

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CRYSTAL CROSSING METROPOLITAN DISTRICT

HELD: Wednesday, February 27, 2019, at 10:00 a.m. at 9193 S. Jamaica Street, 4th Floor, Englewood, Colorado

ATTENDANCE:

A regular meeting of the Board of Directors of the Crystal Crossing Metropolitan District was called and held as shown above and in accordance with the applicable statutes of the State of Colorado; a conference telephone was in use at the meeting location in compliance with C.R.S. 11-57-211, with the following directors present and acting:

Ken Puncerelli
Randy Hurlburt
Sara Oliver (excused)
Daniel Nickless
Kent Pedersen

Also present were: George Rowley and Matt Dalton District Counsel, Spencer Fane; Angela Elliott, District Manager; John Simmons, Simmons and Wheeler, Accountants for the District (by phone); and, Mike White, Kings Ridge Homeowner, public.

CALL TO ORDER:

On behalf of the Board, Director Puncerelli called the meeting to order at 10:06 a.m.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST:

The Board noted that disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State and with the Board of Directors of the District. Upon motion duly made, seconded and unanimously carried, the Board directed that said disclosures be incorporated herein.

PUBLIC COMMENT:

None

APPROVAL OF MINUTES:

The Board reviewed the minutes of the regular meeting held by the Board of Directors of Crystal Crossing Metropolitan District on November 28, 2018. Following discussion and upon motion duly made, seconded and unanimously carried, the Board approved the

minutes as presented and authorized Director Pedersen to execute the minutes as constituting a true and correct record of the proceedings of the meeting.

FINANCIAL MATTERS:

a. Ratify Payment of Claims. The Board received the Payment of Claims, check #'s 2132 through #2143, totaling \$17,429.91, that have been paid for the months ending November through February for ratification, and for current invoices and check #'s 2144 through #2148, totaling \$18,541.16

Following discussion, on motion duly made by Director Hurlburt, seconded by Director Nickless, and unanimously carried, the Board ratified the payment of claims in the amount \$17,429.91 for the months of November through February and current payment of claims in the amount of \$18,541.16.

b. Financial Statements. District Accountant Simmons distributed the December 31, 2018 Financial Statements to the Board and walked the board through the financials. The General fund as of December 31, 2018, was \$14,520.00 in checking. As of end of December 31, 2018, the Capital fund balance was \$32,808.00 and \$659,126 in the Debt Service Fund.

Following discussion, upon motion duly by Director Nickless, seconded by Director Hurlburt, upon vote and unanimously carried, the Board accepted the financial statement as presented.

ATTORNEY ITEMS:

Fire Station update. District Counsel Rowley discussed the meeting that he and Manager attended with the contractor and fire department regarding reimbursement for irrigation repairs. Contractor (Taylor Kors) would like to first get locates on the water line then proceed down the line for resolution. This will need to take place in the spring.

DIRECTOR ITEMS:

a. Discussion and possible action on nullifying County License Agreement. Director Hurlburt discussed the area on intersection of Crystal Valley Parkway and frontage.

Discussion followed on the Town escrow and requirements at the time of completing the Bridge per the Escrow Agreement.

Following discussion, upon motion made by Director Puncerelli, seconded by Director Nickless, upon vote and unanimously carried, the Board directed Legal Counsel to send a letter to Crystal Valley Metropolitan District regarding upcoming repairs and the bid

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amount for 2019 for their District to reimburse Crystal Crossing Metropolitan District for that specific area.

b. Discussion and possible action on 2019 Landscape Contract. Director Hurlburt discussed his meeting with two of the contractors and gave history of the bidders. A comparison of the contracts was distributed to Board members.

Discussion followed on contractor being responsible for next tier watering. Director Hurlburt said this would be discussed with the contractor that is awarded the bid.

Following discussion, upon motion made by Director Puncerelli, seconded by Director Hurlburt, upon vote and unanimously carried, the Board awarded the 2019 landscaping contract to CPC, Inc.

c. Discuss and define District's obligation in writing to maintain. Director Hurlburt was asking for written obligation of District to maintain any areas. Legal Counsel responded that obligations of maintenance are spelled out in the Intergovernmental Agreements with the Town.

d. Odd land parcel – history. Director Hurlburt discussed this odd piece of land adjacent to the commercial area and Lanterns property.

Board discussed conveying to the Carlson parties if needed as the odd land parcel has no value to the District nor does it bring revenue to the District.

