

CHIMNEY ROCK METROPOLITAN DISTRICT

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 800-741-3254
Fax: 303-987-2032

NOTICE OF SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expires:</u>
Telfer “Woody” Norman	President	2023/May 2023
Kenneth “Delmar” Rumph	Treasurer	2025/May 2025
Charles “Charlie” H. Haase	Assistant Secretary	2023/May 2023
John “Marc” Rinehart	Assistant Secretary	2025/May 2025
Charles “Chuck” Hansen	Assistant Secretary	2025/May 2025

DATE: March 10, 2023 (Friday)

TIME: 2:00 P.M.

PLACE: Teleconference:
Phone Number: 1-669-900-6833
Meeting ID: 546 911 9353
Passcode: 912873

I. ADMINISTRATIVE MATTERS

A. Call to Order and Declaration of Quorum

B. Present Disclosures of Potential Conflicts of Interest.

C. Approve Agenda; confirm location of meeting and posting of meeting notices.

D. Acknowledge resignation of Steve Beck as Secretary to the Board and consider appointment of David M. Solin as Secretary to the Board.

II. FINANCIAL MATTERS

A. **ADJOURN TO EXECUTIVE SESSION**

1. Executive session of the Board of Directors for the purpose of (1) Discuss matters related to the Capital Improvement Fee; (2) District Fees and Costs related to Exclusion; and (3) Recordation of Document Against Property.
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III. LEGAL MATTERS

- A. Review and consider adoption of Resolution of the Board of Directors of the Chimney Rock Metropolitan District Consenting to the Organization of Willow Springs Estates Metropolitan District (enclosure).
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- B. Review and consider approval of the Exclusion Agreement between WSE Morrison, LLC and the District (enclosure).
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IV. OTHER MATTERS

- A. _____

- V. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR JUNE 19, 2023.**

**RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
CHIMNEY ROCK METROPOLITAN DISTRICT
CONSENTING TO THE ORGANIZATION OF WILLOW SPRING ESTATES
METROPOLITAN DISTRICT**

WHEREAS, the Chimney Rock Metropolitan District (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado, duly organized and existing pursuant to §§ 32-1-101, *et seq.*, C.R.S., as amended (the “**Special District Act**”); and

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

WHEREAS, the District encompasses all of the property in Willow Springs Estates Filing No. 11 which includes tracts and 18 residential lots (collectively, the “**Property**”); and

WHEREAS, the owner of the Property, WSE Morrison, LLC, a Colorado limited liability company (“**WSE**”), has submitted an application to Jefferson County for a service plan for the proposed Willow Springs Estates Metropolitan District; and

WHEREAS, the District and WSE intend to enter into an Exclusion Agreement the form of which is attached hereto as **Exhibit A** (the “**Exclusion Agreement**”); and

WHEREAS, pursuant to the terms of the Exclusion Agreement the parties agree that: (1) WSE will pay to the District the costs of exclusion of the Property from the District; (2) WSE will pay \$44,064 to the District which represents the Capital Recovery Fee for the Property; and (3) the District will exclude the Property from its boundaries provided WSE is successful in organizing the Willow Springs Estates Metropolitan District as evidenced by a recorded Order and Decree from the Jefferson County District Court; and

WHEREAS, pursuant to this resolution, the Board consents to organization of the proposed Willow Springs Estates Metropolitan District and its intent to exclude the Property from the boundaries of the District pursuant to the terms of the Exclusion Agreement.

NOW, THEREFORE, be it resolved by the Board as follows:

1. Consent to Organization of Willow Springs Estates Metropolitan District. Subject to the terms of the Exclusion Agreement, the District hereby consents to the organization of the proposed Willow Springs Estates Metropolitan District.

2. Intent to Exclude Property. Subject to the terms of the Exclusion Agreement, the District intends to exclude the Property from the boundaries of the District provided WSE is

successful in organizing the Willow Springs Estates Metropolitan District as evidenced by a recorded Order and Decree from the Jefferson County District Court.

ADOPTED this 10th day of March, 2023.

