

RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF THE

COTTONWOOD HOLLOW RESIDENTIAL METROPOLITAN DISTRICT

Held: Tuesday, September 29, 2020, at 10:00 A.M. at 1641 California Street, Suite 300, Denver, CO 80202

Attendance

The special meeting of the Board of Directors of the Cottonwood Hollow Residential Metropolitan District was called and held, as shown, in accordance with Colorado law. The following directors confirmed their qualification to serve on the Board:

Miles R. Grant
Ronald J. Snow
Otto Aichinger

Absent were Directors Steve Schulz and Brad Griffin, whose absences were excused.

Also present was: Dianne Miller and Marisa Davis, Miller & Associates Law Offices, LLC; Jeannie Dwiggin; Diane Rodriguez, Community Resource Services of Colorado; Nate Eckloff and Marc Ragan Piper Sandler; Andrew Rubin and Mike McGinnis, Greenberg Traurig, LLP; and Cameron Hollingshead and KC Veio, Kline Alvarado Veio, P.C.

Call to Order

Ms. Miller noted that a quorum of the Board was present and the Directors confirmed their qualification to serve.

Disclosure Matters

Ms. Miller advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. The Board reviewed the agenda for the meeting, following which each Board member confirmed the contents of written disclosures previously made, stating the fact and summary nature of any matters, as required under Colorado law, to permit official action to be taken at the meeting. Additionally, the Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act.

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Director Grant disclosed he has a contract to purchase property in the District and a profits interest in the company developing the project. He also disclosed he is the manager of Black Diamond Homes at Firestone, LLC, a company that is a Contract Construction Manager for Mortgage Consultants, LLC. Director Grant also disclosed that he has less than 13% interest financial interest in the disclosed relationships. He also disclosed his Construction Management for the contract duration and sale of the project. This disclosure is associated with approval of items on the agenda that may affect his interests.

Director Snow disclosed his interests as an owner of property within the District. He also disclosed that he has acted as legal counsel to the owner of the taxable property, Mortgage Consultants, LLC. Director Snow also disclosed he is the Vice President of 8898, Inc., which is an owner of Black Diamond at Firestone, LLC. He also disclosed that he and his family members own approximately ten percent (10%) of the shares of 8898, Inc. Black Diamond at Firestone, LLC is an independent contractor managing the development of property in the District for the owner, Mortgage Consultants, LLC. Part of its compensation includes a share of profits from developing that property. As such Director Snow disclosed he may share in the profits from development of property within the District. Director Snow further disclosed he has and continues to be compensated for services related to the taxable property owner, Mortgage Consultants, LLC. This disclosure is associated with approval of items on the agenda that may affect his interests.

Director Aichinger disclosed his interests as a purchaser under a vacant land contract for property within the District, under which he qualifies as a director. This disclosure is associated with approval of items on the agenda that may affect his interests.

Written disclosures of the interests of all of the directors were filed with the Secretary of State prior to the meeting.

Approval of Minutes – The minutes for the September 23, 2019 meeting were reviewed by the Board. Upon motion by Director Snow and second by Director Grant, the Board unanimously approved the minutes as presented.
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Consider Approval of Cost Sharing Intergovernmental Agreement Between Cottonwood Hollow Residential and Commercial Metropolitan Districts

Ms. Miller advised the Board that the Cost Sharing Intergovernmental Agreement between Cottonwood Hollow Residential and Commercial Metropolitan Districts was not yet available. Upon motion by Director Snow and second by Director Grant, the Board unanimously approved the Intergovernmental agreement subject to final review by Director Aichinger and Director Grant and final legal review.

Consider Making a Final Determination to Issue Limited Tax General Obligation Indebtedness, and the Adoption of a Resolution Authorizing the District's Limited Tax General Obligation Bonds Series 2020A In A Maximum Principal Amount Not to Exceed \$15,000,000, and Limited Tax General Obligation Subordinate Bonds, Series 2020B In A Maximum Principal Amount Not to Exceed \$6,000,000, for the purpose of Paying or Reimbursing the Costs of Public Improvements for the District

Mr. McGinnis provided a brief overview of the current status of the bond markets and further explained the purpose of the parameters resolution and the various bond documents referenced therein. Upon motion by Director Snow and second by Director Grant, the Board unanimously approved the parameters resolution, making a final determination to issue general obligation indebtedness with a maximum principal amount of the bonds not to exceed \$21 million.

Public Hearing to Consider 2019 Budget Amendment


Ms. Miller presented the proposed budget amendment for 2019. Ms. Miller noted that notice of the public hearing for the budget was posted in accordance with Colorado law. Upon motion by Director Snow and second by Director Grant, Director Snow opened the public hearing. No one providing any comments to the budget, upon motion by Director Snow and second by Director Grant, Director Snow closed the hearing.

Approval of 2019 Budget Amendment

Upon review and discussion of the 2019 budget amendment and upon the motion of Director Snow and second of Director Grant, the Board unanimously approved the proposed budget amendment for 2019, and appropriated the funds therefor.

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Consider Approval and Ratification of 2019 Audit	Upon review and discussion, and upon the motion of Snow and a second by Director Grant, the Board ratified the Financial Statements for the year ending December 31, 2019 and the filing thereof with the State Auditor's office by September 30, 2020.
Public Hearing to Consider 2021 Budget	This item was deferred.
Approval of 2021 Budget	This item was deferred.
Approval of 2021 Annual Administrative Resolution	The directors discussed various administrative matters to be determined by the Board on an annual basis in order to comply with Colorado law. Ms. Miller presented the Board with a resolution designating officers for the District and establishing director compensation, regular meeting dates, notice provisions and other administrative matters. Upon motion of Director Grant and second by Director Snow, the Board unanimously approved the annual administrative resolution.
Consider Resolution Waiving Workers' Compensation Insurance for 2021	Ms. Miller presented to the Board the Resolution Waiving Workers' Compensation Insurance for 2021. Upon motion by Director Snow and second by Director Grant, the Board unanimously approved the resolution.
Discussion and Update Regarding Status of Development	The Board had a brief discussion regarding the current status of the development located within the boundaries of the District.
Schedule July Board Meeting to Approve 2020 Audit	The Board confirmed a quorum for a special meeting on Wednesday, July 21, 2020 at 10:00 AM to approve the 2020 Audit.
Other Business	There was no other business at this time.
Adjournment	There being no further business to come before the Board, upon motion and second, the Board unanimously adjourned the meeting.

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Secretary for the District