MANAGER ITEMS:

2019 Designated Posting Location. Manager noted that at the first meeting of the year special districts are required by statute to identify an official posting location for notices of meetings of the Board of Directors.

Following discussion and upon motion duly made, seconded and unanimously carried, the Board approved the 2019 posting location at the Kings Ridge Community Pool Building.

Update on Report Filing. Manager discussed that the following reports have been filed since the last meeting: January 1 map filing; 2019 transparency notice to electors; filing of the 2019 budget and budget resolution and the 4th quarter continuing disclosure report to bondholders.

OTHER BUSINESS:

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Director Hurlburt discussed his meeting with Rick Schultz of the Town of Castle Rock regarding rebate opportunities for the District and gave examples of rebate formulas and amounts.

Board members are to meet with Town of Castle Rock and pursue any rebates.

ADJOURNMENT:

There being no further business to come before the Board, the meeting was adjourned at 11:30 a.m.

The foregoing minutes constitutes a true and correct copy of the minutes of the above-referenced meeting and was approved by the Board of Directors of the Crystal Crossing Metropolitan District.

Respectfully submitted,



President



Secretary of the Board

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CRYSTAL CROSSING METROPOLITAN DISTRICT

HELD: Wednesday, June 26, 2019, at 10:00 a.m. at 9193 S. Jamaica Street, 4th Floor, Englewood, Colorado

ATTENDANCE:

A regular meeting of the Board of Directors of the Crystal Crossing Metropolitan District was called and held as shown above and in accordance with the applicable statutes of the State of Colorado; a conference telephone was in use at the meeting location in compliance with C.R.S. 11-57-211, with the following directors present and acting:

Ken Puncerelli
Randy Hurlburt
Vacant
Vacant
Kent Pedersen

Also present were: Tom George District Counsel, Spencer Fane; Angela Elliott, District Manager; John Simmons, Simmons and Wheeler, Accountants for the District; and, Mike White, Kings Ridge Homeowner, public.

CALL TO ORDER:

On behalf of the Board, Director Puncerelli called the meeting to order at 10:20 a.m.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST:

The Board noted that disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State and with the Board of Directors of the District. Upon motion duly made, seconded and unanimously carried, the Board directed that said disclosures be incorporated herein.

PUBLIC COMMENT:

None

APPROVAL OF MINUTES:

The Board reviewed the minutes of the regular meeting held by the Board of Directors of Crystal Crossing Metropolitan District on February 27, 2019. Following discussion and upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented and authorized Director Pedersen to execute the minutes as constituting a true and correct record of the proceedings of the meeting.

ACKNOWLEDGE AND ACCEPT THE RESIGNATION OF DANIEL NICKLESS:

Following discussion, upon motion, seconded and upon vote, the Board acknowledged and accepted the resignation of Daniel Nickless.

Director Hurlburt tendered his resignation as a Director. Following discussion, upon motion, seconded and upon vote, the Board acknowledged and accepted the resignation of Randy Hurlburt.

CONSIDER APPOINTMENTS TO FILL BOARD VACANCIES. Following discussion, on motion duly made by Director Puncerelli, seconded by Director Pedersen, Mike White and Darren Oliver were appointed to serve as directors.

FINANCIAL MATTERS:

a. Ratify Payment of Claims. The Board received the Payment of Claims, check #'s 2149 through #2169, totaling \$34,583.49, that have been paid for the period ending May for ratification, and for current invoices and check #'s 2170 through #2176, totaling \$11,837.34.

Following discussion, on motion duly made by Director Pedersen, seconded by Director Puncerelli, upon vote and unanimously carried, the Board ratified the payment of claims in the amount \$34,583.49 for the period ending May and current payment of claims in the amount of \$11,837.34.

Discussion followed on how much money the District can spend on improvements. District Accountant Simmons will send expenses through 2nd quarter to help Board evaluate.

b. Financial Statements. District Accountant Simmons distributed the March 31, 2019 Financial Statements to the Board and walked the Board through the financials. The General fund as of March 31, 2019, was \$53,690.00 in checking. As of end of March 31, 2019, the Capital fund balance was \$32,808.00 and \$950,775.00 in the Debt Service Fund.

Following discussion, upon motion duly by Director Pedersen, seconded by Director Puncerelli, upon vote and unanimously carried, the Board accepted the financial statement as presented.

c. Review and accept 2018 Budget. District Accountant distributed the 2018 draft audit and walked the Board through the report. Discussion followed on amending the general fund and debt fund budgets for 2018, prior to filing the audit.

