

## RECORD OF PROCEEDINGS

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MINUTES OF THE ORGANIZATIONAL MEETING OF  
THE BOARD OF DIRECTORS OF THE  
HESS RANCH METROPOLITAN DISTRICT NO. 1 (THE "DISTRICT")  
HELD  
JUNE 21, 2016

An organizational meeting of the Board of Directors of the Hess Ranch Metropolitan District No. 1 (referred to hereafter as the "Board") was convened on Tuesday, the 21<sup>st</sup> day of June, 2016, at 1:00 P.M., at the offices of McGeady Becher P.C. The meeting was open to the public.

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Directors In Attendance Were:

Gary L. Hunter  
Tracy J. Hutchins  
Cindi M. Rodriguez

Also In Attendance Was:

Paula Williams and Jennifer Pino; McGeady Becher P.C.

Robert Shaiman; Lohf Shaiman Jacobs Hyman & Feiger PC

Kristin Bowers Tompkins; White Bear Ankele Tanaka & Waldron

Christopher Elliott, Corey Elliott and Christian Matthew Janke

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DISCLOSURE OF  
POTENTIAL  
CONFLICTS OF  
INTEREST

The Board noted that disclosures of potential conflict of interest statements for each of the Directors were filed with the Secretary of State seventy-two hours in advance of the meeting. Ms. Williams requested that the Directors consider whether they had any additional conflicts of interest to disclose. Ms. Williams noted for the record that there were no new disclosures made by the Directors present at the meeting and incorporated for the record those applicable disclosures made by the Board Members prior to this meeting and in accordance with the statutes.

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ADMINISTRATIVE  
MATTERS

Agenda: Ms. Williams distributed for the Board's review and approval a proposed Agenda for the District's organizational meeting.

Following discussion, upon motion duly made by Director Hunter, seconded by Director Hutchins and, upon vote unanimously carried, the Agenda was approved.

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Approval of Meeting Location: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. Following discussion, and upon motion duly made by Director Hunter, seconded by Director Hutchins and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within its boundaries to conduct this meeting, it was determined to conduct the meeting at the above-stated location. The Board further noted that notice of this location was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within its boundaries.

Public Comment: There were no public comments.

Oaths of Office and Organizational Documents: It was confirmed by Ms. Pino that the oaths of office and organizational documents had been filed with the proper offices.

Appointment of Officers: Following discussion, upon a motion duly made by Director Hunter, seconded by Director Hutchins and, upon vote, unanimously carried, the following slate of officers were appointed for the District:

President:	Tracy J. Hutchins
Secretary/Treasurer:	Cindi M. Rodriguez
Assistant Secretary:	Gary J. Hunter

Engagement of McGeady Becher P.C. as District General Counsel: The Board deferred discussion of this matter.

Engagement of District Manager: The Board deferred discussion of this matter.

Engagement of District Accountant: The Board deferred discussion of this matter.

Resolution No. 2016-06-01; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Locations for Posting of 72-Hour and 24-Hour Notices: Following discussion, upon a motion duly made by Director Hunter, seconded by Director Hutchins and, upon vote, unanimously carried, the Board adopted Resolution No. 2016-06-01; Resolution Establishing Regular Meeting Dates, Times and Location, and Designating Locations for Posting of 72-Hour and 24-Hour Notices.

Resolution Authorizing District Insurance Coverage through the Colorado Special Districts Property and Liability Pool and the Special District Association: The Board deferred discussion of this matter.

Directors' Fees: The Board deferred discussion of this matter.

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Resolution Providing Directors' Exclusion from Workers' Compensation Coverage: The Board deferred discussion of this matter.

### FINANCIAL MATTERS

Federal Employer Identification Number ("FEIN"), Sales Tax Exemption and PDPA Numbers: Following discussion, upon a motion duly made by Director Hunter, seconded by Director Rodriguez and, upon vote, unanimously carried, the Board ratified approval of the execution of the Application for FEIN and deferred discussion related to the Sales Tax Exemption and PDPA Numbers.

Investment Policy: The Board deferred discussion of this matter.

Appointment of McGeady Becher P.C. to Prepare 2016 Budget: The Board deferred discussion of this matter.

Public Hearing on 2016 Budget: The Board deferred discussion of this matter.

### LEGAL MATTERS

Town of Parker Intergovernmental Agreement by and among the Town of Parker, Colorado and Hess Ranch Metropolitan District Nos. 1-8 ("Service Plan IGA"): Ms. Williams advised the Board and public in attendance that the Service Plan IGA was in the form prescribed in the District's Service Plan, approved by the Town of Parker. Following discussion, upon motion duly made by Director Hunter, seconded by Director Hutchins and, upon vote, unanimously carried, the Board approved the Service Plan IGA.

