

COTTONWOOD HIGHLANDS METROPOLITAN DISTRICT NO. 2
ANNUAL ADMINISTRATIVE RESOLUTION
(2021)

At the special meeting of the Board of Directors (“**Board**”) of the Cottonwood Highlands Metropolitan District No. 2 (“**District**”), Town of Parker, Douglas County, Colorado, held at 1:30 P.M., on December 7th, 2020, held via Zoom Teleconference, it was moved to adopt the following Resolution:

WHEREAS, the District was organized as a special district pursuant to an Order and Decree of the District Court in and for the County of Douglas, Colorado (the “**County**”) and is located entirely within the Town of Parker, Colorado; and

WHEREAS, the Board has a duty to perform certain obligations in order to assure the efficient operation of the District and hereby directs its consultants to take the following actions.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

1. The Board directs legal counsel to cause an accurate map of the District’s boundaries to be prepared in accordance with the standards specified by the Division of Local Government (“**Division**”) and to be filed in accordance with § 32-1-306, C.R.S.
2. The Board directs legal counsel to notify the Board of County Commissioners, the County Assessor, the County Treasurer, the County Clerk and Recorder, the governing body of any municipality in which the District is located, and the Division of the name of the chairman of the Board, the contact person, telephone number and business address of the District, as required by § 32-1-104(2), C.R.S.
3. The Board directs legal counsel to prepare and file with the Division, within thirty (30) days of a written request from the Division, an informational listing of all contracts in effect with other political subdivisions, in accordance with § 29-1-205, C.R.S.
4. The Board directs the District’s accountant to cause the preparation of and to file with the Department of Local Affairs the annual public securities report for nonrated public securities issued by the District within sixty (60) days of the close of the fiscal year, as required by §§ 11-58-101, *et seq.*, C.R.S.
5. The Board directs the District’s accountant to: 1) obtain proposals for auditors to be presented to the Board; 2) to cause an audit of the annual financial statements of the District to be prepared and submitted to the Board on or before June 30; and 3) to cause the audit to be filed with the State Auditor by July 31, or by the filing deadline permitted under any extension thereof, all in accordance with §§ 29-1-603(1) and 29-1-606, C.R.S. Alternatively, if warranted by § 29-1-604, C.R.S., the Board directs the District’s accountant to apply for and obtain an audit exemption from the State Auditor on or before March 31 in accordance with § 29-1-604, C.R.S.

6. The Board directs legal counsel, if the District has authorized but unissued general obligation debt as of the end of the fiscal year, to cause to be submitted to the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the District, the District's audit report or a copy of its application for exemption from audit in accordance with § 29-1-606(7) C.R.S.

7. The Board directs the District's accountant to submit a proposed budget to the Board by October 15, to prepare the final budget and budget message, including any amendments thereto, if necessary, and directs legal counsel to schedule a public hearing on the proposed budget and/or amendments, and to post or publish notices thereof, to prepare all budget resolutions and to file the budget, budget resolution and budget message with the Division on or before January 30, all in accordance with §§ 29-1-101, *et seq.*, C.R.S.

8. The Board directs the District's accountant to monitor expenditures and contracted expenditures and, if necessary, to notify legal counsel and the Board when expenditures or contracted expenditures are expected to exceed appropriated amounts, and directs legal counsel to prepare all budget amendment resolutions and directs legal counsel to schedule a public hearing on a proposed budget amendment and to post or publish notices thereof and to file the amended budget with the Division on or before the date of making such expenditure or contracting for such expenditure, all in accordance with §§ 29-1-101, *et seq.*, C.R.S.

9. The Board directs legal counsel to cause the preparation of the Unclaimed Property Act report and submission of the same to the State Treasurer by November 1 if there is property presumed abandoned and subject to custody as unclaimed property, in accordance with § 38-13-110, C.R.S.

10. The Board directs the District's accountant to prepare the mill levy certification form and directs the District's legal counsel to file the mill levy certification forms with the Board of County Commissioners on or before December 15, in accordance with § 39-5-128, C.R.S.