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Following discussion, upon motion made by Director Puncerelli, seconded by Director Pedersen, upon vote and unanimously carried, the Board accepted the 2018 audit subject to Legal Counsel's review of the report.

ATTORNEY ITEMS:

Fire Station update. Manager discussed that District Counsel Matt Dalton will contact the Fire Department to see what can be resolved and negotiated.

IREA damages. Discussion followed on the possibility of not receiving reimbursement from IREA to irrigation break and edging. Easement agreement stated nominal chance of reimbursement.

DIRECTOR ITEMS: None

MANAGER ITEMS:

Split Rail Painting and missed areas from last year of the privacy fence: Manager discussed that she has received requests to do the perimeter split rail fences. There is a problem with the perimeter fences in filing 2 against the Crystal Valley property. Scrub Oak is growing next to the fence and almost impossible to reach, but many boards need to be replaced. Manager further discussed this should be on 2020 budget.

Manager also inquired on approaching painting company that missed several areas last year. Director Puncerelli directed Manager to follow up with painting company.

Landscaping Update: Director Puncerelli discussed the spreadsheet on items that need to be accomplished. Discussion followed on the spreadsheet.

Director Puncerelli, Manager and landscaper will meet on the 5th of July around 3:30 pm.

Kings Ridge HOA Meeting: Manager discussed attending the HOA's board meeting on Monday and explaining the history of the District and enhancements to the community.

OTHER BUSINESS:

Discussion followed on Crystal Valley Parkway maintenance at frontage road.

Director Puncerelli directed Manager to check with the Crystal Valley District on maintaining the area; fix the broken main line and to pay the water fee as drawn up in the licensing agreement at a 5% increase.

ADJOURNMENT:

There being no further business to come before the Board, the meeting was adjourned at 11:26 a.m.

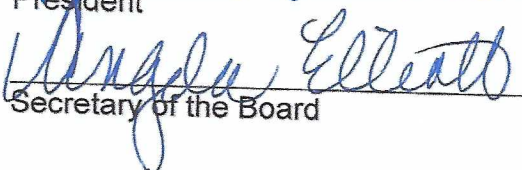
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The foregoing minutes constitutes a true and correct copy of the minutes of the above-referenced meeting and was approved by the Board of Directors of the Crystal Crossing Metropolitan District.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Kenneth Kumbi".

President

A handwritten signature in blue ink, appearing to read "Angela Elliott".

Secretary of the Board

RECORD OF PROCEEDINGS

**MINUTES OF THE SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
CRYSTAL CROSSING METROPOLITAN DISTRICT**

HELD: Tuesday, November 19, 2019, at 10:00 a.m. at 9193 S.
Jamaica Street, 4th floor, Englewood, Colorado

ATTENDANCE:

A special meeting of the Board of Directors of the Crystal Crossing Metropolitan District was called and held as shown above and in accordance with the applicable statutes of the State of Colorado; with the following directors present and acting:

Ken Puncerelli
Kent Pedersen
Darren Oliver (unexcused)
Vacancy
Vacancy

Also, present were: Tom George, District Counsel, Spencer Fane, LLP; Angela Elliott, District Manager; John Simmons, Simmons and Wheeler, Accountants for the District.

CALL TO ORDER:

On behalf of the Board, Director Pedersen called the meeting to order at 10:38 a.m.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST:

The Board noted that disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State and with the Board of Directors of the District. Upon motion duly made, seconded and unanimously carried, the Board directed that said disclosures be incorporated herein.

PUBLIC COMMENT: None.

APPROVAL OF MINUTES:

The Board reviewed the minutes of the meeting held by the Board of Directors of Crystal Crossing Metropolitan District on June 26, 2019. Following discussion and upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented and authorized Director Puncerelli to execute the minutes as constituting a true and correct record of the proceedings of the meeting.

ACKNOWLEDGE AND ACCEPT THE RESIGNATION OF MIKE WHITE:

Following discussion, upon motion, seconded and upon vote, the Board acknowledged and accepted the resignation of Mike White.

FINANCIAL MATTERS:

Ratify Payment of Claims. The Board received the Payment of Claims, check #'s 2177 through #2204, totaling \$139,103.54 that have been paid for the period ending October 2019 and current payment of claims, check #'s 2205 through #2210, totaling \$7,875.75.

Following discussion, on motion duly made by Director Puncerelli, seconded by Director Pedersen, and unanimously carried, the Board ratified the payment of claims in the amount \$139,203.54 for period ending October 2019, and approved the current payment of claims in the amount of \$7,875.75.

