

RECORD OF PROCEEDINGS

MINUTES OF THE COORDINATED REGULAR MEETING OF THREE SPRINGS METROPOLITAN DISTRICT NO. 1 THREE SPRINGS METROPOLITAN DISTRICT NO. 2 THREE SPRINGS METROPOLITAN DISTRICT NO. 3 AND THREE SPRINGS METROPOLITAN DISTRICT NO. 4

HELD

DECEMBER 9, 2020

A Coordinated Regular Meeting of the Boards of Directors (“Board”) of the Three Springs Metropolitan District No. 1 (“District No. 1”), Three Springs Metropolitan District No. 2 (“District No. 2”), Three Springs Metropolitan District No. 3 (“District No. 3”) and Three Springs Metropolitan District No. 4 (“District No. 4”, and together with District No. 1, District No. 2 and District No. 3, the “Districts”) was held via teleconference by calling: 415-655-0003 (access code 145 613 1311), on Wednesday, December 9, 2020 at 3:00 p.m.

ATTENDANCE

Directors in Attendance were:

Patrick Morrissey
Jon Penny
Tim Zink
Gary Whalen
Patrick S. Vaughn

Absent (excused):

None.

Also in Attendance were:

Paul R. Cockrel of Collins Cockrel & Cole, P.C., via telephone
David A. Greher, CCC, via telephone
Sarah H. Luetjen of CCC, via telephone
Kim Morris, GF Properties, LLC (“GF Properties”)
Ross Wieser, Ross Wieser Consulting, via telephone
Suzanne Serianni, Community Manager
Tom Wynne, Wells Fargo
Jason Simmons, Hilltop Securities

Helen Atkeson, Hogan Lovells (“Hogan”)
Scott Lilienthal, Hogan
Jonathan Heroux, Piper Sandler

CONFLICTS OF
INTEREST

Mr. Cockrel reported that general conflict of interest statements had previously been received from all directors and filed with the Secretary of State more than 72 hours in advance of the meeting, disclosing potential conflicts of interest as follows.

Chairman Morrissey, is the President and COO of and employed by GF Properties Group, LLC (“GFP”), a Colorado limited liability company, which is affiliated with GRVP, LLC (“GRVP”), a Colorado limited liability company, which is the owner and master developer of all or a significant share of the developable real property within each of the Districts. Additionally, he is an authorized representative of Tierra Group, LLC (“Tierra”), which is the sole member of (i) GRVP and (ii) Tierra Vision Homes, LLC, Tierra Custom Homes, LLC, GFP Mercado, LLC, Confluence Durango, LLC and GFP 3S Apartments, LLC, related entities which own or will own and improve properties within the Districts. GFP, GRVP and Tierra (the “Companies”) are each indirectly owned by the Southern Ute Indian Tribe (the “Tribe”). The Tribe is the sole member of GFMC, LLC (“GFMC”), which is the manager of each of the Companies. He is regularly authorized by GFMC to carry out various management activities of the Companies. Although he is an officer, employee and agent of the Companies, he is not an owner or creditor of the Companies, GFMC or the Tribe, nor does he have any other substantial financial interest in the Companies, GFMC or the Tribe.

Director Vaughn is the Operating Director – Non-Energy and an employee of the Southern Ute Indian Tribe Growth Fund, a division of the Tribe. The Tribe is the sole owner of GFP, which is affiliated with GRVP, a Colorado limited liability company, which is the owner and master developer of all or a significant share of the developable real property within the District. Additionally, he is an authorized representative of Tierra, which is the sole member of (i) GRVP and (ii) Tierra Vision Homes, LLC, Tierra Custom Homes, LLC, GFP Mercado, LLC, Confluence Durango, LLC and GFP 3S Apartments, LLC, related entities which own or will own and improve properties within the District. GFP, GRVP and Tierra are each directly or indirectly owned by the Tribe. The Tribe is the sole member of GFMC, which is the manager of each of the Companies. He is an authorized representative of GFMC for various business purposes.

