

MINUTES OF THE JOINT REGULAR MEETING OF THE  
BOARDS OF DIRECTORS OF

HESS RANCH METROPOLITAN DISTRICT NOS. 1-3

Held: Thursday, November 1, 2018, at 2:00 p.m. at: 7353 S.  
Alton Way, Suite A100, Englewood, CO

**Attendance**

The joint regular 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 B. Tompkins, Esq., and Megan J. Murphy, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law, District General Counsel; and Sarah Hunsche, CliftonLarsonAllen LLP, District Accountant.

**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. Murphy advised the Boards that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Murphy reported that disclosures for those directors with 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 noted that a quorum was present and 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 Boards determined that the participation of the members present was necessary to obtain a quorum or to otherwise enable the Boards to act.

**Agenda** Ms. Murphy 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.

**Approval of Minutes from February 22, 2018 Special Meeting** Ms. Murphy presented the Boards with the minutes from the February 22, 2018 regular meeting for consideration. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the minutes.

**Public Comment** None.

**Consent Agenda** Following a summary by Ms. Murphy, the items on the consent agenda were approved by one motion duly made, seconded, and vote unanimously carried.

1. Adoption of 2019 Annual Administrative Resolution 2019
2. Ratification of 2017 Annual Report
3. Approval of Notice to Electors Pursuant to § 32-1-809, C.R.S.
4. Approval of Resolution Designating the 24-Hour Posting Location

**Legal Matters**

**Consider Approval of Amended and Restated Service Plan** The Boards engaged in a discussion regarding the Amended and Restated Service Plan and the proposed changes. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the Amended and Restated Service Plan as presented. The Boards directed legal counsel to work with counsel for District Nos. 4-8 and submit the Amended and Restated Service Plan to the Town of Parker.

**Consider Approval of Engagement Letter with White Bear Ankele Tanaka & Waldron for Legal Services** Ms. Murphy reviewed the Engagement Letter with White Bear Ankele Tanaka & Waldron with the Boards. Ms. Murphy noted specifically that the arbitration provision had been revised to make it clear that arbitration applies to this engagement letter as well as any prior engagement with the Districts. Ms. Murphy also noted and discussed the addition of the representative client list section. Ms. Murphy stated that as she is not independent as to the engagement, the Boards are advised to have separate legal counsel review the engagement letter. The Boards declined to engage separate legal counsel to review the letter. Following discussion, upon a motion duly made and seconded, and upon a vote, unanimously carried, the Boards approved the engagement letter with White Bear Ankele Tanaka & Waldron.

**Financial Matters**

**Financials/Claims Payable** Ms. Hunsche presented the Board of District No. 3 with check numbers 1006-1019 and the schedule of cash position as of October

30, 2018. Following discussion, upon a motion duly made and seconded, the Board of District No. 3 unanimously approved the checks and schedule of cash position.

Conduct Public Hearing on 2018 Budget Amendment and Consider Adoption of Resolution Amending 2018 Budget

Director Janke opened the public hearings for the 2018 budget amendments. Ms. Murphy noted that notice for the public hearings was made in accordance with the applicable Colorado statutes. No written objections were received prior to the public hearing. After no public comment was made, the public hearings were closed.

It was noted that budget amendments were not necessary for District Nos. 1&2. Following discussion, upon a motion a motion duly made and seconded, the Board of District No. 3 amended the 2018 General Fund from \$50,000 to \$75,000.

Conduct Public Hearing on 2019 Budget and Consider Adoption of Resolution Approving 2019 Budget

Director Janke opened the public hearings for the 2019 budgets. Ms. Murphy noted that notice for the public hearings was made in accordance with the applicable Colorado statutes. No written objections were received prior to the public hearing. After no public comment was made, the public hearings were closed.

Ms. Hunsche presented the proposed 2019 budgets to the Boards for consideration. Following discussion, upon a motion duly made and seconded, the Boards unanimously adopted the budgets as presented, and certified 35.000 mills each in the General Fund.

The Boards directed legal counsel and the Districts' accountant to certify the Districts' mill levies by December 15, 2018, and to file the 2019 budgets by January 30, 2019.

Consider Ratification of 2017 Audit Exemption Application

Ms. Hunsche presented the Boards with the 2017 Audit Exemption Applications for consideration. Following discussion, upon a motion duly made and seconded, the Boards unanimously ratified the applications.


**Other Business**

None.

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