

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

JUNE 1, 2022

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 2590 457 3737), on Wednesday, June 1, 2022 at 3:00 p.m.

ATTENDANCE

Directors in Attendance were:

Patrick Morrissey (**District Nos. 1, 2, 3 and 4**)
Jon Penny (**District Nos. 1, 2, 3 and 4**)
Tim Zink (**District Nos. 1, 2, 3 and 4**)
Brien Meyer (**District Nos. 2, 3 and 4**)
Kim Morris (**District Nos. 2, 3 and 4**)
Mick Souder (**District No. 1**)
Jeff Miller (**District No. 1**)

Absent (excused):

None.

Also in Attendance were:

Paul R. Cockrel of Cockrel Ela Glesne Greher & Ruhland, P.C.
 (“CEGR”)
Sarah H. Luetjen of CEGR
Dan Brown, Growth Fund Accounting & Finance
Ross Wieser, Ross Wieser Consulting
Suzanne Serianni, CCMC

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 the President and COO and an authorized representative of Tierra Vision Homes, LLC (“Tierra”), GFP Mercado, LLC and GFP 3S Apartments, LLC, related entities which own or will own and improve properties within the Districts. GFP is directly owned, and GRVP is indirectly owned, by the Southern Ute Indian Tribe (the “Tribe”). The Tribe is the sole member of GFMC, LLC (“GFMC” and together with GFP and GRVP, the “Companies”), are each indirectly owned by 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 Penny is employed by GFP, which is affiliated with GRVP, 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, GFP Mercado, 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, which is affiliated with GRVP, 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, GRVP, GFP Mercado, 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 Meyer is also employed by GFP, which is affiliated with GRVP, 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 GFP Mercado, 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 March 2, 2022 Regular Meeting. After discussion and upon motion duly made by Director Meyer, seconded by Director Zink and unanimously carried, the minutes of the meeting were approved as revised.

PUBLIC COMMENT

None.

MAY 3, 2022
ELECTION UPDATE

Ms. Luetjen advised the Board that at the close of business on March 1, 2022, there were not more candidates for Directors than offices to be filled on the Boards of each District; therefore, as authorized by the Resolutions Calling for the Election, Sarah H. Luetjen, the Designated Election Official cancelled the elections.

ELECTION OF
OFFICERS

Following discussion, upon motion duly made, seconded and unanimously carried, the Boards elected the officers to the Boards as follows:

District No. 1:

Tim Zink – President

Jon Penny – Secretary

Patrick Morrissey – Treasurer

Mick Souder – Vice President/Assistant Secretary/Treasurer

Jeff Miller – Vice President/Assistant Secretary/Treasurer

District Nos. 2, 3 and 4:

Tim Zink – President

Kim Morris – Secretary

Brien Meyer – Treasurer

Jon Penny – Vice President/Assistant Secretary/Treasurer

Patrick Morrissey – Vice President/Assistant
Secretary/Treasurer

FINANCIAL
REPORT

Mr. Brown presented the payables and a summary of invoices for ratification and payment. After discussion and upon motion duly made by Director Meyer, seconded by Director Penny and unanimously carried, the Board of District No. 3 ratified and approved disbursements and payment of all invoices.

Mr. Wieser presented the April 30, 2022 financial reports for District No. 1. After discussion and upon motion duly made by Director Penny, seconded by Director Souder and unanimously carried, the Board of District No. 1 approved the April 30, 2022 financial reports.

Mr. Wieser then presented the April 30, 2022 financial reports for District Nos. 2, 3 and 4. After discussion and upon motion duly made by Director Morrissey, seconded by Director Morris and unanimously carried, each Board of District Nos. 2, 3 and 4 approved the April 30, 2022 financial reports.

