

MINUTES OF A JOINT SPECIAL MEETING OF THE  
BOARDS OF DIRECTORS

OF

COTTONWOOD HOLLOW RESIDENTIAL  
METROPOLITAN DISTRICT

AND

COTTONWOOD HOLLOW COMMERCIAL  
METROPOLITAN DISTRICT

Held: Monday, May 22, 2023 at 12:00 p.m. via Zoom  
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: Clint C. Waldron, Esq. and Megan J. Murphy, Esq., White Bear Ankele Tanaka & Waldron, District General Counsel; Carrie Bartow and Terri Boroviak, CliftonLarsonAllen, LLP, District Accountant; Jordan Honea, D.R. Horton Colorado; Dan Skeeahan, Kimley-Horn & Associates, District Engineer; and Judy Smeltzer, Advance HOA, District Manager.

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

Ms. Murphy 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. Ms. Murphy 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 amended.

**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.

**Consider Election of Officers; President, Secretary and Treasurer**

The Boards engaged in general discussion regarding the election of Officers. Following discussion, upon a motion duly made and seconded, the Boards unanimously elected Director Hatfield as President and Director Anderson as Secretary/Treasurer.

**Public Comment**

None.

**Consent Agenda**

Ms. Murphy reviewed the items on the consent agenda with the Boards. Ms. Murphy 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:

- September 30, 2022 Joint Special Meeting Minutes (Commercial District);
- Approval of February 15, 2023 Special Meeting Minutes (Residential District).

**District Operations**

**District Manager's Report (Residential District)**

Ms. Smeltzer noted that she does not have any management report and has not yet charged for any management services. She also noted that she would assign a manager to the Residential District tomorrow, but Mr. Skeeahan and Ms. Honea will remain as point of contact between the Residential District and Forestar.

**Update on Landscape Walk and Landscape Maintenance Report**

Deferred.

**Other District Operations**

Deferred.

## Legal Matters

Discuss 2023 Legislative Memorandum Ms. Murphy reviewed the 2023 Legislative Memorandum with the Boards.

Update on Complaint Filed by Olsson, Inc against Cottonwood Hollow Residential Metropolitan District (Residential) Director Hatfield provided an update on the complaint filed by Olsson, Inc. to the Residential District Board noting that the Residential District is negotiating a final settlement with Olsson, Inc.

Following discussion, upon a motion duly made and seconded, the Board of the Residential District unanimously authorized Director Hatfield to entered into a settlement agreement with Olsson, Inc. on behalf of the Residential District and requested Cottonwood Colorado Residential, LLC to pay the settlement amount on behalf of the Residential District noting that the Residential District would reimburse Cottonwood Colorado Residential, LLC.

Other Legal Matters None.

## Financial Matters

Review Unaudited Financial Statements, Property Tax Schedule and Cash Sheet Ms. Boroviak reviewed the March 31, 2023 unaudited financial statements with the Boards. Ms. Bartow noted that CliftonLarsonAllen, LLP is evaluating arbitrage regarding the Residential District bonds.

Ms. Boroviak reviewed the schedule of cash position with the Board of the Residential District.

Review and Consider Approval of Claims Payable Ms. Boroviak reviewed the claims payable in the amount of \$231,449.00 with the Board of the Residential District. Following discussion, upon a motion duly made and seconded, the Board of the Residential District unanimously approved the claims payable.

Status of 2020/2021 Audits Ms. Boroviak noted that 2020 Audits have been filed and the 2021 Audits will be filed this week.

Public hearing on 2020 Budget Amendment Not needed.

Consider Approval of Resolution Amending 2020 budget Not needed.

