

**RECORD OF PROCEEDINGS
MINUTES OF THE COMBINED SPECIAL MEETING
OF THE BOARDS OF DIRECTORS OF THE
HUNTERS OVERLOOK METROPOLITAN DISTRICT NOS. 1-4 & 6-8
TOWN OF SEVERANCE, WELD COUNTY, COLORADO**

HELD: Monday, May 1, 2023 at 2:00 p.m., 7251 20th Street, L-200, Greeley, CO

Zoom URL:

<https://spencerfane.zoomgov.com/j/1619745592?pwd=bFZHM2Fudm14SUpWYVZqYzNnNEFnZz09>

Dial In: 1-6669-254-5252; Meeting ID: 161 964 5592; Passcode: 201898

ATTENDANCE:

A combined special meeting of the Boards of Directors (collectively, the “Board”) of the Hunters Overlook Metropolitan District Nos. 1-4 & 6-8 (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 (Nos. 1-8)

Laira Ziegler – Secretary/Treasurer (Nos. 1-8)

Morgan Kidder - Assistant Vice-President/Secretary/Treasurer (Nos. 1, 4, 7 & 8)

Joseph Schumacher - Assistant Vice-President/Secretary/Treasurer (Nos. 1-4 & 6-8)

Matthew Walter – Assistant Vice-President/Secretary/Treasurer (No. 3)

Nicholas McGraw – Assistant Vice-President/Secretary/Treasurer (District No. 2)

Gordon Coombes - Assistant Vice-President/Secretary/Treasurer (District No. 6)

Also present were:

Cathy Fromm and Megan VanCamp, Fromm & Company LLC

David S. O’Leary, Spencer Fane LLP

Adam Bliven, Journey Homes

KC Veio – Kline Alvarado Veio

P. Jonathan Heroux and Akio Ohtake-Gordon – Piper Sandler

Matthew Caldwell – Assistant Vice-President/Secretary/Treasurer (District No. 5)

Phillip Jenkins - Assistant Vice-President/Secretary/Treasurer (District No. 5)

CALL TO ORDER:

Mr. Buckendorf called the meeting to order at 2:04 p.m., noted that a quorum of the Board was present in each of the Districts 1-8, and confirmed qualification of the Directors to serve on the Board.

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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 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 Schumacher, seconded by Director Ziegler, 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 websites at www.frommco.us/client-homd.html (The Overlook), www.frommco.us/client-hc.html (Hunters Crossing) and www.frommco.us/client-sr.html (Severance Reserve), at least 24 hours prior to the meeting, pursuant to Statute.

APPROVAL OF MINUTES:

The Board reviewed the Minutes of the special meeting held on April 26, 2023. Upon motion duly made by Director Ziegler, seconded by Director Kidder, and unanimously carried, the Board approved the Minutes as presented.

FINANCIAL ITEMS:

a. 2023 Budget Amendments. Mr. O'Leary noted that a budget amendment would be needed within District No. 8, in order to appropriate bond funds from the refunding that was being presented, noting that proper publication had been made to permit the Board to conduct a public hearing on said amendment. Upon Motion duly made by Director Kidder, Seconded by Director Schumacher and unanimously carried, the Boards of Directors of the Districts 1-4 and 6-8 opened the public hearings. Ms. Fromm presented the budget amendment to the Board for review. Discussion ensued. Mr. O'Leary reported that the District was attempting to refund the variable interest rate capital notes and reimbursement obligations currently at prime+2% for a proposed a

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tax-exempt bond, at a fixed rate, decreasing the interest rate in excess of 10.00% (at a taxable rate) down to 8.5 % (tax-exempt) over a fixed period (of 30-years or less), with the rates on existing repayment obligations being at prime plus 2%. Ms. Fromm and Mr. O’Leary provided further explanations. Upon motion duly made by Director Kidder and seconded by Director Schumacher and unanimously carried, the public hearing portion of the hearing was closed. Upon motion duly made by Director Schumacher and seconded by Director Kidder, the Board unanimously approved the budget amendment for District No. 8 as presented.

