

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

TRAILS AT CROWFOOT METROPOLITAN DISTRICT
NOS. 1-3 (F/K/A HESS RANCH METROPOLITAN
DISTRICT NOS. 1-3)

Held: Thursday, July 11, 2019, at 2:00 p.m. at: 7353 S. Alton
Way, Suite A100, Englewood, CO

Attendance

The joint special meeting of the Boards of Directors of the Trails at Crowfoot 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
Corey Elliott
Sarah Hunsche

Christian M. Janke was absent. All director absences are deemed excused unless otherwise specified.

Also present: Kristin B. Tompkins, Esq., Megan J. Murphy, Esq., and Ashley B. Frisbie, White Bear Ankele Tanaka & Waldron, Attorneys at Law, District General Counsel; Ken Guckenberger and Jesse Brown (*via telephone*), Kutak Rock, LLP, District Bond Counsel; Laci Knowles and Corey Johnson, D.A. Davidson & Co., District Underwriter; Ben Houghton, CliftonLarsonAllen LLP, District Accountant; and Jamie Cotter, Spencer Fane LLP (for the executive session *via telephone*).

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. Frisbie advised the Boards that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Frisbie 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. Frisbie 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. Each

director specifically disclosed their relationship with HR935, LLC (the “Developer”) and acknowledged that bond proceeds would be used to reimburse the Developer under the Amended and Restated Infrastructure Acquisition and Reimbursement Agreement. Each director also noted they are a member of the Board of the Trails at Crowfoot Master Owners Association, a homeowner’s association located within the boundaries of the Districts. 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. Frisbie 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, as amended.

Public Comment

None.

Consent Agenda

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

1. Approval of Minutes from May 29, 2019 special meeting
2. Approval of Amended and Restated Intergovernmental Agreement with the Town of Parker (District No. 1)
3. Approval of Amended and Restated Intergovernmental Agreement with the Town of Parker (District No. 2)
4. Approval of Amended and Restated Intergovernmental Agreement with the Town of Parker (District No. 3)
5. Approval of Indemnification Letters to the Town of Parker (District Nos. 1-3)
6. Approval of Disclosure to Purchasers (District Nos. 1-3)
7. Ratification of North Slope Capital Advisors for External Financial Advisor Certificate
8. Ratification of CliftonLarsonAllen LLP to prepare Financial Forecast

Legal Matters

Consider Approval of Transaction-Based Informed Consent Regarding Public Improvement Maintenance Agreement with Trails at Crowfoot Master Owners Association, Inc.

Ms. Murphy presented the Board of District No. 3 with the Transaction-Based Informed Consent regarding the Public Improvement Maintenance Agreement with the Trails at Crowfoot Master Owners Association, Inc. Ms. Murphy advised the Board of its right to obtain independent legal counsel. Following discussion, upon a motion duly made and seconded, the Board of District No. 3 unanimously approved the consent.

Consider Approval of Amended and Restated Infrastructure Acquisition and Reimbursement Agreement with HR935, LLC (District

Ms. Murphy presented the Board of District No. 3 with the Amended and Restated Infrastructure Acquisition and Reimbursement Agreement with HR935, LLC. Following discussion, upon a motion duly made and seconded, the Board of District No. 3 unanimously approved the agreement.

No. 3)

Consider Approval of Termination of Infrastructure Acquisition and Reimbursement Agreements with HR935, LLC (District Nos. 1 and 2)

Ms. Murphy presented the Boards of District Nos. 1 and 2 with the Terminations of Infrastructure Acquisition and Reimbursement Agreements with HR935, LLC for consideration. Following discussion, upon a motion duly made and seconded, the Boards of District Nos. 1 and 2 unanimously approved the terminations.

Consider Approval of Termination of Funding and Reimbursement Agreements with HR935, LLC (District Nos. 1 and 2)

Ms. Murphy presented the Boards of District Nos. 1 and 2 with the Terminations of Funding and Reimbursement Agreements with HR935, LLC for consideration. Following discussion, upon a motion duly made and seconded, the Boards of District Nos. 1 and 2 unanimously approved the terminations.

Consider Ratification of Amended and Restated District Operating Agreement

Ms. Murphy presented the Boards with the Amended and Restated District Operating Agreement for consideration. Following discussion, upon a motion duly made and seconded, the Boards unanimously ratified the agreement.

Consider Adoption of Acceptance Resolution pursuant to the Amended and Restated Infrastructure Acquisition and Reimbursement Agreement with HR935, LLC (District No. 3)

Ms. Murphy presented the Board of District No. 3 with the Acceptance Resolution pursuant to the Amended and Restated Infrastructure Acquisition and Reimbursement Agreement with HR935, LLC for consideration. Following discussion, upon a motion duly made and seconded, the Board of District No. 3 unanimously adopted the resolution, subject to changes as discussed.