Intergovernmental Agreement regarding Debt Allocation and Cost Sharing by and among Hess Ranch Metropolitan District Nos. 1-8 ("Cost Sharing IGA"): Discussion ensued regarding the status of the Cost Sharing IGA. Ms. Williams advised the Board that the Cost Sharing IGA was in draft form and would require additional discussion and agreement among the interested parties before it could be finalized for consideration by the Board. Further discussion regarding the Cost Sharing IGA was deferred to a continued meeting of the Board to be held at 9:00 a.m. on Wednesday, June 29, 2016 at the offices of McGeady Becher P.C.

Public Hearing on Petition for Inclusion of Real Property Owned by Stroh Ranch Development LLC into the District's Boundaries and Adoption of Resolution No. 2016-06-02; Resolution for Inclusion of Real Property: The President opened the public hearing to consider the Petition received from Stroh Ranch Development LLC (the "Owner") to include real property into the District.

It was noted that publication of Notice stating that the Board would consider approving the inclusion of the Owner's property into the District was made in a

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newspaper having general circulation within the District. No written objections were received prior to the public hearing. No further public comments were received and the public hearing was closed.

The Board considered adoption of Resolution No. 2016-06-02; Resolution for Inclusion of Real Property into the District. Following discussion, upon motion duly made by Director Hunter, seconded by Director Hutchins and, upon vote, unanimously carried, the Board adopted Resolution No. 2016-06-02; Resolution for Inclusion of Real Property.

Public Hearing on Petition for Exclusion of Real Property Owned by Stroh Ranch Development LLC from the District's Boundaries and Adoption of Resolution No. 2016-06-03; Resolution for Exclusion of Real Property: The President opened the public hearing to consider the Petition received from Stroh Ranch Development LLC (the "Owner") to exclude real property from the District.

It was noted that publication of Notice stating that the Board would consider approving the exclusion of the Owner's property from the District was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing. No further public comments were received and the public hearing was closed.

The Board considered adoption of Resolution No. 2016-06-03; Resolution for Exclusion of Real Property from the District. Following discussion, upon motion duly made by Director Hunter, seconded by Director Rodriguez and, upon vote, unanimously carried, the Board adopted Resolution No. 2016-06-03; Resolution for Exclusion of Real Property.

Inclusion Agreement by and between Hess Ranch Metropolitan District Nos. 1-3 and HR935, LLC: Following discussion, the Board determined an Inclusion Agreement by and between Hess Ranch Metropolitan District Nos. 1-3 and HR935, LLC was not necessary.

Facilities Funding and Acquisition Agreement by and between the District and Stroh Ranch Development LLC: Following discussion, the Board determined a Facilities Funding and Acquisition Agreement by and between the District and Stroh Ranch Development LLC was not necessary.

2016 Operation Funding Agreement by and between the District and Stroh Ranch Development LLC: Following discussion, the Board determined a 2016 Operation Funding Agreement by and between the District and Stroh Ranch Development LLC was not necessary.

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Resolution Providing Policy Regarding Recording of Public and Executive Session Meetings: The Board deferred discussion of this matter.

Resolution Providing for the Defense and Indemnification of Directors and Employees of the District: The Board deferred discussion of this matter.

Resolution Regarding the District's Intent to Reimburse Developer for Advances for Operations, Maintenance and Capital Expenses: The Board deferred discussion of this matter.

Resolution Declaring the District's Intent to Reimburse Expenditures with the Proceeds of Future Tax-Exempt Bonds: The Board deferred discussion of this matter.

Resolution Regarding Colorado Open Records Act Requests: The Board deferred discussion of this matter.

§32-1-809, C.R.S. Reporting Requirements and Direct Mode of Eligible Elector Notification: The Board deferred discussion of this matter.

HB13-1186 regarding Special District Public Disclosure Document: The Board acknowledged the recording of the General Disclosure Document as required by HB13-1186. No action was required by the Board.

CAPITAL  
IMPROVEMENTS

None.

OTHER BUSINESS

Consent to McGeady Becher P.C. Website Inclusion: The Board deferred discussion of this matter.

Schedule for Special Meeting of Hess Ranch Metropolitan District Nos. 1-3: The Board deferred discussion of this matter.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Hunter, seconded by Director Hutchins and, upon vote unanimously carried, the meeting was continued to 9:00 a.m. on Wednesday, June 29, 2016 at the offices of McGeady Becher P.C., 450 E. 17<sup>th</sup> Avenue, Suite 400, Denver, Colorado.

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Respectfully submitted,

By Cindi M Rodriguez  
Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL JUNE 21, 2016 ORGANIZATIONAL MINUTES OF THE HESS RANCH METROPOLITAN DISTRICT NO. 1 BY THE BOARD OF DIRECTORS SIGNING BELOW:

Tracy J. Hutchins  
Tracy J. Hutchins

Cindi M Rodriguez  
Cindi M. Rodriguez

Gary L. Hunter  
Gary L. Hunter