11. The Board designates the *Douglas County News-Press* as a newspaper of general circulation within the boundaries of the District and directs that all legal notices shall be published in accordance with § 32-1-103(15), C.R.S., in the *Douglas County News-Press*, unless otherwise designated by the Board or legal counsel.

12. The Board determines that each director shall not receive compensation for their services as directors subject to the limitations set forth in §§ 32-1-902(3)(a)(I) & (II), C.R.S.

13. The District hereby acknowledges, in accordance with § 32-1-902, C.R.S., the following officers for the District:

Chairman/President: Scott Carlson
Vice President: Kent Carlson
Secretary/Treasurer: Clay Carlson
Assistant Secretary: _____
Assistant Secretary: _____

Recording Secretary: Legal Counsel

14. The Board hereby determines that each member of the Board shall, for any potential or actual conflicts of interest, complete conflicts of interest disclosures and directs legal counsel to file the conflicts of interest disclosures with the Board and with the Colorado Secretary of State at least seventy-two (72) hours prior to every regular and special meeting of the Board, in accordance with §§ 32-1-902(3)(b) and 18-8-308, C.R.S. Written disclosures provided by Board members required to be filed with the governing body in accordance with § 18-8-308, C.R.S. shall be deemed filed with the Board when filed with the Secretary of State. Additionally, at the beginning of each year, each Board member shall submit information to legal counsel regarding any actual or potential conflicts of interest and, throughout the year, each Board member shall provide legal counsel with any revisions, additions, corrections or deletions to said conflicts of interest disclosures.

15. The Board confirms its obligations under § 24-10-110(1), C.R.S., with regards to the defense and indemnification of its public employees, which, by definition, includes elected and appointed officers.

16. The Board hereby appoints the District's legal counsel as the official custodian for the maintenance, care and keeping of all public records of the District, in accordance with §§ 24-72-202, *et seq.*, C.R.S.

17. Pursuant to § 32-1-903(2) and § 24-6-402(2)(c), C.R.S., the Board hereby designates _____ as the District's website for the posting of its regular and special meeting notices at least twenty-four (24) hours in advance of the meeting, and hereby directs legal counsel, to the extent feasible, to make the notices accessible at no charge to the public, searchable by the type of meeting, date of meeting, time of meeting, agenda contents, and any other categories deemed appropriate by the Board and legal counsel and to consider linking the notice to any appropriate social media accounts of the District. The Board also hereby designates the corner of Jordan Road and Cottonwood Drive as the location the District will post notices of meetings at least twenty-four (24) hours prior to the meeting in the event of exigent or emergency circumstances which prevent the District from posting notice of the meeting on the District's website. The Board directs legal counsel to provide the website address set forth above to the Department of Local Affairs for inclusion in the inventory maintained pursuant to § 24-32-116, C.R.S.

18. The Board determines to schedule regular meetings on the first Tuesday of June and December, at 10:00 A.M. at 12460 1st Street, Eastlake, Colorado. Notice of the time and place for all regular meetings shall be posted in accordance with § 32-1-903, C.R.S.

19. In the event of an emergency, the Board may conduct a meeting outside of the limitations prescribed in § 24-6-402(2)(c), C.R.S., provided that any actions taken at such emergency meeting are ratified at the next regular meeting of the Board or at a special meeting conducted after proper notice has been given to the public.

20. For the convenience of the electors of the District, and pursuant to its authority set forth in § 1-13.5-1101, C.R.S., the Board hereby deems that all regular and special elections of the District shall be conducted as independent mail ballot elections in accordance with §§ 1-13.5-1101,

et seq., C.R.S., unless otherwise deemed necessary and expressed in a separate election resolution adopted by the Board.

