

MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF

COTTONWOOD CREEK METROPOLITAN DISTRICT
NO. 1

Held: Wednesday, October 3, 2018, at 11:00 a.m. at: 2154
E. Commons Avenue, Suite 2000, Centennial,
Colorado.

Attendance

The meeting of the Board of Directors of the Cottonwood Creek Metropolitan District No. 1, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado. The following director, having confirmed his qualification to serve on the Board, was in attendance:

James Spehalski

All director absences are deemed excused unless otherwise specified.

Also present: Kristin Tompkins, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law, District General Counsel; and Diane Wheeler, Simmons & Wheeler, P.C., District Accountant.

Call to Order

It was noted that a quorum of the Board was present and the meeting was called to order by Director Spehalski.

**Conflict of Interest
Disclosures**

Ms. Tompkins advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Tompkins reported that disclosures for those directors with potential or existing conflicts of interest were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Ms. Tompkins noted that a quorum was present and inquired into whether members of the Board 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 Board determined that the participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

Agenda

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

**Approval of Minutes from
October 25, 2017 Meeting**

Ms. Tompkins presented the Board with the minutes from the October 25, 2017 meeting for consideration. Following discussion, upon a motion duly made, the Board unanimously approved the minutes.

Public Comment

None.

Legal Matters

Annual Administrative Matters

Consider Adoption of 2019 Annual Administrative Resolution

Ms. Tompkins presented the Board with the 2019 Annual Administrative Resolution for consideration. Following discussion, upon a motion duly made, the Board unanimously adopted the resolution.

Consider Ratification of 2017 Annual Report

Ms. Tompkins presented the Board with the 2017 Annual Report. Following discussion, upon a motion duly made, the Board unanimously ratified the report.

Consider Approval of Special District Disclosure Pursuant to § 32-1-809, C.R.S.

Ms. Tompkins presented the Board with the Special District Disclosure Pursuant to § 32-1-809, C.R.S. for consideration. Following discussion, upon a motion duly made, the Board unanimously approved the disclosure notice.

Consider Approval of Resolution Designating the 24-Hour Posting Location

Ms. Tompkins presented the Board with the Resolution Designating the 24-Hour Posting Location for consideration. Following discussion, upon a motion duly made, the Board unanimously adopted the resolution.

Insurance Matters

Consider Renewal of Property and Liability Schedule and Limits

The Board engaged in a discussion regarding the renewal of property and liability insurance for 2019. Following discussion, upon a motion duly made, the Board determined to renew coverage for 2019.

Consider Renewal of Workers Compensation Coverage

The Board engaged in a discussion regarding the renewal of workers compensation coverage for 2019. Following discussion, upon a motion duly made, the Board determined to renew coverage for 2019.

Consultant Contracts

Consider Approval of Engagement Letter with White Bear Ankele Tanaka & Waldron for Legal Services

Ms. Tompkins reviewed the Engagement Letter with White Bear Ankele Tanaka & Waldron with the Board. Ms. Tompkins 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 District. Ms. Tompkins also noted and discussed the addition of the representative client list section. Ms. Tompkins stated that as she is not independent as to the engagement, the Board is advised to have separate legal counsel review the engagement letter. The Board declined to engage separate legal counsel to review the letter. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the engagement letter with White Bear Ankele Tanaka & Waldron.

Consider Approval of Independent Contractor Agreement with CVL Consultants of Colorado, Inc.

Ms. Tompkins presented the Board with the Independent Contractor Agreement with CVL Consultants of Colorado, Inc. for consideration. Following discussion, upon a motion duly made, the Board unanimously approved the agreement, subject to finalizing the scope of services.

Boundary Adjustments

Conduct Public Hearing on Inclusion of Real Property Owned by Cottonwood Creek Investors, LLC and Consider Adoption of Resolution and Order for Inclusion of Real Property

Director Spehalski opened the public hearing on the inclusion of real property owned by Cottonwood Creek Investors, LLC into the District. Ms. Tompkins noted that notice for the public hearing 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 hearing was closed.

Ms. Tompkins presented the Board with the resolution and order for inclusion of property for consideration. Following discussion, upon a motion duly made, the Board unanimously adopted the resolution.

Financial Matters

Financials/Payables

Ms. Wheeler presented the Board with the June 30, 2018 financials and check numbers 1026-1043 for consideration. Following discussion, upon a motion duly made, the Board unanimously accepted the financials, ratified check numbers 1026-1031 in the amount of \$14,170.10, ratified check numbers 1032-1041 in the amount of \$11,300.97, and approved check numbers 1042 and 1043 in the amount of \$523.95.

Conduct 2018 Budget Amendment Hearing and Consider Adoption of Resolution to Amend 2018 Budget

The Board determined that a 2018 budget amendment was not needed at this time.

Conduct 2019 Budget Hearing and Consider Adoption of Resolution to Adopt 2019 Budget and Set Mill Levies

Director Spehalski opened the public hearing on the 2019 budget. Ms. Tompkins noted that notice for the public hearing 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 hearing was closed.

Ms. Wheeler presented the proposed 2019 budget to the Board for consideration. Following discussion, upon a motion duly made, the Board unanimously adopted the 2019 budget, and appropriations therefor, and certified 45.000 mills in the General Fund.

The Board directed legal counsel and the District's accountant to certify the District's mill levy by December 15, 2018, and to file the 2019 budget by January 30, 2019.

Consider Ratification of 2017 Audit Exemption Application

Ms. Wheeler presented the Board with the 2017 Audit Exemption Application. Following discussion, upon a motion duly made, the Board unanimously ratified the audit exemption application.

Consider Ratification of Acceptance of Costs incurred by Cottonwood Creek Investments, LLC pursuant to the Funding and Reimbursement Agreement

Ms. Wheeler presented the Board with the Acceptance of Costs incurred by Cottonwood Creek Investments, LLC pursuant to the Funding and Reimbursement Agreement for consideration. Following discussion, upon a motion duly made, the Board unanimously ratified the acceptance of costs.

Consider Approval of Engagement Letter with Simmons and Wheeler, P.C. for Accounting Services

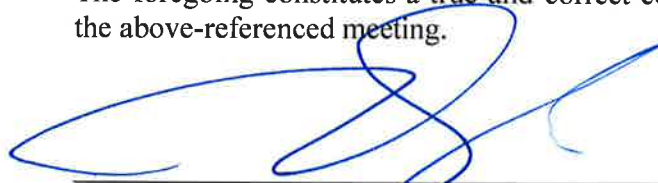
Ms. Wheeler presented the Board with the Engagement Letter from Simmons and Wheeler, P.C. for Accounting Services for consideration. Following discussion, upon a motion duly made, the Board unanimously approved the engagement.

Other Business

Adjournment

There being no further business to come before the Board, and following discussion and upon motion duly made, the Board 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