

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF

COTTONWOOD HOLLOW RESIDENTIAL METROPOLITAN DISTRICT

Held: Monday, August 7, 2023 at 2:00 p.m. via Zoom teleconference.

The special meeting of Cottonwood Hollow Residential Metropolitan District (the “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; Terri Boroviak and Allison Williams, CliftonLarsonAllen, LLP, District Accountant; Amber Fisher, Advance HOA Management, Inc., District Manager; Jordan Honea, D.R. Horton Colorado; and Dan Skeehan, Kimley-Horn & Associates, District Engineer.

Call to Order/Declaration of Quorum Director Hatfield noted that a quorum of the Board was present and called the meeting to order.

Director Conflict of Interest Disclosures Mr. Waldron 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 Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Mr. Waldron inquired into whether members of the Board 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 Board to act.

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

Public Comment

None.

Consent Agenda

Ms. Murphy reviewed the items on the consent agenda with the Board. Ms. Murphy advised the Board 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 22, 2022 Joint Special Meeting Minutes;
- Filing of 2022 Annual Report;
- Settlement Agreement and Mutual Release of Claims; and
- Agreement Between Cottonwood Hollow Residential Metropolitan District and Godding Ditch Company.

District Operations

District Manager’s Report

Ms. Fisher presented her District Manager’s Report to the Board noting there were prairie dogs in native grass areas in Filing 1 and they probably need some mitigation. The Board requested Ms. Fisher provide a proposal for mitigation and to confirm whether the Town of Firestone and Weld County requirements allow for mitigation as opposed to relocation. Mr. Waldron noted that the Town of Firestone requires the property owner to mitigate prairie dogs.

Update on Landscape Walk and Landscape Maintenance Report

This item was deferred.

Other District Operations

None.

Legal Matters

Discuss Scheduling Town Hall Meeting Required by SB23-110

Ms. Murphy discussed holding a Town Hall meeting as required by SB23-110 with the Board. The Board determined to hold this meeting with the budget hearing.

Consider Approval of Infrastructure Acquisition and Reimbursement Agreement (Cottonwood Hollow Filing 4A)

Ms. Murphy reviewed the Infrastructure Acquisition and Reimbursement Agreement for Cottonwood Hollow Filing 4A with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the agreement subject to final legal review.

Other Legal Matters

None.

Financial Matters

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| Review Unaudited Financial Statements, Property Tax Schedule and Cash Sheet | Ms. Boroviak reviewed the June 30, 2023 financial statements and the schedule of cash position dated June 30, 2023, updated as of August 1, 2023 with the Board. |
| Review and Consider Approval of Claims Payable | Ms. Boroviak reviewed the paid claims in the amount of \$282,277.85 and unpaid claims in the amount of \$26,548.07 with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the claims except for the EES invoices which will be reviewed and approved by Mr. Skeeahan. The Board authorized payment for the EES invoices once Mr. Skeeahan has completed his review. |
| Discuss Status of 2022 Audits | Ms. Boroviak noted the 2022 Audit is under internal review. |
| Status of Letter Regarding Release and Use of District Funds | Ms. Murphy provided an update on the status of the letter regarding the release and use of District funds, noting that this matter is still under investigation. |
| Other Financial Matters | None. |

Construction Updates

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| Update on District Construction | Mr. Skeeahan provided an update on the status of District Construction noting that construction is ongoing. |
| Consider Approval of Change Order No. 11 with OTB Supply, Inc. for the Godding Ditch Project | Mr. Skeeahan reviewed Change Order No. 11 with OTB Supply, Inc. for the Godding Ditch Project with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved Change Order No. 11 subject to final review and approval by Mr. Skeeahan. |
| Consider Acceptance of Engineer's Report and Approval of Requisition Nos. 53-57 from Project Fund | Ms. Boroviak and Mr. Skeeahan reviewed the Engineer's Report and Requisition Nos. 53-57 from the project fund with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved Requisition Nos. 53-57. |
| Other Construction Updates | None. |

Other Business

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| Discuss Board Member Attendance at 2023 SDA Annual Conference, September 12-14 at the Keystone Conference Center | The Board discussed Board member attendance at the 2023 SDA Annual Conference. No action was taken. |
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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 (Oct 6, 2023 14:33 MDT)

Secretary for the Meeting

The foregoing minutes were approved on the 5th day of October, 2023.