LEGAL ITEMS:

a. Consider Approval of District No. 8 Authorizing Resolution Regarding the Issuance of General Obligation Debt consisting of its Junior Lien Limited Tax General Obligation Bonds Series 2023C(3) in the aggregate principal amount of up to \$5,500,000, and authorizing the execution of an Indenture of Trust, Junior Lien Capital Pledge Agreement and related documents and determinations and findings valorem. Mr. O’Leary presented the Resolution to the Board, again noting that the bonds would be issued in tax exempt bonds, at a fixed, lower rate than what the District is currently paying. Mr. Veio as Bond Counsel to the Districts discussed the matter in further detail, the terms and parameters for issuance of the District No. 8 bonds, pledge agreement and mill levy and interest rate provisions with the Board. Directors McGraw, Walter and Coombes all presented questions and the District consultants provided comments and answers. Director Buckendorf stated the belief that the Board has a fiduciary responsibility to the District and residents, to keep bond costs and repayment obligations and interest rates as low as possible, while noting that the request was for a smaller amount than the capacity available. Approval is only being sought for the decreased amount of \$5,500,000, and not the full \$7,000,000, which the District had the authorization to approve, and that the bonds could again be re-financed in the future, should rates decrease and there exists a net present interest savings, and when and if the Boards of Directors deem it appropriate. Upon motion duly made by Director Kidder, seconded by Director Schumacher, the Board unanimously approved the Authorizing Resolution to issue debt at \$5,500,000, as presented based upon the parameters provided and explained to the Boards.

b. Consider Approval of District No. 2 Resolution approving the issuance of General Obligation Debt consisting of a Junior Lien Capital Pledge Agreement to be entered into by and among District No. 2, District No. 3, District No. 4, and District No. 6 (Pledge Agreement”) in connection with issuance by District No. 8 of Junior Lien Limited Tax General Obligation Bonds Series 2023C(3) in the aggregate principal amount of up to \$5,500,000, and authorizing the imposition of ad valorem property taxes by District No. 2 for application to the payment of the Series 2023C(3) Bond pursuant to the terms of such Junior Lien Capital Pledge Agreement. Mr. Veio and Mr. O’Leary provided further explanation to the general public and board members, outlining the structure and format for the proposed issuance and the proposal that District No. 2 collect property taxes which, pledge the appropriate revenues for the repayment of the repayment

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obligations and/or debt, which are then transferred to the District issuing the bonds to pay towards the proposed Bonds.

Mr. O’Leary asked for a vote of the board based upon the documents presented and discussion. Upon motion duly made by Director Ziegler, seconded by Director Schumacher and unanimously carried, the Board of District No. 2 approved resolution authorizing the execution and delivery of the Pledge Agreement referred to in paragraph (b) requiring the imposition of ad valorem property taxes by District No. 2 and No. 2 and payment of the same to or at the direction of District No. 8 for application to the payment of the Series 2023C(3) Bonds and other obligations identified therein, and including execution, issuance, and delivery of documents necessary to complete the Series 2023C(3) Bonds transaction and related documents; and making the determination and finding as to matters related to such transactions and also authorizing incidental actions and repealing prior inconsistent actions.

c. Consider Approval of District No. 3 Resolution approving the issuance of General Obligation Debt consisting of a Junior Lien Capital Pledge Agreement to be entered into by and among District No. 2, District No. 3, District No. 4, and District No. 6 (Pledge Agreement”) in connection with issuance by District No. 8 of Junior Lien Limited Tax General Obligation Bonds Series 2023C(3) in the aggregate principal amount of up to \$5,500,000, and authorizing the imposition of ad valorem property taxes by District No. 3 for application to the payment of the Series 2023C(3) Bond pursuant to the terms of such Junior Lien Capital Pledge Agreement.