21. Pursuant to the authority set forth in § 1-1-111, C.R.S., the Board hereby appoints Ashley B. Frisbie, of the law firm of WHITE BEAR ANKELE TANAKA & WALDRON, Attorneys at Law, as the Designated Election Official (the “DEO”) of the District for any elections called by the Board, or called on behalf of the Board by the DEO, and hereby authorizes and directs the DEO to take all actions necessary for the proper conduct of the election, including, if applicable, cancellation of the election in accordance with § 1-13.5-513, C.R.S.

22. In accordance with § 1-11-103(3), C.R.S., the Board hereby directs the DEO to certify to the Division the results of any elections held by the District and, pursuant to § 32-1-1101.5(1), C.R.S., to certify results of any ballot issue election to incur general obligation indebtedness to the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the district and file a copy of such certification with the Division of Securities.

23. The Board directs legal counsel to cause a notice of authorization of or notice to incur general obligation debt to be recorded with the County Clerk and Recorder within thirty (30) days of authorizing or incurring any indebtedness, in accordance with § 32-1-1604, C.R.S.

24. Pursuant to the authority set forth in § 24-12-103, C.R.S., the Board hereby designates, in addition to any officer of the District, George M. Rowley of the law firm of WHITE BEAR ANKELE TANAKA & WALDRON, Attorneys at Law as a person with the power to administer all oaths or affirmations of office and other oaths or affirmations required to be taken by any person upon any lawful occasion.

25. The Board directs legal counsel to cause the preparation of and filing with the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the District, if requested, the application for quinquennial finding of reasonable diligence in accordance with §§ 32-1-1101.5(1.5) and (2), C.R.S.

26. The Board directs legal counsel to cause the preparation of and the filing with the Board of County Commissioners or the governing body of any municipality in which the District is located, the Division, the State Auditor, the County Clerk and Recorder and any interested parties entitled to notice pursuant to § 32-1-204(1), C.R.S., an annual report, if requested, in accordance with § 32-1-207(3)(c), C.R.S.

27. The Board directs legal counsel to obtain proposals and/or renewals for insurance, as applicable, to insure the District against all or any part of the District’s liability, in accordance with §§ 24-10-115, *et seq.*, C.R.S. The Board directs the District’s accountant to pay the annual SDA membership dues, agency fees and insurance premiums, as applicable, in a timely manner. The Board appoints legal counsel to designate the proxy for the SDA Annual meeting for voting and quorum purposes.

28. The Board hereby opts to exclude elected or appointed officials as employees within the meaning of § 8-40-202(1)(a)(I)(A), C.R.S., and hereby directs legal counsel to file a statement with the Division of Workers’ Compensation in the Department of Labor and

Employment not less than forty-five (45) days before the start of the policy year for which the option is to be exercised, in accordance with § 8-40-202(1)(a)(I)(B), C.R.S.

29. The Board hereby directs legal counsel to prepare the disclosure notice required by § 32-1-809, C.R.S., and to disseminate the information to the electors of the District accordingly.

30. The Board hereby directs its legal counsel, accountant, manager and all other consultants to adhere to the Colorado Special District Records Retention Schedule as adopted by the District.

31. The Board hereby directs legal counsel to prepare and record with the County Clerk and Recorder updates to the disclosure statement notice and map required by § 32-1-104.8, C.R.S., if additional property is included within the District's boundaries.

32. In accordance with § 38-35-109.5(2), C.R.S, the District hereby designates the President of the Board as the official who shall record any instrument conveying title of real property to the District within 30 days of any such conveyance.

33. The Board directs the District's accountant to prepare and submit the documentation required by any continuing disclosure obligation signed in conjunction with the issuance of debt by the District.

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ADOPTED this 7th day of December, 2020.

