

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS

OF

BIG SKY METROPOLITAN DISTRICT NO. 1

Held: Tuesday, November 16, 2021 at 10:00 A.M. via teleconference.

Attendance

The regular meeting of the Board of Directors of the Big Sky Metropolitan District No. 1 was called and held in accordance with the applicable laws of the State of Colorado. The following Directors, have confirmed their qualifications to serve, were in attendance:

Thomas Morton, President  
Todd Johnson, Treasurer/Secretary

Also present were Zachary P. White, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law; Charles Norton, Norton & Smith, P.C. (Special Counsel to District); and Alex Fink, CliftonLarsonAllen.

Call to Order/Declaration of Quorum

It was noted that a quorum of the Board was present and Director Morton called the meeting was to order.

Conflict of Interest Disclosures

Mr. White advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. White reported that disclosures for those directors that provided White Bear Ankele Tanaka & Waldron with notice of potential or existing conflicts of interest were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Mr. White inquired into whether members of the Board had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

Approval of Agenda

Mr. White presented the proposed agenda to the Board for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the agenda as presented.

Public Comment

None.

Consent Agenda

Mr. White reviewed the items on the consent agenda with the Board. Mr. White advised the Board that any item may be removed from the consent agenda to the regular agenda upon the request of any director. No items were requested to be removed from the consent agenda. Upon a motion duly made and seconded, the following items on the consent agenda were unanimously approved, ratified and adopted:

- June 16, 2021 Special Meeting Minutes
- 2022 Annual Administrative Resolution
- 2020 Annual Report
- Acceptance of 2020 Audit Exemption
- Resolution Designating the Location of Meetings

Insurance Matters

Consider Approval of Property and Liability Schedule and Limits

Mr. White reviewed with the Board the property and liability schedule and limits. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the property and liability schedule and limits and authorized legal counsel to bind coverage.

Review Property Schedule

Mr. White reviewed with the Board the property schedule.

Legal Matters

Consider Approval of Resolution Calling May 3, 2022 Election

Mr. White reviewed with the Board the Resolution Calling the May 3, 2022 Election. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution.

Designation of Method for Providing Notice of Call for Nominations

Mr. White discussed with the Board the designation of method for providing notice of call for nominations. Following discussion, upon a motion duly made and seconded, the Board unanimously approved notice by publication and by mailing or emailing if required.

Discuss District Website Requirements Setup NLT January 1, 2023 and Consider Approval of Proposal for Website Creation Services

Deferred.

Litigation Update Mr. Norton provided an update on the status of litigation appeals and procedures. No action was taken.

Consider Approval of Extension of Funding and Reimbursement Agreement (Litigation) with CDN Red Rocks, LP Mr. White presented the Extension of Funding and Reimbursement Agreement (Litigation) with CDN Red Rocks, LP. Following discussion, upon a motion duly made and seconded, the Board unanimously approved extension of the agreement, subject to comments from CDN Red Rocks, LP.

Consider Approval of Extension of Capital Funding and Reimbursement Agreement with CDN Red Rocks, LP Mr. White presented the Extension of Capital Funding and Reimbursement Agreement with CDN Red Rocks, LP. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the extension of the agreement, subject to comments from CDN Red Rocks, LP.

Executive Session pursuant to § 24-6-402(4)(b) & (e), C.R.S., to receive legal advice on specific legal questions related to ongoing litigation with Green Mountain Water and Sanitation District, and determine positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators with respect ongoing litigation with Green Mountain Water and Sanitation District. Upon a motion duly made by Director Morton and seconded by Director Johnson, followed by an affirmative vote of at least two-thirds of the quorum present, the Board entered into executive session at 10:21 A.M. for the purpose of conferring with special counsel regarding ongoing litigation with Green Mountain Water and Sanitation District, pursuant to Section 24-6-402(4)(b), C.R.S.

Pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., no record will be kept of the portion of this executive session that, in the opinion of legal counsel to the District, constitutes privileged attorney-client communication pursuant to Section 24-6-402(4)(b), C.R.S.

Upon a motion duly made and seconded, and the Board unanimously agreed to exit executive session. The Board reconvened in regular session at 10:40 A.M.

### Financial Matters

Consider Approval of Payables/Financials Mr. Fink presented the payables and financials. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the payables and financials.

Conduct Public Hearing on 2021 Budget Amendments and Consider Adoption of Resolution(s) Amending Not needed.

2021 Budget  
Conduct Public Hearing on  
2022 Budget and Consider  
Adoption of Resolution  
Adopting 2022 Budget,  
Imposing Mill Levy and  
Appropriating Funds

Director Morton opened the public hearing on the proposed 2022 Budget. Mr. White 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.

Mr. Fink reviewed with the Board the 2022 Budget Resolution. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the 2022 Budget Resolution, appropriating funds therefor and certifying 0.000 mills for the General Fund, 0.000 mills for the Debt Service Fund, 0.000 mills for the Capital Projects Fund, and 0.000 mills for the Contractual Obligation Fund. The Board requested the budget message be updated to include language regarding approval to provide sewer services per the District's Service Plan.

Other Business

Next Meeting – March 16, 2022 at 10:00 a.m.

Adjourn

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

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.



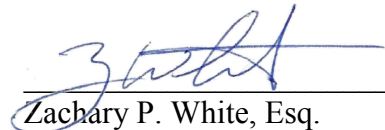
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Secretary for the Meeting

The foregoing minutes were approved on the 21<sup>st</sup> day of September, 2022.

**ATTORNEY STATEMENT  
REGARDING PRIVILEGED ATTORNEY-CLIENT COMMUNICATION**

Pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., I attest that, in my capacity as the attorney representing Big Sky Metropolitan District No. 1, I attended the executive session meeting Big Sky Metropolitan District No. 1 convened at 10:21 A.M. on November 16, 2021, for the sole purpose of discussing conferring with special counsel to receive legal advice on specific legal questions related to ongoing litigation with Green Mountain Water and Sanitation District, and determine positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators with respect ongoing litigation with Green Mountain Water and Sanitation District as authorized by Section 24-6-402(4)(b), C.R.S. I further attest it is my opinion that all of the executive session discussion constituted a privileged attorney-client communication as provided by Section 24-6-402(4)(b), C.R.S. and, based on that opinion, no further record, written or electronic, was kept or required to be kept pursuant to Section 24-6-402(2)(b), C.R.S. or Section 24-6-402(2)(d.5)(II)(B), C.R.S.

  
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Zachary P. White, Esq.