CHIMNEY ROCK METROPOLITAN DISTRICT,

Name: Telfer Norman
Title: President, Board of Directors

ATTEST:

Name: _____

Title: Secretary, Board of Directors

Exhibit A
Exclusion Agreement

EXCLUSION AGREEMENT

This Exclusion Agreement (this “**Agreement**”) is made and entered into this 10th day of March, 2023, by and between WSE MORRISON, LLC, a Colorado limited liability company (“**Petitioner**”) and CHIMNEY ROCK METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado (“**District**”).

RECITALS

A. The District is located in Jefferson County, Colorado and is duly and validly organized as a quasi-municipal corporation and political subdivision of the State of Colorado in accordance with the provisions of Article 1, Title 32, Colorado Revised Statutes.

B. Petitioner intends to file a Petition for Exclusion of Real Property (the “**Petition**”) requesting the property described in the Petition (the “**Property**”) to be excluded from the boundaries of the District.

C. The District is willing to exclude the Property from the District’s boundaries as provided herein.

D. Petitioner and the District desire to enter into this Agreement pursuant to which the Property shall be excluded from the boundaries of the District, as more fully provided herein.

TERMS AND CONDITIONS

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein and other good and sufficient consideration, the receipt and sufficiency of which is hereby acknowledged, Petitioner and the District covenant and agree as follows:

1. Recitals Incorporated. The recitals set forth above are hereby incorporated into and made a part of this Agreement.

2. Petition for Exclusion from the District. The Parties acknowledge that the Petitioner intends to file a Petition for Exclusion of Property from the District.

3. Exclusion Costs. Petitioner has deposited \$4,000 to cover the costs associated with the exclusion proceedings as required by Section 32-1-501(1), C.R.S. (the “**Exclusion Costs**”). In the event the Exclusion Costs exceed \$4,000, Petitioner shall pay the additional costs prior to the recording of the Exclusion Order. If additional Exclusion Costs are owed, the District will provide Petitioner with a written request for the additional deposit. If the Exclusion Costs are less than \$4,000, the District shall refund the difference to Petitioner after recording the Exclusion Order and payment of all Exclusion Costs.

4. Exclusion Order. The District agrees to promptly commence the process to exclude the Property from its boundaries and, not later than thirty days after receipt of the Petition, to: (i) hold a public hearing to consider the exclusion of the Property and upon satisfaction of the conditions set forth under Sections 32-1-501 *et seq.*, C.R.S., adopt a resolution approving the

exclusion of the Property, and (ii) subsequently move the Jefferson County District Court for the entry of an order excluding the Property from the District in accordance with Section 32-1-501(4)(b), C.R.S. (the “**Exclusion Order**”). Following issuance of the Exclusion Order, the District shall obtain a certified copy of the Exclusion Order and shall cause the Exclusion Order to be recorded in the real property records of Jefferson County upon satisfaction of the conditions set forth in Section 6 below.

5. District Representations. On December 1, 2016, the District issued \$3,190,000 of Limited Tax General Obligation Refunding Bonds, Series 2016A and \$150,000 of Taxable Limited Tax General Obligation Refunding Bonds, Series 2016B (together, the “**2016 Bonds**”). The District represents that the 2016 Bonds are the only outstanding debt of the District within the meaning of the Colorado Constitution or Sections 32-1-501 or 503, C.R.S. The District further represents, warrants, and covenants as follows: (i) that it will not at any time prior to the recording of the Exclusion Order incur any additional indebtedness that would result in the Property being subject to additional District mill levies; (ii) that it will not at any time subsequent to the recording of the Exclusion Order issue new debt that purports to encumber the Property or obligate the Property in any manner, excluding any refunding of the 2016 Bonds.

6. Capital Recovery Fee. On May 12, 2014, the District adopted a Resolution Amending and Restating the Resolution of the Board of Directors of Chimney Rock Metropolitan District Providing for the Imposition of Annual Capital Recovery Fees for a Sewer Treatment Lift Station Financed and Constructed by the District (the “**Fee Resolution**”). Pursuant to the Fee Resolution, the District imposes an annual fee upon the lots within the District to pay for the construction of a sewer treatment lift station that was financed and constructed by the District (the “**Capital Recovery Fee**”).