Although he is an officer, employee and agent of the Companies, he is not an owner or creditor of the Companies, GFMC or the Tribe, nor does he have any other substantial financial interest in the Companies, GFMC or the Tribe.

Director Penny is employed by GFP. Additionally, he is an authorized representative of Tierra, which is the sole member of (i) GRVP and (ii) Tierra Vision Homes, LLC, Tierra Custom Homes, LLC, GFP Mercado, LLC, Confluence Durango, LLC and GFP 3S Apartments, LLC, related entities which own or will own and improve properties within the District. GFP, GRVP and Tierra are each directly or indirectly owned by the Tribe. The Tribe is the sole member of GFMC, which is the manager of each of the Companies. He is regularly authorized by GFMC to carry out various management activities of the Companies. Although he is an officer, employee and agent of the Companies, he is not an owner or creditor of the Companies, GFMC or the Tribe, nor does he have any other substantial financial interest in the Companies, GFMC or the Tribe.

Director Zink is also employed by GFP. Additionally, he is an authorized representative of Tierra, which is the sole member of (i) GRVP and (ii) Tierra Vision Homes, LLC, Tierra Custom Homes, LLC, GFP Mercado, LLC, Confluence Durango, LLC and GFP 3S Apartments, LLC, related entities which own or will own and improve properties within the District. GFP, GRVP and Tierra are each directly or indirectly owned by the Tribe. The Tribe is the sole member of GFMC, which is the manager of each of the Companies. He is regularly authorized by GFMC to carry out various management activities of the Companies. Although he is an officer, employee and agent of the Companies, he is not an owner or creditor of the Companies, GFMC or the Tribe, nor does he have any other substantial financial interest in the Companies, GFMC or the Tribe.

Director Whalen is also employed by GFP. Additionally, he is an authorized representative of Tierra, which is the sole member of (i) GRVP and (ii) Tierra Vision Homes, LLC, Tierra Custom Homes, LLC, GFP Mercado, LLC, Confluence Durango, LLC and GFP 3S Apartments, LLC, related entities which own or will own and improve properties within the District. GFP, GRVP and Tierra are each directly or indirectly owned by the Tribe. The Tribe is the sole member of GFMC, which is the manager of each of the Companies. He is regularly authorized by GFMC to carry out various management activities of the Companies. Although he is an officer, employee and agent of the Companies, he is not an owner or creditor of the

Companies, GFMC or the Tribe, nor does he have any other substantial financial interest in the Companies, GFMC or the Tribe.

All Directors present stated that the participation of at least three of them in the meeting was necessary to obtain a quorum of the Board or otherwise enable the Board to act; that written disclosures of such potential conflicts of interest of each Director had been filed with the Board and the Secretary of State in accordance with statutory requirements; and that the nature of each Director's private interests related to their employment and/or officership positions with the above-mentioned entities. After each Director had summarily stated for the record the fact and nature of his private interests and had further stated that the determination to participate in voting or take any other action on any contract or other matter in which he may have a private interest would be made in compliance with Section 24-18-201(1)(b)(V), C.R.S., on an ad hoc basis, the Board turned their attention to the agenda items.

All Disclosure of Potential Conflict of Interest Statements previously filed are deemed continuing for all purposes and are incorporated into the record of the meeting.

MINUTES

The Board reviewed the minutes of the September 16, 2020 Special Meeting. After discussion and upon motion duly made by Director Zink, seconded by Director Whalen and unanimously carried, the minutes of the meeting were approved as revised.

The board then reviewed the minutes of the November 9, 2020 Special Meeting. After discussion and upon motion duly made by Director Zink, seconded by Director Whalen and unanimously carried, the minutes of the meeting were approved as presented.

PUBLIC COMMENT

None.

FINANCIAL
REPORT

Mr. Wieser presented the financial reports for each District and a summary of invoices totaling \$124,873.54 for ratification and payment, which summary is attached hereto and incorporated herein by this reference. After discussion and upon motion duly made by Director Zink, seconded by Director Whalen and unanimously

carried, the Board of each District ratified and approved disbursements and payment of all invoices totaling \$124,873.54 as set forth on the summary.

