

MINUTES OF THE JOINT REGULAR MEETING OF THE
BOARDS OF DIRECTORS

OF

SILVERSTONE METROPOLITAN DISTRICT NOS. 1, 2
AND 3

Held: October 27, 2022, at 9:00 A.M., via Zoom Teleconference.

Attendance/Qualification

A joint regular meeting of the Boards of Directors of SilverStone Metropolitan District Nos. 1, 2 and 3 was held as shown above and in accordance with the applicable statutes of the State of Colorado. The following Directors, having confirmed their qualification to serve on the Boards, were in attendance:

Jon R. Lee
Michael Strear
Steve Rane

Director Edwards Pluss was absent. All absences are deemed excused unless otherwise noted in these minutes.

Also present for the District:, K. Sean Allen, Esq., White, Bear, Ankele, Tanaka & Waldron, Attorneys at Law, District general counsel.

Combined Meeting

The Boards of Directors of the Districts have determined to hold a joint meeting of the Districts and to prepare joint minutes of actions taken by the Districts in such meetings. Unless otherwise noted herein, all official action reflected in these minutes shall be deemed to be the action of all Districts. Where necessary, action taken by an individual District will be so reflected in these minutes.

Call to Order/Quorum

Director Lee noted that a quorum of the Districts' Boards was present and called the meeting to order.

Disclosure Matters

Mr. Allen advised the Boards that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. Allen reported that disclosures for those directors with potential or existing conflicts of interest 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. Allen noted that a quorum was present and inquired into whether

members of the Boards had any additional disclosures of potential or existing conflicts of interest regarding 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.

Approval of Agenda

The Directors reviewed the agenda. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the agenda as amended.

Approval of Minutes

The minutes of the April 28, 2022 meeting were submitted to the Boards for approval. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the minutes.

Construction Update

Project Status Report

Director Lee provided a public improvement construction status summary noting that currently there is no new public improvement construction, the Circle K is now open, and Frederick gave acceptance of the Filing Nos. 1 & 2 public improvements which are in the warranty period.

**Approval / Ratification of
Public Improvement
Construction
Bids/Awards/Contract(s)/Change Orders**

Director Lee reported that there was a \$47,000 price reduction in the landscape contract. Following discussion, upon a motion duly made and seconded, the Boards unanimously ratified the reduction.

Financial Matters

Director Rane summarized for the Boards that District No. 2 issued the bonded debt and established the project fund which, along with developer advances, finances the public improvement construction costs being undertaken by District No. 1.

**Financial Statements and
Payables**

Director Rane presented the financial statements dated September 30, 2022 and payables to the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously accepted the financials and ratified the payables.

**Public Hearing on 2022
Budget Amendment (District
No. 1)**

Director Lee opened the public hearing on the 2022 Budget Amendment. Mr. Allen noted that the notice of public hearing was provided in accordance with Colorado Law. No written objections were received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of Resolution Amending 2022 Budget (District No. 1)	Director Rane reviewed the amended 2022 Budget with the Board of District No. 1 noting there were more improvement construction costs than originally budgeted. Following discussion, upon a motion duly made and seconded, the Board of District No. 1 unanimously adopted the resolution amending the General Fund to \$320,545.
Public Hearing on 2022 Budget Amendment (District No. 2)	Director Lee opened the public hearing on the 2022 Budget Amendment. Mr. Allen noted that the notice of public hearing was provided in accordance with Colorado Law. No written objections were received prior to the meeting. There being no public comment, the hearing was closed.
Consider Adoption of Resolution Amending 2022 Budget (District No. 2)	Director Rane reviewed the amended 2022 Budget with the Board of District No. 2 noting that the increase improvement construction accomplished by District No. 1 necessitated additional funding from District No. 2 than originally budgeted. Following discussion, upon a motion duly made and seconded, the Board of District No. 2 unanimously adopted the resolution amending the General Fund to \$630,462.
2022 Budget Amendment (District No. 3)	Not needed.
Public Hearing on 2023 Budget (District No. 1)	Director Lee opened the public hearing on the proposed 2023 Budget. Mr. Allen noted that the notice of public hearing was provided in accordance with Colorado law. No written objections were received prior to the meeting. There being no public comment, the hearing was closed.
Consider Adoption of Resolution Approving 2023 Budget (District No. 1)	Director Rane reviewed the 2023 Budget with the Board of District No. 1. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution adopting the 2023 Budget, appropriating funds therefor and certifying mills for the General Fund as shown in the 2023 Budget, subject to receipt of final assessed valuation.
Public Hearing on 2023 Budget (District No. 2)	Director Lee opened the public hearing on the proposed 2023 Budget. Mr. Allen noted that the notice of public hearing was provided in accordance with Colorado law. No written objections were received prior to the meeting. There being no public comment, the hearing was closed.
Consider Adoption of Resolution Approving	Director Rane reviewed the 2023 Budget with the Board of District No. 2. Following discussion, upon a motion duly made

2023 Budget (District No. 2)	and seconded, the Board unanimously adopted the resolution adopting the 2023 Budget, appropriating funds therefor and certifying mills for the General Fund as shown in the 2023 Budget, subject to receipt of final assessed valuation.
Public Hearing on 2023 Budget (District No. 3)	Director Lee opened the public hearing on the proposed 2023 Budget. Mr. Allen 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.
Consider Adoption of Resolution Approving 2023 Budget (District No. 3)	Director Rane reviewed the 2023 Budget with the Board of District No. 3. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution adopting the 2023 Budget, appropriating funds therefor and certifying mills for the General Fund as shown in the 2023 Budget, subject to receipt of final assessed valuation.
Discuss Potential Option for Buying Boulder Water Acquisition	The Boards discussed the potential option for buying Lower Boulder preferred shares of the water to service the rest of the community which would be contingent on Frederick add shares.

General Matters

Discuss and Consider Approval of Property and Liability Schedule and Limits	The Boards reviewed the current general liability and property schedules and limits. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the general liability and property schedules.
Consider Approval of Resolution Calling May 2, 2023 Director Election	Mr. Allen presented the Resolution Calling the May 2, 2023 Director Election to the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously adopted the resolution.
Discuss Service Plan Amendment for District No. 3	The Board of District No. 3 discussed the Service Plan amendment desired by the purchaser of the commercial land within District No. 3. The commercial buyer has committed to paying for the District No. 3 Service Plan amendment and related costs. The Boards consented to the Districts' general counsel working on the amendment and related public/private partnership intergovernmental agreements being pursued by the commercial buyer and Frederick which are deemed necessary for the commercial project.
Next Regular Meeting	The next regular meeting is April 27, 2023.

Adjournment

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

The foregoing minutes were approved by the Boards of Directors on April 27, 2023. The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.

Steve Kane

Secretary for the Meeting