7. Obligations Conditioned Upon Exclusion.

- a. Payment of Capital Recovery Fee for 18 Lots. Provided that the District has obtained a certified copy of the Exclusion Order, prior to recordation of the Exclusion Order, Petitioner shall pay to the District the amount of \$44,064, which represents payment of the District’s Capital Improvement Fee related to the 18 lots within the Property.
- b. Capital Recovery Fee Owed for Additional Lots. The District shall record a memorandum against the Property releasing the 18 lots from the District’s Capital Recovery Fee. In the event Petitioner or a subsequent property owner subdivides the Property into more than 18 lots, the Capital Recovery Fee shall be paid by Petitioner or property owner seeking the subdivision. Payment of the additional Capital Recovery Fee is a condition of the District’s consent to the subdivision and connection of the additional lots to the sewer treatment lift station. The Capital Recovery Fee shall be paid at the District’s then current Capital Recovery Fee rate multiplied by the number of years outstanding on the District’s 2016 Bonds. Any additional Capital Recovery Fee payments shall be due prior to the recordation of the plat creating the additional lots.

Phone: (303) 626-7125
jerb@erblawllc.com

To Petitioner: WSE Morrision, LLC
2801 Youngfiled Street, Suite 101
Golden, CO 80401
Attention: Alec Taylor and Renzo Renzi
ataylor@364capital.com
renzo.renzi@gmail.com

With copies to:

White Bear Ankele Tanaka and Waldron
2154 E. Commons Avenue, Suite 2000
Centennial, CO 80122
Attention: Kristin Tompkins and Megan Murphy
ktompkins@wbapc.com
mmurphy@wbapc.com

11. Amendments. This Agreement may only be amended or modified by a writing executed by all the parties hereto.

12. Severability. If any portion of this Agreement is declared by any court of competent jurisdiction to be illegal, void or unenforceable, such decision shall not affect the validity of any remaining portion of this Agreement, which shall remain in full force and effect so long as the intent of the Agreement can still be performed.

13. Assignment. This Agreement may not be assigned by Petitioner without the written consent of the District.

14. Covenants Run with the Property. The terms and conditions set forth in this Agreement shall be and remain covenants running with the Property. This Agreement and/or any memorandum or other evidence of this Agreement may be recorded in the real property records of Jefferson County.

15. Entire Agreement. This Agreement constitutes and represents the entire, integrated agreement between the parties with respect to the matters set forth herein, and hereby supersedes any and all prior negotiations, representations, agreements or arrangements of any kind with respect to those matters, whether written or oral.

16. Inurement. The terms of this Agreement shall be binding upon and inure to the benefit of the parties hereto as well as their respective successors and permitted assigns.

17. Governmental Immunity. Nothing in this Agreement shall be construed to waive, limit, or otherwise modify, in whole or in part, any governmental immunity that may be available

by law to the District, its respective officials, employees, contractors, or agents, or any other person acting on behalf of the District and, in particular, governmental immunity afforded or available to the District pursuant to the Colorado Governmental Immunity Act, §§ 24-10-101, *et seq.*, C.R.S.

18. Negotiated Provisions. This Agreement shall not be construed more strictly against one party than against the other merely by virtue of the fact that it may have been prepared by counsel for one of the parties, it being acknowledged that each party has contributed substantially and materially to the preparation of this Agreement.

19. Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the parties any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the parties shall be for the sole and exclusive benefit of the parties.

20. Authority. The Petitioner warrants to the District that it is a duly authorized, existing and qualified entity under the laws of the State of Colorado and is authorized to do business in the State of Colorado, that it has full right and authority to execute and enter into this Agreement and perform its obligations hereunder, and that every person signing on behalf of Petitioner is authorized to do so. The District warrants to Petitioner that it is an existing quasi-municipal corporation and political subdivision of the State of Colorado, that this Agreement was properly approved by the District, and that every person signing on behalf of the District is authorized to do so.

[SIGNATURE PAGES TO FOLLOW]

IT WITNESS WHEREOF, the parties hereto have executed this Property Exclusion Agreement as of the date first above written.

PETITIONER:

WSE MORRISON LLC,
a Colorado limited liability company

By: _____
Name: _____
Title: _____

DISTRICT:

CHIMNEY ROCK METROPOLITAN DISTRICT,
a quasi-municipal corporation and political subdivision of
the State of Colorado

By: _____
Name: Telfer Norman
Title: President, Board of Directors