Financial Statements. District Accountant Simmons distributed the September 30, 2019 Financial Statements to the Board and walked the board through the financials. The General fund as of September 30, 2019, was \$9,845 in general fund. As of end of September 2019 the Capital fund balance was \$0.00 and \$1,057,805.00 in the Debt Service Fund.

Following discussion, upon motion duly by Director Pedersen, seconded by Director Puncerelli, and unanimously carried, the Board accepted the financial statements as presented.

Conduct Public Hearing on the proposed 2020 Budget and consider adoption of Resolution to adopt the 2020 Budget, Set Mill Levies and Appropriate Sums of Money. On behalf of the Board, District Manager Elliott opened the public hearing to consider the proposed 2020 Budget and discuss related issues.

It was noted that the publication of Notice stating that the Board would consider adoption of the budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing.

Discussion among the Board followed on increased property taxes and the proposed mill levy. Director Puncerelli requested that irrigation repairs be a separate expense line item on the budget.

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No members of the public were present and no public comments were made, and the public hearing was closed.

Following discussion, the Board considered the adoption of the Resolution to adopt the 2020 Budget, Set Mill Levies and Appropriate Sums of Money for the District, with the suggested changes. Upon motion duly made by Director Puncerelli, seconded by Director Pedersen, and, upon vote, unanimously carried, the District (1) approved the

2020 budget, (2) approved the appropriation and expenditure of funds as detailed therein, (3) approved and adopted a mill levy of 74.625 mills to be certified by the District for collection in 2020, (4) authorized Director Puncerelli as President to sign the necessary documentation, and (5) directed District Accountant Simmons and Manager Elliott to submit the certification of tax levy to the Board of County Commissioners of Arapahoe County no later than December 15, 2019 and to file the 2020 budget with the Division of Local Government prior to January 30, 2020.

Conduct Public Hearing on the Amendment to the 2019 Budget. On behalf of the Board, District Manager Elliott opened the public hearing to consider the proposed Amendment to the 2019 Budget and discuss related issues.

It was noted that the publication of Notice stating that the Board would consider a second amendment to the budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing.

No members of the public were present, no further comments were received, and the public hearing was closed.

The Board determined that it was not necessary to amend the 2019 Budget and no action was taken.

Fee Agreement for Audit. District Account Simmons discussed he had not received the final fee agreement from Stratagem for the 2019 Audit.

Following discussion, on motion duly made by Director Puncerelli, seconded by Director Pedersen, and unanimously carried, the Board approved the proposed Audit Fee Agreement with Stratagem not to exceed \$5000.00.

ATTORNEY ITEMS:

Consider adoption of Resolution Calling for 2020 Regular Election:

District Counsel George presented the Resolution concerning Regular Election be held on May 5, 2020. The Resolution resolved the election to be conducted by mail ballot and the terms of Directors Pedersen and Oliver, and two vacancy seats shall expire following the regular election. Director Pedersen's seat is for a three year term; Director Oliver's is for a two year term. One vacancy is a two year term and the other is a three year term.

The Resolution further authorizes Becky Johnson of Spencer Fane LLP to serve as

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Designated Election Official for the conduct of the election and the authority to undertake all reasonable actions to conduct the election.

Upon motion duly made by Director Pedersen, seconded by Director Puncerelli, upon vote unanimously carried, the Board adopted the Resolution Concerning Regular Election to be held May 5, 2020, correcting the terms.

Consider the adoption of Resolution providing Directors Exclusion of Workers Compensation Coverage.

District Counsel George discussed this Resolution and explained that it is annually adopted.

Following discussion, upon motion duly made by Director Pedersen seconded by Director Puncerelli, upon vote unanimously carried, the Board adopted the Resolution Excluding Workers Compensation Coverage.

Consider the adoption of the Resolution of the Board of Directors of the Crystal Crossing Metropolitan District concerning Online Notice of Public Meetings.

District Counsel George discussed the Resolution of posting all regular and special meetings of the on the crystalcrossinghoa.com website.

Following discussion, upon motion duly made by Director Pedersen, seconded by Director Puncerelli, upon vote unanimously carried, the Board adopted the Resolution concerning online notice of public meetings.

Consider the adoption Resolution adopting the Protection for Consumer Data Privacy.

