

**RECORD OF PROCEEDINGS**

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**MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE  
COTTONWOOD HIGHLANDS NO. 1 METROPOLITAN DISTRICT HELD  
April 2, 2020**

A Special Meeting of the Board of Directors of the Cottonwood Highlands Metropolitan District No. 1 was held on Thursday, April 2, 2020 at 10:00 a.m. as a video conference on GoToMeeting due to Executive Orders issued by Governor Polis and Public Health orders implementing the Executive Orders issued by the Colorado Department of Health and Environment, and the threat posed by the COVID-19 coronavirus.

Attendance

The meeting was 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 Board, were in attendance:

John Cheney  
Debbie Hessler  
Jill Luchs

Also in attendance were:

Kim Herman and Nancy Bach; CliftonLarsonAllen LLP  
Sean Allen; White Bear Ankele Tanaka & Waldron

Call to Order

The meeting was called to order at 10:03 a.m.

Disclosure Matters

Mr. Allen advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. Allen 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 Board. The Board indicated that there were no additional disclosures of potential or existing conflicts of interest with regard to the matters scheduled for discussion at the meeting. The Board determined that the participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

Consider Adoption of  
Resolution Declaring  
Emergency Procedures  
To Authorize  
Telephonic Regular  
And Special Meetings  
In Lieu of In-Person  
Meetings

Upon a motion duly made by Director Luchs, seconded by Director Cheney and, upon vote unanimously carried, the Board approved the Resolution Declaring Emergency Procedures to Authorize Telephonic Regular and Special Meetings in Lieu of In-Person Meetings.

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Approval of Agenda Upon motion duly made by Director Cheney, second by Director Luchs and, upon vote unanimously carried, the Board approved the agenda as presented.

Public Comment There was no public comment.

Administrative Matters A. Review and Approve December 4, 2019 Special Meeting Minutes  
Upon motion duly made by Director Hessler, second by Director Luchs and, upon vote unanimously carried, the Board approved the December 4, 2019 Special meeting Minutes.

B. Other

None.

Financial Matters A. Review, Ratify and Approve Claims  
Upon motion duly made by Director Cheney, second by Director Luchs and, upon vote unanimously carried, the Board ratified approval of claims in the amount of \$109,358.89.

B. Review and Consider Acceptance of December 31, 2019 Financial Statements

Ms. Bach reviewed the financials with the Board noting on the Cash Position Report that there is a possible amendment to the CPF for 2020.

Following review, upon motion duly made by Director Cheney, second by Director Hessler and, upon vote unanimously carried, the Board approved the December 31, 2019 financial statements.

C. Discuss Facilities Acquisition Agreement Reimbursement Application

i. Lennar Colorado, LLC Application and IDES Cost Certification for Landscape, dated February 2020 [\$277,758.47 allocation in project fund]

The Board reviewed Lennar Colorado, LLC's application for reimbursement, and the IDES Cost Certification No. 3, Infrastructure Acquisition No. 2 and Useful Life Analysis Report No. 3 dated February 2020 related to \$277,758.47 of Filing 2C, Tracts A-E park and recreation landscape improvements. Upon a motion duly made by Director Cheney, seconded by Director Luchs and, upon vote unanimously carried, the Board approved the \$277,758.47 Lennar Colorado, LLC reimbursement application and IDES Cost Certification for Landscape, dated February 2020.

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ii. Resolution Approving Construction Costs and Acquisition of Improvements (Filing 2C, Tracts A-E)

Upon a motion duly made by Director Cheney, seconded by Director Luchs and, upon vote unanimously carried, the Board approved the Resolution Approving \$277,758.47 of certified Construction Costs and Acquisition of Improvements (Filing 2C, Tracts A-E).

iii. Requisition of Senior and Subordinate Project Funds for \$277,758.47

Upon a motion duly made by Director Cheney, seconded by Director Hessler and, upon vote unanimously carried, the Board approved the Requisition of Senior and Subordinate Project Funds for \$277,758.47.

iv. Notice to Trustee for Project Fund Completion

Upon a motion duly made by Director Cheney, seconded by Director Hessler and, upon vote unanimously carried, the Board decided to hold the Notice to Trustee for Project Fund Completion.

v. Project Fund Remaining Balance Transfer to Bond Fund

Ms. Bach reviewed the remaining costs and expenses balance to transfer to the Bond Fund, using the funds to cover expenses from IDES for engineering work. Upon a motion duly made by Director Cheney, seconded by Director Hessler, and upon vote unanimously carried, the Board approved transferring funds to cover expenses.

D. Other

None.

