

RECORD OF PROCEEDINGS

MINUTES OF THE COMBINED SPECIAL MEETING OF THE BOARDS OF DIRECTORS OF THE HUNTERS OVERLOOK METROPOLITAN DISTRICT NOS. 1 - 8 TOWN OF SEVERANCE, WELD COUNTY, COLORADO

HELD: Monday, August 12, 2019 at 12:00 p.m. at the Windsor Severance Fire Rescue Station No. 2, 9 Timber Ridge Parkway, Severance, Colorado

ATTENDANCE:

A combined special meeting of the Boards of Directors (collectively, the "Board") of the Hunters Overlook Metropolitan District Nos. 1 - 8 (collectively, the "District") was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting:

In attendance were Directors:

Larry Buckendorf - President
Laura Ziegler – Secretary/Treasurer
Joseph Schumacher – Assistant Vice-President/Secretary/Treasurer
Morgan Kidder - Assistant Vice-President/Secretary/Treasurer
Darrell McAllister - Assistant Vice-President/Secretary/Treasurer

Also present were:

Cathy Fromm and Megan Holmberg; Fromm & Company LLC
David S. O'Leary of Spencer Fane LLP
Kimberly Reed of Ballard Spahr LLP (*via telephone*)
Don Bieber of Klein Alvarado Veio P.C. (*via telephone*)
Mike Sullivan of D.A. Davidson and Co. (*via telephone*)

CALL TO ORDER:

Mr. O'Leary called the meeting to order at 12:00 p.m., noted that a quorum of the Board was present and confirmed qualification of the Directors to serve on the Board.

DISCLOSURE OF POTENTIAL CONFLICT OF INTEREST:

Mr. O'Leary discussed the state law requirements for disclosure of potential conflicts of interest with the directors, noting that completed disclosure statements must be filed for each of the Directors with the Secretary of State and the Secretary of the District at least 72 hours prior to a meeting in which a potential conflict may arise. The Board noted that general disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State. Mr. O'Leary advised the Board that, pursuant to Colorado law, certain disclosures may be required prior to taking official action at the meeting. The Board reviewed the

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agenda for the meeting, following which they confirmed the contents of written disclosures previously made by the directors, stating the fact and summary nature of any matters, as required by Colorado law, to permit official action to be taken at the meeting.

APPROVAL OF THE AGENDA:

The Board reviewed the agenda. Upon motion duly made by Director McAllister, seconded by Director Schumacher, and unanimously carried, the Board approved the agenda as presented. Mr. O'Leary reported that the meeting notice and agenda had been physically posted within the boundaries of the District pursuant to statute in three locations within the boundaries of each of the Districts, noting that future postings would be posted to the district website at www.frommco.us/client-homd.html, at least 24 hours prior to any meeting, pursuant to House Bill 19-1087.

APPROVAL OF MINUTES:

The Board reviewed the Minutes of the combined special meeting held on May 16, 2019. Upon motion duly made by Director McAllister, seconded by Director Schumacher, and unanimously carried, the Board approved the Minutes as presented.

FINANCIAL ITEMS:

a. Payment of Claims. Ms. Fromm presented the listing of claims to be ratified in the amount of \$175,401.94, represented by check numbers 01049 through 01071, from May 16 through August 9, 2019, noting that check number 1063 had been voided. Upon motion duly made by Director Kidder, seconded by Director McAllister, and unanimously carried, the Board approved the payables for ratification in the amount of \$175,401.94.

b. Financial Statements. Ms. Fromm presented the financial statements dated June 30, 2019 to the Board. Discussion ensued regarding the bond issuance and mill levy certifications. Upon motion duly made by Director Kidder, seconded by Director McAllister, and unanimously carried, the Board accepted and approved the financial statements as presented.

MANAGER ITEMS:

Ms. Holmberg provided a management summary and requested that the Board consider adopting an administrative fee in order to certify delinquent accounts to Weld County in December. Director Buckendorf requested that Fromm and Company proceed with the certification of accounts. Ms. Holmberg noted that a public hearing would need to be held in order to approve the list of delinquent accounts.