Upon motion duly made by Director Schumacher, seconded by Director Ziegler and unanimously carried, the Board of District No. 3 approved resolution authorizing the execution and delivery of the Pledge Agreement referred to in paragraph (b) requiring the imposition of ad valorem property taxes by District No. 3 and No. 3 and payment of the same to or at the direction of District No. 8 for application to the payment of the Series 2023C(3) Bonds and other obligations identified therein, and including execution, issuance, and delivery of documents necessary to complete the Series 2023C(3) Bonds transaction and related documents; and making the determination and finding as to matters related to such transactions and also authorizing incidental actions and repealing prior inconsistent actions.

d. Consider Approval of District No. 4 Resolution approving the issuance of General Obligation Debt consisting of a Junior Lien Capital Pledge Agreement to be entered into by and among District No. 2, District No. 3, District No. 4 and District No. 6 (Pledge Agreement”) in connection with issuance by District No. 8 of Junior Lien Limited Tax General Obligation Bonds Series 2023C(3) in the aggregate principal amount of up to \$5,500,000, and authorizing the imposition of ad valorem property taxes by District No. 4 for application to the payment of the Series 2023C(3) Bond pursuant to the terms of such Junior Lien Capital Pledge Agreement.

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Upon motion duly made by Director Schumacher, seconded by Director Kidder and unanimously carried, the Board of District No. 4 approved resolution authorizing the execution and delivery of the Pledge Agreement referred to in paragraph (b) requiring the imposition of ad valorem property taxes by District No. 4 and No. 4 and payment of the same to or at the direction of District No. 8 for application to the payment of the Series 2023C(3) Bonds and other obligations identified therein, and including execution, issuance, and delivery of documents necessary to complete the Series 2023C(3) Bonds transaction and related documents; and making the determination and finding as to matters related to such transactions and also authorizing incidental actions and repealing prior inconsistent actions.

e. Consider Approval of District No. 6 Resolution approving the issuance of General Obligation Debt consisting of a Junior Lien Capital Pledge Agreement to be entered into by and among District No. 2, District No. 3, District No. 4 and District No. 6 (Pledge Agreement” in connection with issuance by District No. 8 of Junior Lien Limited Tax General Obligation Bonds Series 2023C(3) in the aggregate principal amount of up to \$5,500,000, and authorizing the imposition of ad valorem property taxes by District No. 6 for application to the payment of the Series 2023C(3) Bond pursuant to the terms of such Junior Lien Capital Pledge Agreement.

Upon motion duly made by Director Ziegler, seconded by Director Schumacher and unanimously carried, the Board of District No. 6 approved resolution authorizing the execution and delivery of the Pledge Agreement referred to in paragraph (b) requiring the imposition of ad valorem property taxes by District No. 6 and No. 6 and payment of the same to or at the direction of District No. 8 for application to the payment of the Series 2023C(3) Bonds and other obligations identified therein, and including execution, issuance, and delivery of documents necessary to complete the Series 2023C(3) Bonds transaction and related documents; and making the determination and finding as to matters related to such transactions and also authorizing incidental actions and repealing prior inconsistent actions.

f. Consider Approval and Ratification of Engagement of Bond Consultants and Financial Consultants for Issuance of the District No. 8 2023C(3) Bonds. Upon motion duly made by Director Kidder, seconded by Director Ziegler and unanimously carried, the Board approved the Approval and Ratification of Engagement of Bond Consultants and Financial Consultants for the issuance of the District No. 8 2023C(3).

OTHER MATTERS:

There were none.

PUBLIC COMMENT:

There were none.

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ADJOURNMENT:

There being no further business to come before the Board and upon motion duly made by Director Kidder, seconded by Director Ziegler, and unanimously carried, the meeting was adjourned at 2:32 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. 1-4 & 6-8.

Respectfully Submitted,



Secretary for the Meeting