PUBLIC HEARING
ON 2021 BUDGET

Mr. Wieser presented the proposed budgets for the Districts for the 2021 fiscal year. Chair Morrissey opened the public hearing to consider the proposed 2021 budget of each District, after noting that the Notice Concerning Proposed Budgets had been published pursuant to statute. No member of the public was present or provided written comment, and the public hearing was closed.

Mr. Weiser reviewed the budgets for District Nos. 1, 2, 3 and 4 and after further discussion and upon motion duly made by Director Vaughn, seconded by Director Zink and unanimously carried, the Board approved the 2021 fiscal year Budget of each District subject to receipt of final assessed valuation amounts, and adopted the Resolutions to Adopt Budget, Set Mill Levies and Appropriate Sums of Money, copies of which are attached hereto and incorporated herein by this reference

ENGAGEMENT OF
AUDITOR

Mr. Wieser discussed the engagement letters from Simmons & Wheeler, P.C. and their intent to conduct the audit of District Nos. 1 and 3 2020 financial statements. Following discussion and upon motion duly made by Director Zink, seconded by Director Penny and unanimously carried, the Board authorized the execution of the engagement letters and approved the appointment of Simmons & Wheeler, P.C. to conduct the audit of District Nos. 1 and 3 financial statements.

LIMITED TAX
(CONVERTIBLE TO
UNLIMITED TAX)
GENERAL
OBLIGATION
REFUNDING
BONDS, SERIES
2020A, DISTRICT
NO. 1

Jason Simmons, the District's municipal advisor and Tom Wynne, the underwriter's representative, discussed various financial matters regarding the District No. Series 2020A bond issuance. Ms. Atkeson, bond counsel, summarized the various Series 2020A bond documents with the Board.

Ms. Atkeson then presented the Bond Resolution Authorizing the Issuance of the District's Limited Tax (Convertible to Unlimited Tax) General Obligation Refunding Bonds, Series 2020A in an aggregate principal amount not to exceed \$24,000,000, which incorporates all

related bond closing documents. After discussion and upon motion duly made by Director Vaughn, seconded by Director Whalen and unanimously carried, the Resolution was approved as presented.

SUBORDINATE
LIMITED TAX
GENERAL
OBLIGATION
REFUNDING
BONDS, SERIES
2020B, DISTRICT
NO. 1

Jason Simmons and Tom Wynne next discussed various financial matters regarding the District No. 1 Series 2020B bond issuance. Ms. Atkeson summarized the various Series 2020B bond documents with the Board.

Ms. Atkeson then presented the Bond Resolution Authorizing the Issuance of the District's Subordinate Limited Tax General Obligation Refunding Bonds, Series 2020B in an aggregate principal amount not to exceed \$8,000,000, which incorporates all related bond closing documents. After discussion and upon motion duly made by Director Vaughn, seconded by Director Whalen and unanimously carried, the Resolution was approved as presented.

LIMITED TAX
(CONVERTIBLE TO
UNLIMITED TAX)
GENERAL
OBLIGATION
BONDS, SERIES
2020A, DISTRICT
NO. 4

Jason Simmons and Tom Wynne discussed various financial matters regarding the District No. 4 Series 2020A bond issuance. Ms. Atkeson summarized the various Series 2020A bond documents with the Board.

Ms. Atkeson then presented final Bond Resolution Authorizing the Issuance of the District's Limited Tax (Convertible to Unlimited Tax) General Obligation Refunding Bonds, Series 2020A in an aggregate principal amount not to exceed \$6,000,000, which incorporates all related bond closing documents. After discussion and upon motion duly made by Director Vaughn, seconded by Director Whalen and unanimously carried, the Resolution was approved as presented.

SUBORDINATE
LIMITED TAX
GENERAL
OBLIGATION
BONDS, SERIES
2020B, DISTRICT
NO. 4

Jason Simmons and Tom Wynne discussed various financial matters regarding the District No. 4 Series 2020B bond issuance. Ms. Atkeson summarized the various Series 2020B bond documents with the Board.

