

MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF
FOUNDERS VILLAGE METROPOLITAN DISTRICT AND
VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO.4
HELD

NOVEMBER 19, 2020

A regular meeting of the Board of Directors of Founders Village Metropolitan District and Villages at Castle Rock Metropolitan District No. 4 (referred to hereafter as "Board") was convened on Thursday, the 19th day of November, 2020, at 6:30 P.M., via videoconference.

ATTENDANCE

Directors in Attendance Were:

Jeremy Groves, President
Patrice Neef, Vice President
Alex Fink, Treasurer
Ron Claussen, Director/Assistant Secretary (at 6:45)
Tom Valdez, Director/Assistant Secretary

Also in Attendance Were:

Cathy Hamilton, CPA; Simmons & Wheeler, P.C.
Chelsey Green and Traci Miller; Pinnacle Consulting Group, Inc.
O. Karl Kasch; Cimarron Consultants, Inc.
Matt Hilinski; Founders Village Metropolitan District Resident

Chairman Groves called the meeting to order at 6:33 p.m.

ADMINISTRATIVE
MATTERS

Agenda: A proposed agenda was distributed for the Board's review and approval for the regular meeting. Following review and discussion, upon motion duly made by Director Neef, seconded by Director Fink and, upon vote, unanimously carried, the Board approved the agenda, as presented.

Meeting Location/Notice: 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. The Board further noted that notice of this location was duly posted.

Declaration of Quorum: Chairman Groves declared that a quorum of the Board was present, with five of five members in attendance.

Disclosure of Potential Conflicts of Interest: Chairman Groves inquired whether there were any conflicts to disclose by Board members present. There were no conflicts to disclose.

Consent Agenda: The Board considered the following items on the consent agenda:

1. Approval of October 21, 2020 Regular Meeting Minutes.
2. Ratification of Work Orders C-3555 through C-3557 in the amount of \$51,265.00 for Villages at Castle Rock Metropolitan District No. 4.
3. Approval of Payment of claims through the period ending October 31, 2020 totaling \$0.00 for Founders Village Metropolitan District, \$75,045.49 for Villages at Castle Rock Metropolitan District No. 4.
4. Acceptance of unaudited Financial statements through the period ending October 31, 2020.

Following review and discussion, upon motion duly made by Director Neef, seconded by Director Fink and, upon vote, unanimously carried, the Board approved the consent agenda items as presented.

Resolution Establishing Electronic Board Meeting Policy: Mr. Kasch reviewed with the Board Resolution 2020-11-01 Establishing Electronic Board Meeting Policy During COVID-19 Pandemic. Following review and discussion, upon motion duly made by Director Fink, seconded by Director Valdez and, upon vote, unanimously carried, Resolution 2020-11-01 Establishing Electronic Board Meeting Policy During COVID-19 Pandemic was approved.

Discussion Regarding December Meeting Date: It was the consensus of the Board to hold the regularly scheduled Board Meeting on December 16, 2020.

Community Comments: There were no community comments.

Board Meeting Comments: Director Fink expressed gratitude to the District's management teams for the professionalism and value provided to the District.

MANAGER AND
ADMINISTRATOR
ITEMS

General Counsel Request for Qualifications and Discussion Regarding Candidate Firms Interviews and Updated Selection Timeline: Ms. Green reported that the Request for Qualifications for General Legal Counsel was distributed to several local law firms specializing in Special District Management, noting that responses are due no later than 5:00 p.m. on December 14th. The Board will review proposals at the December 16th Regular Board meeting and select candidates to interview in early January, if necessary.

LEGAL MATTERS

Memmen Trust Properties and Update on Villages at Castle Rock Metropolitan District No. 9: Mr. Kasch reported that the previously submitted Third Amendment to the 1995 Master Intergovernmental Agreement to the Town of Castle Rock with a request for review and consideration was followed up on and acknowledgement of the necessary review was received. Comments from the Town have not yet been received, and meetings with the new Town Attorney have been proposed in an effort to expedite review.