Public hearing on 2021 Budget Amendment	Not needed.
Consider Approval of Resolution Amending 2021 budget	Not needed.
Public hearing on 2022 Budget Amendment (Residential)	Director Hatfield opened the public hearing on the 2022 Budget Amendment. Ms. Murphy 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.
Consider Approval of Resolution Amending 2022 budget (Residential)	Ms. Boroviak reviewed the Resolution Amending the 2022 Budget with the Board of the Residential District. Following discussion, upon a motion duly made and seconded, the Board of the Residential District unanimously adopted the resolution amending the General Fund to \$141,520.
Public hearing on 2023 Budget Amendment (Residential)	Director Hatfield opened the public hearing on the 2023 Budget Amendment. Ms. Murphy 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.
Consider Approval of Resolution Amending 2023 budget (Residential)	Ms. Boroviak reviewed the Resolution Amending the 2023 Budget with the Board of the Residential District. Following discussion, upon a motion duly made and seconded, the Board of the Residential District unanimously adopted the resolution amending the General Fund to \$179,650.
Status of Letter Regarding Release and Use of District Funds (Residential)	Ms. Murphy noted that Colorado Bureau of Investigation is investigating and looking into this matter.
Other Financial Matters	None.

**Construction Updates (Residential)**

Update on District Construction Mr. Skeeahan provided an update on the status of District Construction to the Board of the Residential District noting that there is no active construction on site, but they are working on storm water maintenance onsite.

Consider Approval of Change Order Nos. 3-10 with OTB Ms. Murphy review Change Order Nos. 3-10 with OTB Supply, Inc. for the Godding Ditch Project with the Board of the Residential District. Following discussion, upon a motion duly

Supply, Inc. for the Godding Ditch Project made and seconded, the Board of the Residential District unanimously approved Change Order Nos. 3-10 with OTB Supply, Inc.

Consider Acceptance of Engineer's Report and Approval of Requisition Nos. 18-48 and 50-52 from Project Fund Ms. Murphy reviewed the Engineer's Report and Requisition Nos. 18-48 and 50-52 from Project Fund with the Board of the Residential District noting that these requisitions were previously signed and are being presented for ratification. Director Hatfield inquired about payments to Entitlement and Engineering Solutions, Inc. ("EES"). Ms. Boroviak noted that the Residential District will wire the funds to EES. Director Hatfield to notify EES of payment status. Following discussion, upon a motion duly made and seconded, the Board of the Residential District unanimously ratified the Engineer's Report and Requisition Nos. 18-48 and 50-52 from Project Fund.

Consider Approval of Non-Exclusive Utility Easement Agreement with St. Vrain Sanitation District Ms. Murphy reviewed the Non-Exclusive Utility Easement Agreement with St. Vrain Sanitation District with the Board of the Residential District. Following discussion, upon a motion duly made and seconded, the Board of the Residential District unanimously approved the Non-Exclusive Utility Easement Agreement with St. Vrain Sanitation District subject to final review by legal counsel.

Consider Approval of Agreement Between Cottonwood Hollow Residential Metropolitan District and Godding Ditch Company Mr. Waldron review the Agreement Between Cottonwood Hollow Residential Metropolitan District and Godding Ditch Company with the Board of the Residential District. Following discussion, upon a motion duly made and seconded, the Board of the Residential District unanimously approved the Agreement Between Cottonwood Hollow Residential Metropolitan District and Godding Ditch Company subject to final review by legal counsel.

Consider Approval of Cottonwood Hollow Filing 4A Subdivision Agreement with the Town of Firestone Mr. Waldron reviewed the Cottonwood Hollow Filing 4A Subdivision Agreement with the Town of Firestone with the Board of the Residential District noting that legal is waiting on comments and changes from the Town of Firestone. Following discussion, upon a motion duly made and seconded, the Board of the Residential District unanimously approved the Cottonwood Hollow Filing 4A Subdivision Agreement subject to final review by legal counsel.

Consider Approval of Crossing Agreement with Godding Ditch Company Mr. Waldron reviewed the Crossing Agreement with Godding Ditch Company with the Board of the Residential District noting that this agreement allows the Godding Ditch Company to maintain their ditch. Following discussion, upon a motion duly made and seconded, the Board of the Residential District


approved the Crossing Agreement subject to final review by legal counsel.

**Other Construction Updates** None.

**Other Business** None.

**Adjourn** There being no further business to come before the Board, and following discussion and upon motion duly made 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.

  
Dustin Anderson (Aug 8, 2023 10:22 MDT)  
Secretary for the Meeting

The foregoing minutes were approved on the 7th day of August, 2023.