Ms. Atkeson then presented the Bond Resolution Authorizing the Issuance of the District's Subordinate Limited Tax General Obligation Refunding Bonds, Series 2020B in an aggregate principal amount not to exceed \$3,000,000, which incorporates all related bond closing

documents. After discussion and upon motion duly made by Director Vaughn, seconded by Director Whalen and unanimously carried, the Resolution was approved as presented.

FIRST
AMENDMENT OF
INTER-DISTRICT
FINANCING
AGREEMENT

Mr. Cockrel discussed the First Amendment of the Inter-District Financing Agreement with the Board of District No. 4. Following discussion, and upon motion duly made by Director Morrissey, seconded by Director Whalen and unanimously carried, the Board of District No. 4 approved the First Amendment of the Inter-District Financing Agreement, as presented.

SECOND
AMENDMENT TO
INTER-DISTRICT
FINANCING
AGREEMENT

Mr. Cockrel then summarized the Second Amendment of the Inter-District Financing Agreement with the Boards of District Nos. 1, 2 and 3. Following discussion, and upon motion duly made by Director Vaughn, seconded by Director Zink and unanimously carried, the Boards of District Nos. 1, 2 and 3 approved the Second Amendment of the Inter-District Financing Agreement, as presented.

REVISED NINTH
AMENDMENT OF
ACQUISITION AND
REIMBURSEMENT
AGREEMENT

Mr. Cockrel then summarized the Ninth Amendment (as revised) to the Acquisition and Reimbursement Agreement between GRVP, LLC and District No. 3 with the Board. Director Penny noted that a revision to the amendment is necessary to include additional advances recently made by GRVP. After disclosure of each Director's potential conflict of interest because of their relationships with the Companies and GRVP and after further discussion, and upon motion duly, seconded and carried, the Board of District No. 3 approved the Ninth Amendment (as revised) to the Acquisition and Reimbursement Agreement, subject to minor revisions, a copy of which is attached hereto and incorporated herein by this reference.

THIRD AMENDED
AND RESTATED
RESOLUTION
AUTHORIZING
ISSUANCE OF
THIRD REVISED

Mr. Cockrel reviewed and summarized the provisions of the Third Amended and Restated Resolution Authorizing Issuance of District No. 3's Third Revised Junior Revenue Note, Series 2013 which had previously been distributed to Board members. After further discussion and following the Directors' restatement of potential conflicts of interest as noted above, upon motion duly made by

JUNIOR REVENUE
NOTE, SERIES 2013

Director Vaughn and seconded by Director Penny, the Board of District No. 3 adopted the Resolution, subject to minor modifications to reflect the additional advances and available bond proceeds at the bond closing to pay down current Note balances.

RESOLUTION
AUTHORIZING
ISSUANCE OF
JUNIOR REVENUE
NOTE, SERIES 2020

Mr. Cockrel then reviewed and summarized the provisions of the Resolution Authorizing Issuance of District No. 3's Junior Revenue Note, Series 2020 which had previously been distributed to Board members. After further discussion and following the Directors' restatement of potential conflicts of interest as noted above, upon motion duly made by Director Zink and seconded by Director Whalen, the Board of District No. 3 adopted the Resolution, subject to calculation of final numbers after available bond proceeds to pay down the Note, if any, are determined at closing.

DEVELOPMENT
REPORT

Jon Penny noted that there were no contracts for change order to approve or ratify at this time.

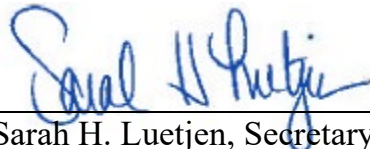
2021 MEETING
DATES

The Board then discussed 2021 meeting dates and noted that the Districts will meet on the first Wednesday of the third month of the year, except for December in which they will meet on the second Wednesday.

MEETING
ADJOURNED

There being no further business to come before the Board at this time, the meeting was adjourned.

Respectfully submitted,



Sarah H. Luetjen, Secretary for the Meeting

APPROVED

Patrick Morrissey

Gary Whalen

Jon Penny

Tim Zink

Patrick Vaughn