLC:

Attorney Meintzer provided a status update.

No action was required by the Board.

Second Amended and Restated Service Plan:

Attorney Meintzer provided a status update on the schedule for City of Aurora hearings and approval of the Second Amended and Restated Service Plan.

No action was required by the Board.

Cost Sharing Agreement – East 56th Avenue Roadway Improvements by and between the District and Velocity Metropolitan District No. 1:

Attorney Meintzer summarized additional edits to the agreement. Following discussion, upon motion duly made by Director Danielson, seconded by Director Reynolds, and upon

vote unanimously carried, the Board ratified approval of the agreement, and authorized a payment to Velocity Metropolitan District under the agreement, in the amount of 85% of the Sagebrush Contribution (as defined in the agreement), subject to the terms of the agreement and Velocity Metropolitan District No. 1 meeting the specific requirements set forth therein.

Cost Sharing Agreement – Median Landscape Installation and Operation by and between the District and Velocity Metropolitan District No. 1:

Attorney Meintzer reported that this Cost Sharing Agreement has been fully executed.

Cost Sharing Agreement – Median Landscape Installation and Operation by and between the District and Windler Public Improvement Authority and/or Windler Homestead Metropolitan District and/or WH Metropolitan District:

Attorney Meintzer provided a status update.

No action was required by the Board.

Exclusion Agreement between the District, Sun Empire Venture, LLC and Kairus Inc.:

Attorney Meintzer confirmed that this agreement will be executed at the closing of the private property sale between Sun Empire Venture, LLC and Kairus, Inc.

No action was required by the Board.

OTHER BUSINESS

Dedication of Roadways by Sun Empire Venture, LLC or Sun Empire One Owner, LLC:

The Board discussed the potential conveyance of certain roadways from Sun Empire Venture, LLC or Sun Empire One Owner, LLC to the District and the anticipation of District responsibility for operation and maintenance on same, including without limitation, snow removal responsibilities.

No action was required by the Board.

Confirmation of September 11, 2024 Regular Meeting:

The Board confirmed a quorum for the September 11, 2024 Regular Meeting to be held at 11:00 a.m., via Zoom.

ADJOURNMENT

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

Respectfully submitted,

By

Lisa Jacoby

Secretary for the Meeting