Bond Matters

Consider and Make a Final Determination to Issue or Incur General Obligation Indebtedness Consisting of (a) Limited Tax General Obligation Bonds, Series 2019A in the estimated principal amount of \$29,000,000 and (b) Subordinate Limited Tax General Obligation Bonds, Series 2019B(3), in the estimated principal amount of \$6,500,000, which amounts are subject to increase or decrease as determined by the Board, and in connection therewith, adopt a resolution authorizing the issuance of such

Mr. Guckenberger and Ms. Knowles presented the Board of District No. 3 with the Series 2019A and Series 2019B(3) Bond Resolution Authorizing the Issuance of General Obligation Indebtedness, Indentures of Trust, Bond Purchase Agreement, Continuing Disclosure Agreement, the form of Limited Offering Memorandum, and other related documents. Following discussion, upon a motion duly made and seconded, the Board of District No. 3 unanimously adopted the resolution, authorizing the issuance of the 2019 Bonds and execution of all related documentation. It was noted that closing is anticipated to occur on July 30, 2019.

indebtedness and authorizing two separate Indentures of Trust, a Bond Purchase Agreement, a Continuing Disclosure Agreement, a Capital Pledge Agreement, the form of Limited Offering Memorandum, and other related documents; approving, ratifying, and confirming the execution of certain documents; making determinations and findings as to other matters related to such transaction; authorizing incidental action; and repealing prior inconsistent actions (District No. 3)

Consider and make a final determination authorizing the execution of the Capital Pledge Agreement and in connection therewith consider a resolution authorizing the agreement; approving, ratifying and confirming the execution of certain documents; making determinations and findings as to other matters related to such financing transaction; authorizing incidental action; and repealing prior inconsistent actions (District Nos. 1 and 2)

Other Business

Update on Mahoney Easement

Engagement of Spencer Fane LLP as Special Counsel (District No. 3)

Adjournment (District Nos. 1 and 2)

The Boards of District Nos. 1 and 2 discussed and considered making a final determination as to the execution of the Capital Pledge Agreement with District No. 3 and, in connection therewith, considered a resolution authorizing the agreement; approving, ratifying and confirming the execution of certain documents; making determinations and findings as to other matters related to such financing transaction; authorizing incidental action; and repealing prior inconsistent actions. Mr. Guckenberger presented the Boards of District Nos. 1 and 2 with the Resolution to Approve the Capital Pledge Agreement and related documents. He noted that District No. 3 is the most efficient District to issue debt, with all three districts benefitting from the public improvements that will be constructed to serve the project. Following discussion, upon a motion duly made and seconded, the Boards of District Nos. 1 and 2 unanimously approved the resolution and related documents, subject to changes as discussed.

Following discussion, the Board of District No. 3 determined to discuss this matter in Executive Session.

Ms. Murphy presented the Board of District No. 3 with the engagement letter from Spencer Fane LLP to serve as Special Counsel. Following discussion, upon a motion duly made and seconded, the Board of District No. 3 unanimously approved the engagement.

There being no further business to come before the Boards of District Nos. 1 and 2, and following discussion and upon motion duly made, seconded, and unanimously carried, the Boards of District Nos. 1 and 2 determined to adjourn the meeting.

Executive Session – Pursuant to Section 24-6-402(4)(b), C.R.S. for the purpose of receiving legal advice regarding the Mahoney Easement (District No. 3)

Upon motion duly made and seconded, upon an affirmative vote of at least two-thirds of the quorum present, the Board of District No. 3 convened in executive session at 2:33 p.m. for the purpose of receiving legal advice regarding the Mahoney Easement, pursuant to Section 24-6-402(4)(b) C.R.S..

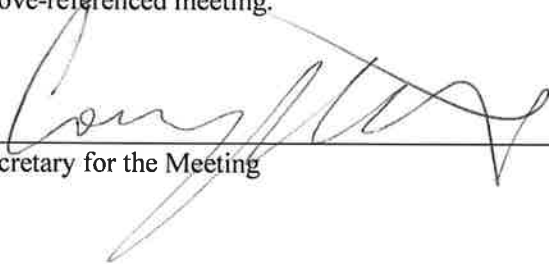
Pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., no record will be kept of the remaining portion of this executive session that, in the opinion of the District's attorney, constitutes privileged attorney-client communication pursuant to Section 24-6-402(4)(b), C.R.S.

The Board of District No. 3 reconvened in regular session at 3:04 p.m.

Adjournment (District No. 3)

There being no further business to come before the Board of District No. 3, and following discussion and upon motion duly made, seconded, and unanimously carried, the Board of District No. 3 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

ATTORNEY STATEMENT
REGARDING PRIVILEGED ATTORNEY-CLIENT COMMUNICATION

Pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., I attest that, in my capacity as the attorney representing Trails at Crowfoot Metropolitan District Nos. 3, I attended the executive session at the special meeting of Trails at Crowfoot Metropolitan District No. 3, convened at 2:33 p.m. on Thursday, July 11, 2019, for the sole purpose of providing legal advice regarding the Mahoney Easement, as authorized by Section 24-6-402(4)(b), C.R.S. I further attest it is my opinion that as the executive session discussions constituted privileged attorney-client communications as provided by Section 24-6-402(4)(b), C.R.S. and, based on that opinion, no further record, written or electronic was kept or required to be kept pursuant to Section 24-6-402(2)(b), C.R.S. or Section 24-6-402(2)(d.5)(II)(B), C.R.S.

Megan J. Murphy, Esq.