Legal Matters

A. Review and Consider Approval of Resolution Placing a Hold on Late Fees for Assessments due to COVID-19

Upon a motion duly made by Director Luchs, seconded by Director Hessler and, upon vote unanimously carried, the Board adopted the Resolution Placing a Hold on Late Fees for Assessments due to COVID-19, noting no late fees or interest will be charged through July 1, 2020. It was noted that the monthly operation fee and working capital fee are still due and owing as scheduled. Collections for delinquent fees will not be pursued until July 1, 2020.

B. Other

None.

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### Manager Matters

#### A. Review and Consider Approval of 2020 Tree Replacement Proposal

Upon a motion duly made by Director Hessler, seconded by Director Luchs and, upon vote unanimously carried, the Board approved the 2020 Tree Replacement Proposal in the amount of \$18,400. The Board approved Ms. Herman working with residents to set up a landscaping committee to work directly with the landscaping company between meetings and provide recommendations to the Board.

#### B. Other

The Board noted that notices of closure had been placed at the playgrounds.

### Director Matters

#### A. Director Election Canceled

Mr. Allen provided an update that the Director Election is canceled as only one homeowner, Ryan Foristal, was interested and the election was uncontested.

#### B. Other

The Board discussed the 2019 audit. Upon a motion duly made by Director Cheney, seconded by Director Luchs and, upon vote unanimously carried, the Board directed CLA to send the audit to the Board, handle comments, finalize and file.

### Next Meeting

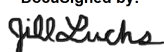
#### A. Confirmation of Quorum

The Board decided to hold the next meeting in November.

### Adjournment

Upon a motion duly made by Director Cheney, seconded by Director Luchs and, upon vote unanimously carried, the Board adjourned at 10:46 a.m.

Respectfully submitted,

DocuSigned by:  
  
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## Certificate Of Completion

|  |                                   |
|--|-----------------------------------|
| Envelope Id: 4108DBBC61214FC8B2EF7DCA160FE9DE          | Status: Completed                 |
| Subject: Please DocuSign: CHMD1 - 4-2-2020 Minutes.pdf |                                   |
| Client Name: Cottonwood Highlands MD 1                 |                                   |
| Client Number: 011-044666                              |                                   |
| Source Envelope:                                       |                                   |
| Document Pages: 4                                      | Signatures: 1                     |
| Certificate Pages: 4                                   | Initials: 0                       |
| AutoNav: Enabled                                       | Envelope Originator:              |
| Envelopeld Stamping: Enabled                           | Natalie Herschberg                |
| Time Zone: (UTC-06:00) Central Time (US & Canada)      | 220 South 6th Street              |
|  | Suite 300                         |
|  | Minneapolis, MN 55402             |
|  | Natalie.Herschberg@claconnect.com |
|  | IP Address: 71.229.180.51         |

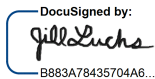
## Record Tracking

|                       |                                   |                    |
|-----------------------|-----------------------------------|--------------------|
| Status: Original      | Holder: Natalie Herschberg        | Location: DocuSign |
| 11/19/2020 2:45:06 PM | Natalie.Herschberg@claconnect.com |                    |

## Signer Events

Jill Luchs  
 Jill.Luchs@lennar.com  
 Security Level: Email, Account Authentication (None)

## Signature

DocuSigned by:  
  
 B883A78435704A6...

Signature Adoption: Drawn on Device  
 Using IP Address: 99.57.180.204

## Timestamp

Sent: 11/19/2020 2:48:39 PM  
 Viewed: 11/19/2020 3:24:33 PM  
 Signed: 11/19/2020 3:24:43 PM

## Electronic Record and Signature Disclosure:

Accepted: 11/19/2020 3:24:33 PM  
 ID: f70ee403-61fc-40f8-8f26-d4ce7931c07f

## In Person Signer Events

## Signature

## Timestamp

## Editor Delivery Events

## Status

## Timestamp

## Agent Delivery Events

## Status

## Timestamp

## Intermediary Delivery Events

## Status

## Timestamp

## Certified Delivery Events

## Status

## Timestamp

## Carbon Copy Events

## Status

## Timestamp

## Witness Events

## Signature

## Timestamp

## Notary Events

## Signature

## Timestamp

## Envelope Summary Events

## Status

## Timestamps

|                     |                  |                       |
|---------------------|------------------|-----------------------|
| Envelope Sent       | Hashed/Encrypted | 11/19/2020 2:48:40 PM |
| Certified Delivered | Security Checked | 11/19/2020 3:24:33 PM |
| Signing Complete    | Security Checked | 11/19/2020 3:24:43 PM |
| Completed           | Security Checked | 11/19/2020 3:24:43 PM |

## Payment Events

## Status

## Timestamps

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