COTTONWOOD HIGHLANDS
METROPOLITAN DISTRICT NO. 2

Scott L Carlson

Scott L Carlson (Jan 12, 2021 16:09 MST)

Officer of the District

ATTEST:

kent carlson

kent carlson (Jan 12, 2021 16:36 MST)

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law



General Counsel to the District

CERTIFICATION OF RESOLUTION

I hereby certify that the foregoing constitutes a true and correct copy of the resolution of the Board adopted at a meeting held on December 7, 2020 held via Zoom Teleconference.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 7th day of December, 2020.

kent carlson

kent carlson (Jan 12, 2021 16:36 MST)

Signature

kent carlson

Printed Name

**RESOLUTION
OF THE BOARD OF DIRECTORS OF
COTTONWOOD HIGHLANDS METROPOLITAN DISTRICT NO. 2
ESTABLISHING AN ELECTRONIC SIGNATURE POLICY**

WHEREAS, the Cottonwood Highlands Metropolitan District No. 2 (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado; and

WHEREAS, pursuant to § 32-1-1001(1)(h), C.R.S., the Board of Directors of the District (the “**Board**”) is empowered with the management, control, and supervision of all the business and affairs of the District; and

WHEREAS, pursuant to § 32-1-1001(1)(m), C.R.S., the Board is authorized to adopt, amend, and enforce bylaws and rules and regulations not in conflict with the constitution and laws of Colorado for carrying on the business, objects, and affairs of the Board and the District; and

WHEREAS, in 2002, the Colorado legislature enacted the Uniform Electronic Transactions Act, §§ 24-71.3-101, *et seq.*, C.R.S. (the “**Act**”); and

WHEREAS, the purpose of the Act is to facilitate e-Government in Colorado by giving electronic signatures the same force and effect as signatures produced by non-electronic means; and

WHEREAS, pursuant to § 24-71.3-117, C.R.S., the District, as a political subdivision of the State of Colorado, has the general power, in relation to the administration of the affairs of the District to determine the extent to which it will create and retain electronic signatures; and

WHEREAS, pursuant to § 24-71.3-118 (1), C.R.S., the District, as a political subdivision of the State of Colorado, has the general power, in relation to the administration of its affairs, to determine the extent to which it will send and accept electronic signatures to and from other persons and otherwise create, generate, communicate, store, process, use, and rely upon electronic signatures; and

WHEREAS, the use of electronic signatures increases efficiency of various internal and external transactions that require signature or authorization; and

WHEREAS, the Board desire to adopt a policy that establishes and governs the process for using and accepting electronic signatures for internal and external District business and transactions.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DISTRICT AS FOLLOWS:

Cottonwood Highlands MD No. 2 - Meeting Items for Signature

Final Audit Report

2021-01-12

Created:	2021-01-12
By:	Rose Vallesio (rvallesio@wbapc.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAFYZu6-eDLvjf5nKz8QqSSYXA3yq_2aHP

"Cottonwood Highlands MD No. 2 - Meeting Items for Signature" History

-  Document created by Rose Vallesio (rvallesio@wbapc.com)
2021-01-12 - 9:51:40 PM GMT- IP address: 50.209.233.181
-  Document emailed to Scott L Carlson (scottcarlson@carlsonland.net) for signature
2021-01-12 - 9:54:04 PM GMT
-  Email viewed by Scott L Carlson (scottcarlson@carlsonland.net)
2021-01-12 - 11:08:01 PM GMT- IP address: 96.84.249.109
-  Document e-signed by Scott L Carlson (scottcarlson@carlsonland.net)
Signature Date: 2021-01-12 - 11:09:03 PM GMT - Time Source: server- IP address: 96.84.249.109
-  Document emailed to kent carlson (kentcarlson@carlsonland.net) for signature
2021-01-12 - 11:09:05 PM GMT
-  Email viewed by kent carlson (kentcarlson@carlsonland.net)
2021-01-12 - 11:34:52 PM GMT- IP address: 96.84.249.109
-  Document e-signed by kent carlson (kentcarlson@carlsonland.net)
Signature Date: 2021-01-12 - 11:36:27 PM GMT - Time Source: server- IP address: 96.84.249.109
-  Agreement completed.
2021-01-12 - 11:36:27 PM GMT