

RECORD OF PROCEEDINGS

MINUTES OF THE COMBINED SPECIAL MEETING OF THE BOARDS OF DIRECTORS OF THE HUNTERS OVERLOOK METROPOLITAN DISTRICT NOS. 1 - 8 TOWN OF SEVERANCE, WELD COUNTY, COLORADO

HELD: Thursday, November 18, 2021 at 3:45 p.m., 7251 20th Street, L-200, Greeley, CO
The Board was present in person at 7251 W. 20th Street, L-200, Greeley, CO 80634
Due to threat to health and safety posed by COVID-19 the meeting was held Via
Teleconference for non-Board members the public and other consultants – (720)
386-9023, Passcode: 126412.

ATTENDANCE:

A combined special meeting of the Boards of Directors (collectively, the “Board”) of the Hunters Overlook Metropolitan District Nos. 1 - 8 (collectively, the “District”) was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting:

In attendance were Directors:

Larry Buckendorf - President
Laira Ziegler – Secretary/Treasurer
Morgan Kidder - Assistant Vice-President/Secretary/Treasurer
Darrell McAllister - Assistant Vice-President/Secretary/Treasurer
Joseph Schumacher - Assistant Vice-President/Secretary/Treasurer

Also present were:

Cathy Fromm and Megan VanCamp, Fromm & Company LLC
David S. O’Leary, Spencer Fane LLP
Harsha Sekar, Kline Alvarado Veio PC

CALL TO ORDER:

Mr. Buckendorf called the meeting to order at 3:45 p.m., noted that a quorum of the Board was present, and confirmed qualification of the Directors to serve on the Board.

DISCLOSURE OF POTENTIAL CONFLICT OF INTEREST:

Mr. O’Leary discussed the state law requirements for disclosure of potential conflicts of interest with the directors, noting that completed disclosure statements must be filed for each of the Directors with the Secretary of State and the Secretary of the District at least 72 hours prior to a meeting in which a potential conflict may arise. The Board noted that general disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado

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Secretary of State. Mr. O'Leary advised the Board that, pursuant to Colorado law, certain disclosures may be required prior to taking official action at the meeting. The Board reviewed the agenda for the meeting, following which they confirmed the contents of written disclosures previously made by the directors, stating the fact and summary nature of any matters, as required by Colorado law, to permit official action to be taken at the meeting.

APPROVAL OF THE AGENDA:

The Board reviewed the agenda. Upon motion duly made by Director McAllister, seconded by Director Schumacher, and unanimously carried, the Board approved the agenda as presented. Mr. O'Leary reported that the meeting notice and agenda had been posted to the district website at www.frommco.us/client-homd.html, www.frommco.us/client-hc.html and www.frommco.us/client-sr.html at least 24 hours prior to the meeting, pursuant to Statute.

APPROVAL OF MINUTES:

The Board reviewed the Minutes of the combined special meeting held on May 10, 2021. Upon motion duly made by Director Kidder, seconded by Director Schumacher, and unanimously carried, the Board approved the Minutes as presented.

PUBLIC HEARING ON DELINQUENT ACCOUNTS:

Ms. VanCamp reported that delinquent notifications had been transmitted out in the form of certified/return-receipt letters, to all residents who have a delinquent balance of at least six (6) months past-due, and \$150, pursuant to Sections 32-1-1101(1)(e) and 39-10-107, of the Colorado Revised Statutes. Ms. Holmberg reviewed the list with the Board and responded to inquiries. Mr. O'Leary presented a Resolution to approve the certification of delinquent accounts. Discussion ensued. Director Buckendorf opened the public hearing. There being no public comment, the public hearing was closed. Upon motion made by Director Schumacher, seconded by Director Ziegler and unanimously carried, the Board approved the Resolution, to include an additional \$75 administrative fee and a \$30 certified letter fee. Ms. Holmberg reported that all remaining delinquent accounts would be certified to Weld County by the December 1st, 2021 deadline for collection with the 2022 Weld County property taxes.

FINANCIAL ITEMS:

a. Payment of Claims. Ms. Fromm presented the listing of district claims to be approved and ratified in the amount of \$803,499.58, represented by check numbers 01232 through 01264. Ms. Fromm presented the listing of HOWAE claims in the amount of \$208,894.40, represented by

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check numbers 10004 through 10030. Discussion ensued. Upon motion duly made by Director Kidder, seconded by Director McAllister, and unanimously carried, the Board approved the payables for ratification and approval in the total amount of \$1,012,393.98.

b. Financial Statements. Ms. Fromm presented the financial statements dated August 31, 2021 to the Board. Discussion ensued regarding the bond payment that will be made. Upon motion made by Director Kidder, seconded by Director Buckendorf, and unanimously carried, the Board accepted and approved the financial statements as presented.

c. 2020 and 2021 Audit Items. Ms. Fromm provided an update on the 2020 audits, noting that they would be filed very soon. Ms. Fromm noted that District Nos. 1 – 6 would be requiring audits within the 2021 year, and District Nos. 7 and 8 would be filing audit exemptions.