District Counsel George discussed the Resolution supplementing the Colorado Open Records Act Policy and adopting and implementing a policy for the destruction and proper disposal for paper and electronic documents that contain personal identifying information, a policy protecting personal identifying information from security breaches and a policy notifying Colorado residents following a security breach.

Following discussion, upon motion duly made by Director Pedersen, seconded by Director Puncerelli, upon vote unanimously carried, the Board adopted the Resolution Adopting Protection for Consumer Data Policy.

Consider adoption of CORA Resolution.

District Counsel George discussed the Resolution generally designating an official custodian of the records, adopting a records retention schedule, and setting a fee per hour to research and retrieve the documents, among other items.

Following discussion, upon motion duly made by Director Pedersen, seconded by Director Puncerelli, upon vote unanimously carried, the Board adopted the Resolution Adopting for CORA.

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Update on Fire State Reimbursement. District Counsel George will follow up with District Counsel Dalton.

DIRECTOR ITEMS: None

MANAGER ITEMS:

2020 MEETING DATES:

The Board discussed holding 2020 meetings on Tuesdays or Thursdays either 9:00 or 10:00 a.m., at Lennar's offices located at 9193 S. Jamaica Street, 4th floor, Englewood, CO.

Following discussion and upon motion duly made, seconded and unanimously carried, the Board approved the above meeting dates, time and location.

ADMINISTRATIVE RESOLUTION:

Manager Elliott presented the Resolution concerning 2020 Annual Administrative Matters for Manager, Accountant, Legal Counsel and Bond Counsel to perform certain tasks on a recurring basis in the operation of the District.

The Board discussed appointing the following 2019 officers:

Ken Puncerelli, President/Chairman
Kent Pedersen, Vice President
Darren Oliver, Assistant Secretary

Following discussion, upon motion made, seconded and unanimously carried, the above Directors were elected to their positions.

The Board further discussed retaining the same newspaper and the posting place online remain at the pool building.

Following discussion and upon motion duly made by Director Pedersen, seconded by Director Puncerelli, and unanimously carried, the Board approved the 2020 Administrative Resolution.

RATIFY 2019-2020 SNOW CONTRACT WITH CPC:

Manager Elliott presented the 2019 – 2020 snow removal contract with CPC for ratification.

Following discussion and upon motion made by Director Pedersen, seconded by Director Puncerelli, and unanimously carried, the Board approved the 2019-2020 Snow Contract with CPC, Inc.

Ratification of 2020-2022 landscaping contract.

Manager Elliott presented the 2020-2022 landscape contract with CPC for ratification.

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Following discussion and upon motion made by Director Pedersen, seconded by Director

Puncerelli, and unanimously carried, the Board approved the 2020-2022 Landscape Contract with CPC, Inc.

Safety issues on Old Lanterns

Manager Elliott discussed receiving a request from a homeowner regarding the safety issues on Old Lanterns and Crystal Valley Parkway. Homeowner had reached out to Town and they said they could not do anything until construction was completed, but he was hoping the District could send a letter to the Town on behalf of homeowners.

The Board discussed not taking action as it is not a district obligation.

OTHER BUSINESS:

Discussion followed on the construction of new homes on Castlemaine. There is no erosion control and do not have an identified location for concrete clean out area.

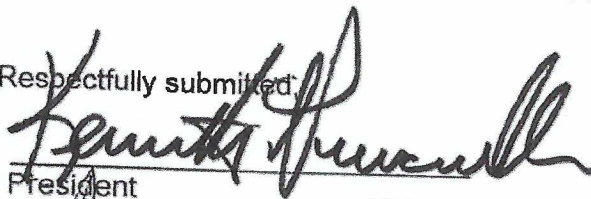
Follow discussion, upon motion made by Director Puncerelli, seconded by Director Pedersen, upon vote and unanimously carried, Legal Counsel is directed to draft letter for Manager Elliott, under District letterhead and send to Town of Castle Rock Stormwater and building department.

ADJOURNMENT:

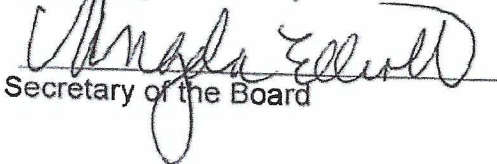
There being no further business to come before the Board, the meeting was adjourned at 11:13 a.m.

The foregoing minutes constitutes a true and correct copy of the minutes of the above-referenced meeting and was approved by the Board of Directors of the Crystal Crossing Metropolitan District.

Respectfully submitted,



President



Secretary of the Board