

MINUTES OF THE JOINT REGULAR MEETING OF THE
BOARDS OF DIRECTORS

MORGAN HILL METROPOLITAN DISTRICT NOS. 1, 2 AND
3

Held: April 28, 2022, at 2:30 P.M., via Conference Call.

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.

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 as presented.

Approval of Minutes The minutes of the October 22, 2020 and October 28, 2021 meeting were submitted to the Boards for approval. Following discussion, upon motion duly made and seconded the Boards unanimously approved the minutes as presented.

Construction Update Mr. Lee provided a construction update to the Boards noting that Filing No. 1 is in the warranty period. He informed the Boards that all Filing No. 2 improvements except landscape should be done by end of the summer.

Approval/Ratification of Public Improvement Construction Contract(s) and Change Orders The Board of District No. 1 reviewed the change orders. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the change orders.

The Board of District No. 3 reviewed the public improvement construction contracts. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the contracts.

Contract Bids and Awards, Construction Budgets by District None.

Developer Construction of Public Improvements; Developer Construction Cost Reimbursement Application; IDES Certified Cost Reports It was noted that the first cost report, certification and reimbursement might be ready for consideration at the October 2022 meeting.

Financial Matters

Financial Statements and Payables Director Rane presented the financial statements dated March 31, 2022, and the current and interim payables for approval. Following discussion, upon motion duly made and seconded, the Boards unanimously approved the financial statements and ratified the payables.

2021 Audit The Boards of District Nos. 1 & 2 reviewed the draft 2021 Audits. Following discussion, upon motion duly made and seconded, the Boards unanimously accepted the 2021 Audits.

The Board of District No. 3 reviewed the draft 2021 Audit. Following discussion, upon motion duly made and seconded, the Board unanimously accepted the 2021 Audit subject to a clean opinion from the auditor and review and comment from legal counsel.

General Matters

2022 Annual Administrative Resolution The Boards reviewed the 2022 Annual Administrative Resolution. Following discussion, upon motion duly made and seconded, the Boards unanimously approved the resolution.

2022 Accounting/Construction Management Renewal and Rates The Boards reviewed the 2022 Accounting/Construction Management Renewal and Rates. Following discussion, upon motion duly made and seconded, the Boards unanimously approved the renewal and rates.

Discuss HOA Operations and Maintenance of Public Improvements (District Nos. 1 and 3) The Boards of District Nos. 1 & 3 indicated that plan is for the HOA to do operations and maintenance of the completed public improvements. Further discussion is expected at the October meeting regarding an Operations and Maintenance Agreement with the HOA for public improvements.

The Board engaged in general discussion regarding the pool building opening in June or July of 2022. Following discussion, upon motion duly made and seconded, the Boards unanimously approved adding property insurance coverage to the pool building.

Next Regular Meeting The next regular meeting is October 27, 2022.

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 27, 2022, and constitute a true and correct copy of the minutes of the above-referenced meeting.

Steve Kane

Secretary for the Meeting