PUBLIC HEARINGS ON 2021 BUDGET AMENDMENTS AND 2022 BUDGETS:

Mr. O'Leary noted that proper publication had been made in order to allow the District to hold public hearings on the 2021 budget amendments and 2022 budgets. Upon motion duly made Mr. Buckendorf and seconded by Director Schumacher and unanimously carried, the Boards opened the public hearings for the budgets. There being no public comment, the public hearings were closed. Ms. Fromm presented the 2021 budget amendments recommended as well as the 2022 budgets and discussion ensued. Ms. Fromm was requested to increase the trash fees, election costs and maintenance items. It was also noted that locate fees seemed high. Mr. O'Leary requested that the Board consider approval of both the 2021 Amendments and 2022 Budget Resolutions, to include discussed revisions and final Assessed Valuations. Upon motion made by Director Kidder, seconded by Director Buckendorf and unanimously carried, the Board approved the Resolution amending the 2021 Budgets, approving the 2021 Budget amendments as discussed and appropriating expenditures within the 2021 year. Upon motion made by Director Kidder, seconded by Director Ziegler and unanimously carried, the Board approved the Resolution approving the 2022 Budgets, certifying mill levies and appropriating expenditures for the 2022 year.

LEGAL ITEMS:

a. Updates to Covenants and/or Guidelines. Ms. Ziegler requested that page #'s be removed for any documents included with the packet, before being posted to the website.

b. Approval of Advance & Reimbursement Agreement and Acceptance and Reimbursement of Capital Costs within the Severance Subdivision (District #7). The Board requested that these items be tabled until the beginning of the 2022 year.

c. Approval of District No. 7 Bond Resolution and Agreements re Issuance of GO Debt. Mr. O'Leary discussed the proposed Resolution and structure of the proposed bonds for District No. 7

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explaining how it relates to the issuing District, District No. 7. Mr. Sekar, bond counsel to the Districts, provided an overview on the Resolution Authorizing the Issuance of General Obligation Debt for District No. 7, noting 2021 proposed Bonds and related documents, indentures, pledge agreement and continue disclosure and bond purchase agreement proposed by bond counsel, along with the terms and conditions regarding the issuance of the 2021 Bonds, and the issuing amounts not to exceed \$4,500,000 with the parameters for issuance of the bonds in an Authorizing Resolution. Questions were asked and discussion ensued. Upon motion duly made by Director Buckendorf, seconded by Director McAllister and upon vote unanimously carried, the Board approved the Authorizing Resolutions and Agreements needed to issue the 2021 Bonds, pending final revisions, pricing and final review and authorized such further action as necessary to close on the 2021 Bonds.

d. Approval of Agreement with HOWAE to Acquire Irrigation Facilities and Infrastructure. Mr. O'Leary presented the agreement to the Board, noting that it was between SR Severance Investments, LLC and the Board of Directors for the Hunters Overlook Water Activity Enterprise. Pending final review by Director Buckendorf, and upon motion duly made by Director Kidder, seconded by Director Schumacher and unanimously carried, the Agreement was approved.

e. Acceptance of Public Improvement Capital Costs and Expenses with HOWAE. Mr. O'Leary presented the Resolution Approving Acceptance of Capital Costs and Expenses for Certification for the Non-Potable Water System, noting that approximately \$301,000 in costs were being certified. Upon motion duly made by Director Ziegler, seconded by Director Schumacher and unanimously carried, the Board approved the Resolution and Certification of Capital Costs.

f. Approval of Non-Potable Water Service Agreement with Sunset Ridge Townhomes. Mr. O'Leary presented the Agreement to the Board, noting that there were 8 HOA Board members and that a charge of \$150 per property, per year had been agreed upon, and \$200 per Outlot. Upon motion duly made by Director McAllister, seconded by Director Schumacher and unanimously carried, the Agreement was approved, as presented.

g. Approval of Resolution with HOWAE concerning the Extraterritorial Non-Potable Fees. Mr. O'Leary presented the Resolution to the Board. Upon motion duly made by Director McAllister, seconded by Director Kidder and unanimously carried, the Resolution was approved, as presented.

h. 2022 Administrative Matters Resolution. Mr. O'Leary presented the Resolution noting the engagement of all district consultants and transparency notice updates. Upon motion made by Director McAllister, seconded by Director Kidder and unanimously carried, the Board approved the 2022 Administrative Matters Resolution as presented.

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i. Exclusion of Worker's Compensation Insurance. Mr. O'Leary requested that the Board approve the ongoing Waiver of Worker's Compensation. Upon motion made by Director McAllister, seconded by Director Kidder and unanimously carried, the Board approved the continual Waiver as requested.

j. Ratification of 2020 Annual Report. Mr. O'Leary presented the Report to the Board. Upon motion made by Director McAllister, seconded by Director Kidder and unanimously carried, the Board ratified approval of the Annual Report, as requested.

k. Approval of May 2022 Regular Election Resolution. Mr. O'Leary presented the Resolution to the Board, noting that two (2), three-year terms would be open at the 2022 Election. Upon motion made by Director McAllister, seconded by Director Kidder and unanimously carried, the Board approved the Resolution as requested.

MANAGEMENT ITEMS:

Ms. VanCamp noted that vehicles and parking continue to be issues within the community. The Board directed Ms. Holmberg to refer the residents to the Town of Severance for any parking violations and/or traffic concerns, as the streets are owned by the Town. Remaining matters will be addressed by the District on a case-by-case basis, requiring proof of violation.

OTHER MATTERS:

There were none.

PUBLIC COMMENT:

There was none.

ADJOURNMENT:

There being no further business to come before the Board and upon motion duly made by Director McAllister, seconded by Director Kidder, and unanimously carried, the meeting was adjourned at 4:44 p.m.

The foregoing Minutes constitute a true and correct copy of the Minutes of the above-referenced combined meeting and were approved by the Boards of Directors of the Hunters Overlook Metropolitan District Nos. 1 - 8.

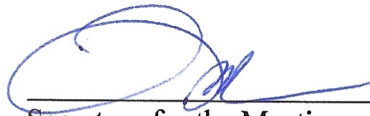
Respectfully Submitted,

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Secretary for the Meeting