

MINUTES OF THE JOINT SPECIAL MEETING OF THE
BOARDS OF DIRECTORS OF

HESS RANCH METROPOLITAN DISTRICT NOS. 1-3

Held: Thursday, June 29, 2017, at 2:00 p.m. at: 7353 S.
Alton Way, Suite A100, Englewood, Colorado.

Attendance

The joint special meeting of the Boards of Directors of the Hess Ranch Metropolitan District Nos. 1-3, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve on the Boards, were in attendance:

Chris Elliott
Christian Matt Janke
Corey Elliott

All director absences are deemed excused unless otherwise specified.

Also present: Kristin Tompkins, Esq., and Megan J. Murphy, Esq. White Bear Ankele Tanaka & Waldron, Attorneys at Law, District General Counsel; and Edward Gorab, Davis & Ceriani, P.C. (via phone).

Call to Order

It was noted that a quorum of the Boards were present and the meeting was called to order.

Combined Meeting

The Boards of Directors of the Districts have determined to hold joint meetings of the Districts and to prepare joint minutes of actions taken by the Districts in such meetings. Unless otherwise noted herein, all official action reflected in these minutes shall be deemed to be the action of all Districts. Where necessary, action taken by an individual District will be so reflected in these minutes.

Conflict of Interest
Disclosures

Ms. Tompkins advised the Boards that pursuant to Colorado law, certain disclosures by the directors may be required prior to taking official action at the meeting. The Directors reviewed the agenda for the meeting, following which each Board member confirmed the contents of any written disclosure 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 Boards determined that the

participation of the members present was necessary to obtain a quorum or otherwise enable the Boards to act.

Written disclosures of conflicts of interest were filed with the Secretary of State at least 72 hours prior to the meeting.

Agenda

Ms. Tompkins presented the Boards with the agenda for the meeting for consideration. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the agenda.

Public Comment

None.

Administrative Matters

Approval of Minutes from the November 3, 2016 Special Meeting

Ms. Tompkins presented the Boards with the minutes from the November 3, 2016 special meeting for consideration. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the minutes.

Consider Appointment of Director to Fill Vacancy and Administer Oath of Office

The Boards discussed the current vacancies on the Boards. It was noted that Mr. Corey Elliott had expressed an interest in being appointed to the Boards. Following discussion, upon a motion duly made and seconded, the Boards appointed Mr. Elliot to the Boards and administered Oaths of Office.

Election of Officers

Ms. Tompkins noted that the Boards are required by statute to have a Chairperson, a Treasurer, and a Secretary, which Secretary position is not required to be a member of the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously appointed Director Janke as President, and Director Chris Elliot as Vice President/Treasurer and Director Corey Elliot as Secretary.

Consider Adoption of Resolution Designating Districts' 24-Hour Posting Locations

Ms. Tompkins Presented the Boards with the Resolution Designating the Districts' 24-Hour Posting Locations. Following discussion, upon a motion duly made and seconded, the Boards unanimously adopted the resolution.

Consider Approval of 2016 Annual Report

Ms. Tompkins Presented the Boards with the 2016 Annual Report. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the report and advised legal counsel to finalize and file on or before September 1, 2017.

Legal Matters

Consider Adoption of Resolution Approving an IGA with CSD Property and Liability Pool Insurance (District No. 3)

Ms. Tompkins presented the Board of District No. 3 with the Resolution Approving an IGA with CSD Property and Liability Pool Insurance. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution.

Consider Approval of Property and Liability Insurance from the CSD Property and Liability Pool for Remainder of 2017 (District No. 3)

Ms. Tompkins presented the Board of District No. 3 with the insurance proposal from the CSD Property and Liability Pool. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the insurance for \$1 million in general liability coverage.

Consider Approval of SDA Membership (District No. 3)

The Board of District No. 3 engaged in a discussion regarding SDA membership. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the membership.

Consider Approval of Agency Services Agreement with T. Charles Wilson Insurance Services (District No. 3)

Ms. Tompkins presented the Board of District No. 3 with the Agency Services Agreement with T. Charles Wilson. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the agreement.

Consider Approval of Independent Contractor Agreement with Summit Management and Consulting, Inc. for District Management Services (District No. 3)

Ms. Tompkins presented the Boards with the Independent Contractor Agreement with Summit Management and Consulting, Inc. for district management services. Following discussion, the Boards determined to table this item.

Discuss Terms of Proposed District Operating Agreement among the Districts

The Boards engaged in a discussion regarding the terms of the proposed district operating agreement. Following discussion, the Boards determined to have legal counsel draft the operating agreement and present to the Boards for consideration at the next meeting.

Consider Ratification of Resolution Establishing Policies and Procedures for the Acceptance of District Eligible costs and Acquisition of Public Improvements

Ms. Tompkins presented the Boards with the Resolution Establishing Policies and Procedures for the Acceptance of District Eligible Costs and Acquisition of Public Improvements. Following discussion, upon a motion duly made and seconded, the Boards unanimously ratified the resolution.

Consider Ratification of Intergovernmental

Ms. Tompkins presented the Boards with the Intergovernmental Agreement Regarding Debt Allocation and Cost Sharing between

Agreement Regarding Debt Allocation and Cost Sharing between the Districts and Hess Ranch Metropolitan District Nos. 4-8

the Districts and Hess Ranch Metropolitan District Nos. 4-8. Following discussion, upon a motion duly made and seconded, the Boards unanimously ratified the agreement.

Consider Approval of Engagement of Alderman Bernstein LLC for Services related to the Acquisition of Offsite Utility Easements by Condemnation (District No. 3)

Ms. Tompkins presented the Board of District No. 3 with the engagement letter of Alderman Bernstein LLC for services related to the acquisition of offsite utility easements by condemnation. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the engagement.

Consider Adoption of Resolution of Necessity for the Acquisition of Real Property owned by Carolyn L. Mahoney (District No. 3)

Ms. Tompkins presented the Board of District No. 3 with the Resolution of Necessity for the Acquisition of Real Property owned by Carolyn L. Mahoney. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution.

Discuss Acquisition of Offsite Utility Easements

The Boards engaged in a discussion regarding the acquisition of offsite utility easements. No action was taken.

Discuss Public Improvement Maintenance Agreement with the Trails at Crowfoot Master Owner's Association, Inc. (District No. 3)

The Board of District No. 3 engaged in a discussion regarding the Public Improvement Maintenance Agreement with the Trails at Crowfoot Master Owner's Association, Inc. It was determined that Director Janke will work with the HOA and the District accountant to develop a budget and items for operation and maintenance by each respective entity. It was also determined that Mr. Gorab will provide redline comments on the agreement to the District's HOA attorney for review.

Financial Matters

The Board authorized the Districts' accountant to open a bank account at Fortis Private Bank if they are a Public Deposit Protection Act Bank. If they are not, the Board authorized the Districts' accountant to open a bank account at First Bank. The Districts authorized Director Janke, Director Chris Elliot, and Director Corey Elliot as approved signors.

Other Business

None.

Next Meeting

The next regular meeting is scheduled for November 2, 2017 at 2:00 p.m.

Adjournment

There being no further business to come before the Boards, and following discussion and upon motion duly made, seconded and unanimously carried, the Boards determined to adjourn the

meeting.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.



Secretary for the Meeting