

RECORD OF PROCEEDINGS

MINUTES OF THE ORGANIZATIONAL MEETING OF
THE BOARD OF DIRECTORS OF THE
COMMONS AT EAST CREEK METROPOLITAN DISTRICT
(THE "DISTRICT")
HELD
February 10, 2020

An organizational meeting of the Board of Directors of The Commons at East Creek Metropolitan District (referred to hereafter as the "Board") was convened on Monday, February 10, 2020, at 1:30 p.m., at the offices of Meritage Homes of Colorado, 8400 E. Crescent Parkway, Suite 200, Greenwood Village, Colorado 80111. The meeting was open to the public.

Directors In Attendance Were:

Glenn Nier
Gary Fantasky
Matthew Larsen

Also In Attendance Was:

Paula Williams and Jennifer S. Henry; McGeady Becher P.C.

DISCLOSURE OF
POTENTIAL
CONFLICTS OF
INTEREST

The Board noted that disclosures of potential conflict of interest statements for each of the Directors were filed with the Secretary of State seventy-two hours in advance of the meeting. Attorney Williams requested that the Directors consider whether they had any additional conflicts of interest to disclose. Attorney Williams noted for the record that there were no new disclosures made by the Directors present at the meeting and incorporated for the record those applicable disclosures made by the Board Members prior to this meeting and in accordance with the statutes. It was noted that disclosure statements had been filed for all Directors.

ADMINISTRATIVE
MATTERS

Agenda: The Board reviewed the distributed Agenda for the District's organizational meeting. Following discussion, upon motion duly made by Director Nier, seconded by Director Larsen and, upon vote unanimously carried, the Agenda was approved. The absences of Director Trujillo and Bird were excused.

Approval of Meeting Location: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. Following discussion, and upon motion duly made by

RECORD OF PROCEEDINGS

Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within its boundaries or within the county that the District is located to conduct this meeting, it was determined to conduct the meeting at the above-stated location. The Board further noted that notice of this location was duly posted and that it had not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within the District's boundaries.

Method of Delivery of Meeting Packets: The Board directed that electronic meeting packets be emailed to the Board prior to meetings and one hard copy of the full meeting packet and hard copies of the Agenda be brought to meetings.

Oaths of Office and Organizational Documents: It was confirmed by Attorney Williams that the oaths of office and organizational documents have been filed with the proper offices.

Appointment of Officers: Following discussion, upon a motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the following slate of officers were appointed for the District:

President:	Glenn Nier
Treasurer:	Michele Trujillo
Assistant Secretary:	Michael Bird, Matthew Larsen and Gary Fantasky
Secretary:	Jennifer S. Henry, McGeady Becher P.C.

Public comment: There was no public comment.

Engagement of McGeady Becher P.C. as District General Counsel: The Board considered the engagement of McGeady Becher P.C. as District General Counsel. Following discussion, upon a motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board engaged McGeady Becher P.C. as District General Counsel.

Engagement of District Manager and District Accountant: Discussion deferred.

Engagement of D.A. Davidson & Company for Investment Banking Services: The Board considered the engagement of D.A. Davidson & Company for Investment Banking Services. Following discussion, upon a motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board engaged D.A. Davidson & Company for Investment Banking Services.

Engagement of Sherman & Howard L.L.C. as District Bond Counsel: The Board considered the engagement of Sherman & Howard L.L.C. as District Bond Counsel. Following discussion, upon a motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board

RECORD OF PROCEEDINGS

engaged Sherman & Howard L.L.C. as District Bond Counsel.

Resolution No. 2020-02-01 Authorizing District Insurance Coverage through the Colorado Special Districts Property and Liability Pool and the Special District Association: Attorney Williams reviewed the statutory requirements for insurance coverage with the Board. Following discussion, the Board determined to obtain public officials' liability, general liability and comprehensive crime insurance coverage through the Colorado Special Districts Property and Liability Pool, to join the Special District Association ("SDA") and approve the Agency Services Agreement with T. Charles Wilson for insurance agency services. Upon motion duly made by Director Nier, seconded by Director Larsen and, upon vote, the Board adopted Resolution No. 2020-02-01 to obtain insurance coverage through the Colorado Special Districts Property and Liability Pool, join the SDA and approved the Agency Services Agreement with T. Charles Wilson.

Eligible Governmental Entity Agreement: Following discussion, upon motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board approved the Eligible Governmental Entity Agreement with the State of Colorado Statewide Internet Portal Authority for establishing a District website.

Resolution No. 2020-02-02; Establishing Regular Meeting Dates, Time and Location, Establishing District Website and Designating Location for Posting of 24-Hour Notices: Following discussion, upon a motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-02-02; Establishing Regular Meeting Dates, Times and Location, Establishing District Website and Designating Location for Posting of 24-Hour Notices and schedules a regular meeting in 2020 for October 26, 2020 at 1:00 p.m., at the offices of Meritage Homes of Colorado, 8400 E. Crescent Parkway, Suite 200, Greenwood Village, Colorado 80111.

FINANCIAL MATTERS

Federal Employer Identification Number ("FEIN"), Sales Tax Exemption and PDPA Numbers: Following discussion, upon a motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board approved the execution of the following documents:

1. Application for FEIN;
2. Application for Sales Tax Exemption for Colorado; and
3. Application for Assignment of PDPA Number for Public Funds Deposited in Banks.

