

MINUTES OF A JOINT SPECIAL MEETING OF THE
BOARDS OF DIRECTORS

OF

COTTONWOOD HOLLOW RESIDENTIAL
METROPOLITAN DISTRICT

AND

COTTONWOOD HOLLOW COMMERCIAL
METROPOLITAN DISTRICT

Held: Thursday, June 30, 2022 at 11:00 a.m. via teleconference

The joint special meeting of Cottonwood Hollow Residential Metropolitan District (the “**Residential District**”) and Cottonwood Hollow Commercial Metropolitan District (the “**Commercial District**”) referenced above was called and held in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve, were in attendance:

Douglas Hatfield
Timothy O’Connor
Dustin Anderson

Also present were: George M. Rowley, Esq., White Bear Ankele Tanaka & Waldron, District General Counsel; Terri Boroviak, CliftonLarsonAllen, LLP, District Accountant; and Dan Skeeahan, Kimley-Horn & Associates, Residential District Engineer.

Call to Order/Declaration of
Quorum

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

Director Conflict of Interest
Disclosures

Mr. Rowley 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 Boards at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Boards. Mr. Rowley inquired into whether members of the Boards 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 Boards to act.

Approval of Agenda The Boards reviewed the proposed agenda. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the agenda as presented.

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

Public Comment None.

Consent Agenda Mr. Rowley reviewed the items on the consent agenda with the Boards. Mr. Rowley advised the Boards 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:

- May 11, 2022 Special Meeting Minutes (Residential);
- November 4, 2021 Special Meeting Minutes (Commercial);
- Work Order #01A Amendment #2 with Olsson, Inc. (Residential);
- Indemnification Agreement with Forestar (Residential);
- Resolution Accepting District Eligible Costs and Approval of Requisition from the Project Fund (Residential); and
- 2021 Annual Reports.

Legal Matters

Consider Approval of Second Water Credit Use Agreement with Cottonwood Colorado Residential, LLC (Residential) Mr. Rowley reviewed the Second Water Credit Use Agreement with Cottonwood Colorado Residential, LLC with the Board of the Residential District. Following discussion, upon motion duly made and seconded, the Board of the Residential District unanimously approved the Second Water Credit Use Agreement with Cottonwood Colorado Residential, LLC.

Other Legal Matters None.

District Operations

Consider Approval of Independent Contractor Agreement with PCS Group Mr. Rowley reviewed the Independent Contractor Agreement with PCS Group for landscape plans for Filing No. 3 with to the Board of the Residential District. Following discussion, upon

for Landscape Plans for Filing No. 3 (Residential)

motion duly made and seconded, the Board of the Residential District unanimously approved the Independent Contractor Agreement with PCS Group for Landscape Plans for Filing No. 3.

Consider Approval of Independent Contractor Agreement with PCS Group for Landscape Plans for Filing No. 4 (Residential)

Mr. Rowley reviewed the Independent Contractor Agreement with PCS Group for landscape plans for Filing No. 4 with the Board of the Residential District. Following discussion, upon motion duly made and seconded, the Board of the Residential District unanimously approved the Independent Contractor Agreement with PCS Group for Landscape Plans for Filing No. 4.

Financial Matters

Review Property Tax Schedule and Cash Sheet

Ms. Bartow reviewed the property tax schedule and cash sheet with the Boards.

Review and Consider Approval of Claims Payable

Ms. Bartow reviewed the Claims Payable with the Boards. Following discussion, upon motion duly made and seconded, the Boards unanimously approved the claims. Director Hatfield noted that the Districts had incurred some finance fees on the bills and requested that CliftonLarsonAllen stay on top of the developer if they are not receiving funds from the developer in a timely manner.

Status of 2020 and 2021 Draft Audits

Ms. Bartow reviewed the draft 2020 Audits with the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously accepted the 2020 Audits.

Status of Letter Regarding Release and Use of District Funds (Residential)

Mr. Rowley informed the Board of the Residential District that the firm is waiting for CliftonLarsonAllen to provide numbers so the letter to the District Attorney's Office can be completed.

Other Financial Matters

A director inquired about payments for meeting attendance. Ms. Bartow will review and get payments out if necessary.

Construction Updates

Update on District Construction

Mr. Skeehan provided an update on the status of District Construction noting that the contractor is wrapping up on the site but there are some water and sanitary sewer adjustments that need to be made and a change order request for lowering a water line. Mr. Skeehan inquired as to the need for an as-built survey and was instructed to have the survey done for the LOMR/CLOMR releases. Release of retainage was discussed, and Mr. Skeehan was advised that some of the retainage can be released but some need to remain until the as-built survey is completed.

Consider Approval of Deferred.
Resolution Accepting District
Eligible Costs and Approval of
Requisitions from Project
Fund (Residential)

Consider Acceptance of A Director inquired about the difference between what was
Engineer's Report and originally certified by the engineers and the amount in the final
Approval of Requisitions certification. Mr. Skeehan explained that some costs that were
from Project Fund originally certified for storm water were determined to be
(Residential) developer costs, and some of the difference was related to the fact
that retainage had not been released.

Update on Acceptance of Mr. Skeehan provided an update on the acceptance of costs and
Costs and Turnover of Tracts turnover of tracts from Forestar.
from Forestar (Residential)

Other Construction Updates None.

Other Business None.

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

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

Dustin Anderson
Dustin Anderson (Oct 4, 2022 11:55 MDT)

Secretary for the Meeting, Residential District

The foregoing minutes were approved on the 30th day of
September, 2022.

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

Dustin Anderson
Dustin Anderson (Oct 4, 2022 11:55 MDT)

Secretary for the Meeting, Commercial District

The foregoing minutes were approved on the 30th day of
September, 2022.