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LEGAL ITEMS:

a. Resolution re Online Notice of Public Meetings. Mr. O'Leary presented the Resolution, noting that as of August 2nd, 2019 it will no longer be required to physically post notices within the District and/or the County as previously required by statute. House Bill 19-1087 now permits the district to post the notice for public meetings on the District's website, at least 24 hours before the meeting is to begin. Additionally, posting only has to occur in one location, either physically or online. Upon motion duly made by Director McAllister, seconded by Director Ziegler and unanimously carried, the Board approved the Resolution as presented.

b. Improvement Acquisition & Capital Costs Certification for Public Improvements and Resolution to Reimburse Developer for Public Improvements. Mr. O'Leary presented the Resolution and questions were asked. The Developer for the project had completed the public improvements in accordance with approved development plans of the Town and initial acceptance had been granted. All claims had been paid and lien waivers obtained where requirement. Discussion ensued. Ms. Fromm and Mr. O'Leary responded to questions, noting the total amount of capital public improvements that have been requested for acquisition by the District and certified by the District Engineer totaled \$20,091,949. Upon motion duly made by Director Kidder, seconded by Director Ziegler and unanimously carried, the Boards of Directors approved the Resolution of the Boards to accept the dedication of capital improvements and agreed to reimburse the Developer in accordance with District funding and reimbursement agreements, as presented.

c. Approval of Bond Resolutions and Agreements for District Nos. 1 – 6. Mr. O'Leary presented the Resolutions to the Board, explaining each and how they relate to the issuing District, District No. 5. Ms. Reed, bond counsel to the Districts, provided an overview on the Resolution Authorizing the Issuance of General Obligation Debt for District No. 5, noting 2019 A, B & proposed C Bonds, proposed interest, terms and conditions regarding the issuance of the 2019 Bonds, and the issuing amounts. Questions were asked and discussion ensued. Mr. Sullivan was present to respond to inquiries and Ms. Reed agreed to make requested revisions as requested of the Board with any necessary follow-up regarding the 2019 Bonds and proposed closing. Director Buckendorf was appointed as the Sale Delegate to finalize any additional changes and closing requirements and Ms. Fromm was appointed as the Responsible Person to contact regarding the issuance. Further discussion ensued regarding the Indentures of Trust, Pledge Agreements and the Bond Purchase Agreement and Mr. O'Leary and Ms. Reed provided the Board with the specifics of each. Upon motion duly made by Director Kidder, seconded by Director Ziegler and upon vote unanimously carried, the Board approved the Authorizing Resolutions and Agreements needed to issue the 2019 Bonds, pending final revisions, pricing and final review and authorized such further action as necessary to close on the 2019 Bonds. The closing date was set for August 21st at 9:00 a.m.

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d. Approval of Updates to Rules and Regulations and Related Documents. The Board discussed the current rates and fees. Ms. Holmberg requested that the Board consider adopting a transfer fee for homeowner to home-owner closings. Upon motion duly made by Director McAllister, seconded by Director Schumacher and upon vote unanimously carried, the Board approved a transfer fee of \$75 per home closing. Mr. Buckendorf noted that the non-potable water system would be shut-off for the season on October 15th and requested that Fromm and Company provide notice to the public and constituents accordingly.

PUBLIC COMMENT:

There was none.

OTHER MATTERS:

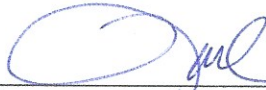
Ms. Fromm requested that the Board consider approval of current claims represented by check numbers 1072 through 1075 in the amount of \$33,672.99. Upon motion duly made by Director McAllister, seconded by Director Ziegler and upon vote unanimously carried, the Board approved the current claims as presented.

ADJOURNMENT:

There being no further business to come before the Board and upon motion duly made by Director McAllister, seconded by Director Ziegler, and unanimously carried, the meeting was adjourned.

The foregoing Minutes constitute a true and correct copy of the Minutes of the above-referenced combined meeting and were approved by the Boards of Directors of the Hunters Overlook Metropolitan District Nos. 1 - 8.

Respectfully Submitted,



Secretary for the Meeting