2021 BUDGET
AMENDMENTS

Chairman Zink opened the public hearing to consider an amendment of the 2021 Budget for District No. 1, after noting that notice of such hearing was published in accordance with statutory requirements. Chairman Zink then closed the public hearing. Mr. Wieser presented the amended budget and reported the amendment is necessary due to expenditures exceeding original appropriations in the General Fund for District No. 1. After discussion and upon motion duly made by Director Morrissey, seconded by Director Souder and unanimously carried, the Board adopted the Resolution to Amend 2021 Budget for District No. 1. Cockrel Ela Glesne Greher & Ruhland, P.C. will file the amendment document for District No. 1 with the Division of Local Government.

Chairman Zink then opened the public hearing to consider an amendment of the 2021 Budget for District No. 2, after noting that notice of such hearing was published in accordance with statutory requirements. Chairman Zink then closed the public hearing. Mr. Wieser presented the amended budget and reported the amendment is necessary due to expenditures exceeding original appropriations in the General Fund for District No. 2. After discussion and upon motion duly made by Director Meyer, seconded by Director Morris and unanimously carried, the Board adopted the Resolution to Amend 2021 Budget for District No. 2. Cockrel Ela Glesne Greher & Ruhland, P.C. will file the amendment document for District No. 2 with the Division of Local Government.

Chairman Zink then opened the public hearing to consider an amendment of the 2021 Budget for District No. 3, after noting that notice of such hearing was published in accordance with statutory requirements. Chairman Zink then closed the public hearing. Mr. Wieser presented the amended budget and reported the amendment is necessary due to expenditures exceeding original appropriations in the General Fund for District No. 3. After discussion and upon motion duly made by Director Meyer, seconded by Director Morris and unanimously carried, the Board adopted the Resolution to Amend 2021 Budget for District No. 3. Cockrel Ela Glesne Greher & Ruhland, P.C. will file the amendment document for District No. 3 with the Division of Local Government.

Chairman Zink then opened the public hearing to consider an amendment of the 2021 Budget for District No. 4, after noting that notice of such hearing was published in accordance with statutory requirements. Chairman Zink then closed the public hearing. Mr. Wieser presented the amended budget and reported the amendment is necessary due to expenditures exceeding original appropriations in the General Fund for District No. 4. After discussion and upon motion duly made by Director Meyer, seconded by Director Morris and unanimously carried, the Board adopted the Resolution to Amend 2021 Budget for District No. 4. Cockrel Ela Glesne Greher & Ruhland, P.C. will file the amendment document for District No. 4 with the Division of Local Government.

2021 AUDIT -
DISTRICT
NOS. 1, 3 AND 4

Mr. Wieser informed the Board that the 2021 Audits for District Nos. 1, 3 and 4 were not yet complete. This item was tabled and no action was taken.

2021 AUDIT -
EXEMPTION
DISTRICT NO. 2

Mr. Wieser presented that the Application for Audit Exemption for District No. 2. After discussion and upon motion duly made by Director Meyer, seconded by Director Morris and unanimously carried, the Board of District No. 2 ratified the Application for Audit Exemption, as presented.

DEVELOPMENT
REPORT

Director Penny presented the following Change Order for ratification and approval:

Grasshoppers Landscaping and Lawn Services:

Change Order #1 to Work Order #13 \$7,500.00

After discussion and upon motion duly made by Director Morrissey, seconded by Director Meyer and unanimously carried, the Board of District No. 3 ratified and approved the Change Order as presented and appropriation of funds therefor.

OTHER

Ms. Serianni noted that Azteca are removing dead trees within Pocket Park 20. They have also adjusted the irrigation system to only water plants on the median. Additional landscaping continues. Due to construction, damage was done to a fence within District No. 3. The builder plans to repair the damage within a week's time.

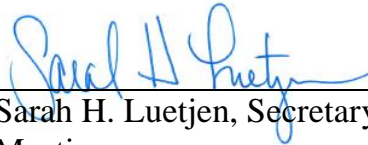
LEGAL REPORT

None.

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

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Pat Morrissey
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Patrick Morrissey

DocuSigned by:
Jon Penny
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Jon Penny

DocuSigned by:
Kim Morris
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Kim Morris

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Mick Souder
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Jeff Miller
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Brien Meyer
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