

## RECORD OF PROCEEDINGS

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### MINUTES OF A REGULAR MEETING OF THE BOARDS OF DIRECTORS OF THE COTTONWOOD CREEK METROPOLITAN DISTRICT NOS. 3-5 HELD OCTOBER 15, 2025

A Regular Meeting of the Boards of Directors (referred to hereafter as "Boards") of the Cottonwood Creek Metropolitan District Nos. 3-5 (referred to hereafter as "Districts") was convened on Wednesday, the 15<sup>th</sup> day of October, 2025 via Zoom. The meeting was open to the public.

#### ATTENDANCE

#### Directors In Attendance Were:

Mike Sandene  
Megan Waldschmidt  
Alex Adams  
Paige Langley  
James Spehalski

#### Also In Attendance Were:

AJ Beckman; Public Alliance, LLC

Kristin Bowers, Esq. and Audrey Johnson, Esq.; WBA, PC

Molly Brodlun, and Irene Forgy; Marchetti & Weaver, LLC

Siena Mauvais; Westside Investment Partners, Inc.

#### DISCLOSURES OF POTENTIAL CONFLICTS OF INTEREST

**Disclosures of Potential Conflicts of Interest:** Attorney Bowers advised the Boards that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Attorney Bowers reported that disclosures for those directors that provided WBA, PC with notice of 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 confirmed by the directors.

Attorney Bowers 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 participation of the directors present was necessary to obtain a quorum or to otherwise enable the Boards to act.

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**ADMINISTRATIVE MATTERS** **Agenda:** Mr. Beckman distributed for the Boards' review and approval a proposed agenda for the Districts' Regular Meeting.

Following discussion, upon a motion duly made by Director Sandene, seconded by Director Waldschmidt and, upon a vote unanimously carried, the agenda was approved as amended.

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**PUBLIC COMMENTS**

There were no public comments.

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**CONSENT AGENDA** The Boards considered the following actions:

- a. Approval of the Regular Meeting Minutes and Annual Meeting Minutes from September 17, 2025.
- b. Approval of the payment of claims for District No. 5.
- c. Acceptance of the unaudited financial reports for District No. 5.
- d. Ratification of the First Amendment to the Temporary Construction and Maintenance Easement Agreements with NL Village 1 Land Co., LLC for District No. 5.
- e. Adoption of the Annual Administrative Resolution.
- f. Adoption of the Joint Resolution Calling Election.
- g. Adoption of the Amended and Restated Resolution Adopting a Digital Accessibility Policy and Designating a Compliance Officer.
- h. Ratification of the Temporary Construction Easement Agreements (A–H) with Coal Creek Reserve, LLP for District No. 5.
- i. Ratification of the Invitation to Bid for Cottonwood Filing No. 1A – Phase 1C Rye Grass Channel Improvements for District No. 5.

Following discussion, upon motion duly made by Director Sandene, seconded by Director Waldschmidt and, with Director Spehalski abstaining, the Boards approved, accepted or ratified the Consent Agenda items with removal of the Renewal of Property and Liability Schedule and Limits, Workers Compensation Coverage, and SDA Membership for 2026.

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**LEGAL MATTERS** **Insurance Requirements for Independent Contractor Agreement with Public Alliance, LLC for District Management Services:** Mr. Beckman discussed the insurance coverage provided by Public Alliance, LLC. He explained that he has met with the District's Attorney and the District's independent insurance agent to review the coverage and there is consensus among the parties that the insurance requirements of the District's Independent Contractor Agreement are substantially met by the coverage provided by Public Alliance, however the coverages are presented differently than currently specified in the District's Independent Contractor Agreement. An updated agreement will be presented for Board

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consideration at the next meeting.

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### FINANCIAL MATTERS

**Resolution Accepting District Eligible Costs:** The Board of District No. 5 entered into discussion to consider adoption of a Resolution Accepting District Eligible Costs Identified in the Engineer's Report and Certification No. 4 by Ranger Engineering, LLC pursuant to the Reimbursement Agreement with BOAC Cottonwood Property, LLC for District No. 5.

Following discussion, upon motion duly made by Director Sandene, seconded by Director Waldschmidt and, upon a vote unanimously carried, the Board of District No. 5 adopted the Resolution.

**Requisition No. 4 under the Limited Tax General Obligation Convertible Capital Appreciation Bonds, Series 2025 for District No. 5.:** The Board of District No. 5 entered into discussion to consider approval of Requisition No. 4 under the Limited Tax General Obligation Convertible Capital Appreciation Bonds, Series 2025 for District No. 5 in the amount of \$289,992.30.

Following discussion, upon motion duly made by Director Sandene, seconded by Director Waldschmidt and, upon a vote unanimously carried, the Board of District No. 5 approved Requisition No. 4 in the amount of \$289,992.30.

**2026 Budgets:** The Boards opened the public hearings to consider adoption of the proposed 2026 budgets.

It was noted that publication of notice stating that the Boards would consider adoption of the 2026 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No public comments were received, and the public hearing was closed.

Following discussion, the Boards considered the adoption of the Resolutions Adopting Budget, Certifying Mill Levy, and Appropriating Funds Therefor. Upon motion duly made by Director Sandene, seconded by Director Waldschmidt and, upon vote, unanimously carried, the Resolutions were adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2025. Mr. Beckman was authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2026.

**2025 Audit:** The Board of District No. 5 discussed the engagement of an auditor for 2025 audit services. Ms. Forgy advised the Board that Marchetti & Weaver, LLC requested proposals from several auditors. McMahon & Associates, LLC was

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identified as the lowest bidder with a preliminary estimate of \$7,500.

Following discussion, upon motion duly made by Director Sandene, seconded by Director Waldschmidt and, upon a vote unanimously carried, the Boards approved the engagement of McMahon & Associates, LLC for 2025 Audit Services.

**CONSTRUCTION  
MATTERS  
(DISTRICT NO. 5)**

**Property Acquisition (District No. 5):** The Board entered into discussion regarding the status of acquisition of property owned by Keith and Brandi Goldstein, and Patrici Menchaca-Telles and Saul Solis Varela and Angel Soli. Director Sandene noted that the District is working with the property owners on the acquisition.

**Construction Update:** Director Sandene reported that grading is in process, and the erosion control plan has been approved. It is anticipated that bids for the onsite and offsite utilities will be received in the coming days, and contracts will be awarded at the next meeting.

**Phase 1C – Rye Grass Channel; Notice of Award (District No. 5):** Following discussion, upon motion duly made by Director Sandene, seconded by Director Waldschmidt and, upon a vote unanimously carried, the Board approved the Notice of Award to Hudick Excavating, Inc. in the amount of \$1,133,890.25 and authorized Director Sandene to issue the Notice to Proceed.

**OTHER BUSINESS**

There was no other business to discuss.

**ADJOURNMENT**

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

Respectfully submitted,

Signed by:  
*Alex Adams*  
By \_\_\_\_\_  
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Secretary for the Meeting