Investment Policy: Following discussion, upon a motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board approved the establishment of a policy authorizing investments in accordance with

RECORD OF PROCEEDINGS

state statutes.

Preparation of 2020 Budget: Following discussion, upon a motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board ratified the preparation of the District's 2020 Budget.

Public Hearing on 2020 Budget: The Board opened the public hearing to consider the District's proposed 2020 Budget. It was noted that Notice stating that the Board would consider adoption of the 2020 Budget and the date, time and place of the public hearing was posted pursuant to statute.

No public comments were received, and the public hearing was closed.

Following review and discussion, upon a motion made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-02-03 to Adopt the 2020 Budget and Appropriating Sums of Money.

Establishment of District Bank Account: Following discussion, upon motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board approved the establishment of the District's bank account and authorized all Board members to be signers on the account and adopted a policy requiring two signatures on all checks.

2020 Bond Issuance: It was noted that the Board expects to close on the bonds in April or May.

LEGAL MATTERS

Service Plan Intergovernmental Agreement with the City of Aurora, Colorado: The Board reviewed the Service Plan Intergovernmental Agreement with the City of Aurora, Colorado ("Service Plan IGA"). Following discussion, upon motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board approved the Service Plan IGA.

Operation Funding Agreement: The Board reviewed the proposed Operation Funding Agreement by and between the District and Meritage Homes of Colorado, Inc. Following discussion, upon motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board approved the Operation Funding Agreement by and between the District and Meritage Homes of Colorado, Inc.

Facilities Funding and Acquisition Agreement: The Board reviewed the proposed Facilities Funding and Acquisition Agreement by and between the District and Meritage Homes of Colorado, Inc. Following discussion, upon motion duly made

RECORD OF PROCEEDINGS

by Director Nier, seconded by Director Larsen and, upon vote unanimously carried, the Board approved the Facilities Funding and Acquisition Agreement by and between the District and Meritage Homes of Colorado, Inc.

Imposition of District Fees: The Board noted that the District will be imposing operations fees and they are working on operating calculations. No action taken.

Cost Verification Services: The Board discussed the need for cost verification services. No action taken.

Resolution No. 2020-02-04; Resolution Providing Policy Regarding Recording of Public and Executive Session Meetings: Following discussion, upon a motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-02-04; Resolution Providing Policy Regarding Recording of Public and Executive Session Meetings.

Resolution No. 2020-02-05; Resolution Providing for the Defense and Indemnification of Directors and Employees of the District: Following discussion, upon a motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-02-05; Resolution Providing for the Defense and Indemnification of Directors and Employees of the District.

Resolution No. 2020-02-06; Resolution Declaring the District's Intent to Reimburse Expenditures with the Proceeds of Future Tax-Exempt Bonds: Following discussion, upon a motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-02-06; Resolution Declaring the District's Intent to Reimburse Expenditures with the Proceeds of Future Tax-Exempt Bonds.

Resolution No. 2020-02-07; Resolution Regarding the District's Intent to Reimburse Developer for Advances for Operations, Maintenance and Capital Expenses: Following discussion, upon a motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-02-07; Resolution Regarding the District's Intent to Reimburse Developer for Advances for Operations, Maintenance and Capital Expenses.

Resolution No. 2020-02-08; Resolution Regarding Colorado Open Records Act Requests: Following discussion, upon a motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-02-08; Resolution Regarding Colorado Open Records Act Requests.

RECORD OF PROCEEDINGS

Resolution No. 2020-02-09; Resolution Regarding the Retention and Disposal of Public Records and Adopting a Public Records Retention Schedule: Following discussion, upon a motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-02-09; Resolution Regarding the Retention and Disposal of Public Records and Adopting a Public Records Retention Schedule.

Resolution No. 2020-02-10 Calling May 5, 2020 Election: The Board discussed the May 5, 2020 election. Following discussion, upon motion duly made by Director Nier, seconded by Director Larsen and, upon vote unanimously carried, the Board adopted Resolution No. 2020-02-10 Calling a May 5, 2020 Directors' Election which appointed Jennifer S. Henry as the Designated Election Official and authorized her to perform all tasks required for the May 5, 2020 Regular Election of the Board of Directors for the conduct of a mail ballot election.

COVENANT
ENFORCEMENT /
DESIGN REVIEW

Declaration of Covenants and Design Review Committee: Director Nier reported that the Covenants are in the process of being prepared.

CONSTRUCTION
MATTERS

Development / Construction Outlook: Director Nier provided an update to the Board regarding the status of construction, noting that site development is under way and they expect to open for sales in April or May.

OTHER BUSINESS

Consent: Attorney Williams discussed with the Board the consent to be listed on the McGeady Becher P.C. website as a client. Following discussion, upon motion duly made by Director Nier, seconded by Director Larsen and, upon vote, unanimously carried, the Board approved the Consent.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Nier, seconded by Director Larsen and, upon vote unanimously carried, the meeting was adjourned.

Respectfully submitted,

By: Jennifer S. Henry
Secretary for the Meeting