Landscape Reconstruction and Reimbursement Agreement for Terrain Filing No. 4 Streetscape between Meritage Homes and Villages at Castle Rock Metropolitan District No. 4: Mr. Kasch updated the Board on Terrain Filing No. 4 Amended Plat and Meritage Homes' construction status. Mr. Kasch updated the Board regarding status of the Reimbursement Agreement and streetscape plan approval, noting he is working with Meritage Homes to finalize the draft agreement, and gain approval of the Enderud Phase 5 streetscape restoration through the Town of Castle Rock. Mr. Kasch stated he will provide the draft agreement, revised streetscape plan and cost estimate to the Board for review when finalized.

Maintenance Easement Agreement between Starwood Land Corporation, Villages at Castle Rock Metropolitan District No. 4 and Terrain 4 Homeowners Association: Mr. Kasch reported that the Access and Maintenance Easement Agreement between Starwood Land Corporation, the Villages at Castle Rock Metropolitan District No. 4 and the Terrain 4 Homeowners Association regarding the access and long-term maintenance agreement is being drafted. Mr. Kasch noted that there will be four agreements in total.

FINANCIAL
MATTERS

Public Hearing Regarding Amended 2020 Budgets: The Board tabled this item, as Ms. Hamilton noted that no 2020 Budget Amendments were necessary.

2021 Draft Budgets - Founders Village Metropolitan District and Villages at Castle Rock Metropolitan District No. 4: Chairman Groves opened the public hearings to consider the proposed 2021 Budgets and discuss related issues.

Ms. Green noted that publication of Notice stating that the Board would consider adoption of the budgets and the date, time and place of the public hearings was made in a newspaper having general circulation within the Districts. No written objections or public comments were received prior to these public hearings. There were no comments made by the public in attendance, and Chairman Groves closed the public hearings.

The Board reviewed the revised draft budgets, operations and maintenance, and capital improvement programs for 2021, estimated 2021 revenues, and proposed 2021 expenditures for each District.

Following review and discussion, upon motion duly made by Director Fink, seconded by Director Valdez and, upon vote, unanimously carried, the Board adopted the Resolution to Adopt the 2021 Budget; Set the Mill Levies; and Appropriate Sums of Money for Founders Village Metropolitan District. Execution of the Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2020. Ms. Green was authorized to transmit the Certification to the Board of County Commissioners of Douglas County, the Division of Local Government, and the Division of Property Taxation, not later than December 15, 2020.

Following review and discussion, upon motion duly made by Director Fink, seconded by Director Valdez and, upon vote, unanimously carried, the Board adopted the Resolution to Adopt the 2021 Budget; Set the Mill Levies; and Appropriate Sums of Money for Villages at Castle Rock Metropolitan District No. 4. Execution of the Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2020. Ms. Green was authorized to transmit the Certification to the Board of County Commissioners of

Douglas County, the Division of Local Government and the Division of Property Taxation, not later than December 15, 2020.

Comparison Districts: Mr. Kasch reported the Comparison Districts Mill Levy Analysis was submitted to US Bank ("Trustee") and Bondholders. Mr. Kasch reviewed the districts that have been historically used to complete the Comparison Districts Mill Levy Analysis with the Board. Director Groves recommended that the same districts are used for comparison in this study as well as the Economic & Planning System and Real Estate Analysis. Following review and discussion, upon motion duly made by Director Claussen, seconded by Director Fink and, upon vote, unanimously carried, the Board approved the Comparison Districts Mill Levy Analysis and submittal to US Bank ("Trustee").

Consider Approval of December 1, 2020 Debt Service Payment: Mr. Kasch requested the Board approve the December 1, 2020 payment to US Bank ("Trustee") for Village at Castle Rock Metropolitan District No. 4 bonds in the amount of \$1,440,000.

Following review and discussion, upon motion duly made by Director Claussen, seconded by Director Fink and, upon vote, unanimously carried, the Board approved the December 1, 2020 payment to US Bank ("Trustee") for Village at Castle Rock Metropolitan District No. 4 bonds in the amount of \$1,440,000.

2020 Development Fee Rebates Update: Mr. Kasch updated the Board regarding the Development Fee Rebates the Town of Castle Rock remits on a quarterly basis. Mr. Kasch reported that he continues to work with the Town to remit the 2020 Quarter 1 and Quarter 2 fee rebates, noting projections are not finalized due to issues originating from the Town's GIS Mapping system as well as additional applicable lots being identified in new developments outside of the Founders Village Metropolitan District.

