

MINUTES OF THE JOINT SPECIAL MEETING OF THE
BOARDS OF DIRECTORS

MORGAN HILL METROPOLITAN DISTRICT NOS. 1, 2
AND 3

Held: October 6th, 2021 at 10:30 A.M. to 11:08 A.M., at 2500
Arapahoe Avenue, Suite 220, Boulder, CO

Attendance/Qualification

A joint special meeting of the Boards of Directors of Morgan Hill Metropolitan District Nos. 1, 2 and 3 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 Boards, were in attendance:

Jon R. Lee
Jessica Brothers
Steve Rane

Also present for the District: K. Sean Allen, Esq., White, Bear, Ankele, Tanaka & Waldron, Attorneys at Law; K.C. Veio, Lindsay Conroy and Harsha Sekar, Kline Alvarado Veio, P.C. and Tom Wynne, Wells Fargo

Combined Meeting

The Boards of Directors of the Districts have determined to hold a joint meeting 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.

Call to Order/Quorum

Director Lee noted that a quorum of the Districts' Boards was present and called the meeting to order.

Disclosure Matters

Mr. Allen advised the Boards 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 Boards. Mr. Allen 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. No additional disclosures were noted. The Boards determined that the participation of the members present was necessary to obtain a quorum or to

otherwise enable the Boards to act.

Approval of Agenda

The Boards reviewed the agenda. Following discussion, upon motion duly made and seconded, the Boards unanimously approved the agenda.

General Matters

Exclusion Hearing;
Consider Approval of
Resolutions and Orders for
Exclusion of

Director Lee opened the public hearing on the Petitions for Exclusion of Property. Mr. Allen noted that notice of the public hearing was published in accordance with Colorado law and no written objections or comments have been received. There being no public comment, the hearing was closed.

Mr. Allen reviewed the petitions and Resolution and Order for Exclusion of Property with the Board of District No. 1. The Board considered the factors to determine whether to grant or deny the petitions for exclusion pursuant to Colorado law. Following discussion, upon a motion duly made and seconded, the Board determined to grant the petitions and adopt the Resolution and Order for Exclusion.

Mr. Allen reviewed the petitions and Resolution and Order for Exclusion of Property with the Board of District No. 2. The Board considered the factors to determine whether to grant or deny the petition for exclusion pursuant to Colorado law. Following discussion, upon a motion duly made and seconded, the Board determined to grant the petitions and adopt the Resolution and Order for Exclusion.

Mr. Allen reviewed the petitions and Resolution and Order for Exclusion of Property with the Board of District No. 3. The Board considered the factors to determine whether to grant or deny the petition for exclusion pursuant to Colorado law. Following discussion, upon a motion duly made and seconded, the Board determined to grant the petitions and adopt the Resolution and Order for Exclusion.

Inclusion Hearing; Consider
Approval of Resolutions and
Orders for Inclusion of
Property by the Board of
Directors

Director Lee opened the public hearing on the Petitions for Inclusion of Property. Mr. Allen noted that notice of the public hearing was published in accordance with Colorado law and no written objections or comments have been received. There being no public comment, the hearing was closed.

Mr. Allen reviewed the petitions and Resolution and Order for Inclusion of Property with the Board of District No. 1. Following

discussion, upon a motion duly made and seconded, the Board determined to grant the petitions and adopt the Resolution and Order for Inclusion.

Mr. Allen reviewed the petitions and Resolution and Order for Inclusion of Property with the Board of District No. 2. Following discussion, upon a motion duly made and seconded, the Board determined to grant the petitions and adopt the Resolution and Order for Inclusion.

Mr. Allen reviewed the petitions and Resolution and Order for Inclusion of Property with the Board of District No. 3. Following discussion, upon a motion duly made and seconded, the Board determined to grant the petitions and adopt the Resolution and Order for Inclusion.

District No. 3 Series 2021 Bonds

Bond Issuance Progress
Status Report: Wells Fargo

Mr. Wynne with Wells Fargo provided a general summary of the senior and subordinate structure of the debt and the refunding of the 2018 debt. He noted the estimated par, maturity schedule and bond discharge provisions.

District No. 3 Consider adoption of resolution authorizing the District to issue its Senior Limited Tax General Obligation Refunding and Improvement Bonds, Series 2021A and Subordinate Limited Tax General Obligation Refunding and Improvement Bonds, Series 2021B

Mr. Veio provided a summary of parameters resolution authorizing the issuance of District No. 3's Series 2021 A and B Bonds and approving various Bond related documents.

Director Lee noted that the currently favorable bond market and lower interest rates were considerations for doing the 2018 debt refinancing at this time.

Following discussion, upon a motion duly made and seconded, the Board approved the parameters resolution.

District Nos. 1 and 2 Resolution authorizing a Capital Pledge Agreement and Junior Lien Capital Pledge Agreement

Mr. Veio stated that the Series 2021 Bonds utilize a Capital Pledge Agreement whereby District Nos. 1 and 2 pledge certain revenues to the repayment of the Series 2021 A and B Bonds. Mr. Veio presented a Resolution for District Nos. 1 and 2 authorizing the Capital Pledge Agreement. Following discussion, upon a motion duly made and seconded, the Boards approved the resolution.

District No. 3 Consider

Mr. Veio gave a summary of the Junior Lien Bond, Series 2021C

adoption of resolution
authorizing the District to
issue its Junior Lien Limited
Tax General Obligation
Bond, Series 2021C

noting it will be the new money component of the debt refinance transaction to be used to acquire improvements and repay the developer for certified public improvement costs.

Following discussion, upon a motion duly made and seconded, the Board approved the parameters resolution.

Next Regular Meeting

The next regular meeting is October 28, 2021.

Adjournment

There being no further business to come before the Boards, and upon motion duly made, seconded and unanimously carried, the Boards determined to adjourn the meeting. The foregoing minutes were approved by the Boards of Directors on October 28, 2021, and constitute a true and correct copy of the minutes of the above-referenced meeting.

Steve Rane

Steve Rane (Nov 24, 2021 09:32 MST)

Secretary for the Meeting