Property Tax and Real Estate Sensitivity Study: Mr. Kasch reported that the Property Tax and Real Estate Sensitivity Study consultants are continuing to complete necessary field work and the Real Estate Trend analysis portion of the study.

IMPROVEMENT
PROJECTS

Ridgehouse Improvements: Mr. Kasch reported that a new consultant for the design, layout and approval of shade sails is being sought. Mr. Kasch noted that this project will be completed in Spring 2021, prior to the season opening.

Update Regarding Tract H/Feasibility, Demand Study and Programming: Mr. Kasch reviewed with the Board the draft Demand and Programming Study. The Board requested that the question regarding gender is removed. The Board discussed distribution of the survey and directed Mr. Kasch to discuss electronic distribution and advertisement with the Homeowner Association.

Founders Regional Trail Projects: Mr. Kasch updated the Board regarding the sketch plan approvals for the North Trail Project connecting at Filing 14, Founders Park and the Rock Ridge School, noting that the plans are in the final stages of approval with the Town of Castle Rock. Mr. Kasch reported that plans are being finalized by CORE Engineering and will be disturbed to the Board for review once complete. Mr. Kasch noted that the project may begin in Fall 2020, weather permitting but Spring 2021 is likely.

District Trail Shelters along Mitchell Creek and PSCO Trails: Mr. Kasch updated the Board regarding a meeting with Town staff to discuss installation of eight trail shelters and cost sharing options, and trailhead maintenance. Mr. Kasch distributed and reviewed potential shelter options with the Board, noting that the preliminary cost estimate is \$92,000 for materials only. Mr. Kasch distributed a map with potential sites identified, three of which included potable water service. Mr. Kasch is seeking contractors to install the eight shelters in Spring 2021 and discounts or waivers for water tap installations from the Town.

OPERATIONS AND
MAINTENANCE

2021 Landscape and Irrigation Maintenance Services Agreement with BrightView Landscape: Mr. Kasch reviewed with the Board the 2021 Landscape and Irrigation Maintenance Services Agreement with BrightView Landscape in an amount not to exceed \$323,536. Following review and discussion, upon motion duly made by Director Valdez, seconded by Director Fink and, upon vote, unanimously carried, the Board approved 2021 Landscape and Irrigation

Maintenance Services Agreement with BrightView Landscape in an amount not to exceed \$323,536.

2020 Landscape Maintenance and Irrigation Management Services (BrightView Landscape Maintenance): Mr. Kasch recommended that the Board considers engaging Mr. Steve Buggas, former District Landscape and Irrigation Manager, as an independent contractor to help facilitate the transition of onsite landscape and irrigation management. It was the consensus of the Board to engage Steve Buggas as an independent contractor to facilitate the transition of landscape and irrigation management.

Maintenance Agreement with Town of Castle Rock: Mr. Kasch reported that Maintenance Agreement with the Town of Castle is in draft, per previous Board discussions.

DEVELOPMENT
UPDATES

Filing No. 21 - The Enclave: There was no new information to report. Dream Finders Homes continues to request Development Fee Certificates for new townhome units.

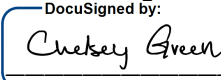
OTHER BUSINESS

Pet Waste Stations: Director Valdez inquired about pet waste stations. Mr. Kasch reported that the 2021 budget includes a line item for the installation of pet waste stations while completing the shelter installation projects in Spring 2021.

ADJOURNMENT

There being no further business to come before the Board, upon motion duly made by Director Valdez, the meeting was adjourned at 7:29 P.M.

Respectfully submitted,

By: 
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Secretary for the Meeting

THESE MINUTES APPROVED AS THE OFFICIAL NOVEMBER 19, 2020 MINUTES OF THE FOUNDERS VILLAGE METROPOLITAN DISTRICT AND VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO. 4 BY THE BOARD OF DIRECTORS SIGNING BELOW:

DocuSigned by:
Jeremy Groves

Jeremy Groves

DocuSigned by:
Pat Neef

Patrice Neef

DocuSigned by:
Alex Fink

Alex Fink

DocuSigned by:
Ron Claussen

Ron Claussen

DocuSigned by:
Tom Valdez

Thomas Valdez