

**MINUTES OF THE BOARD OF DIRECTORS OF
TALLYN'S REACH METROPOLITAN DISTRICT NO. 3
SPECIAL MEETING**

**Held: Thursday, February 12th, 2019 at 4:30 p.m.
24900 E. Park Crescent Drive, Aurora, Colorado**

Attendance The meeting referenced above was called and held in accordance with the applicable statutes of the State of Colorado. The following Directors were in attendance:

Board Members:
Mike Dell'Orfano
Harry Yosten
David Patterson

Also in attendance were:

Kim Herman; CliftonLarsonAllen LLP
Blair M. Dickhoner; White Bear Ankele Tanaka & Waldron
Steve Frey; Resident
Christy Janda; Resident
Terry McNeil; Resident

Call to Order and Declaration of Quorum It was noted that a quorum was present and the meeting was called to order at 4:30 p.m.

The absences of Director Wagner and Director Smith were excused.

Director Qualification The Directors in attendance confirmed their qualification to serve.

Disclosure Matters Mr. Dickhoner advised the Board that pursuant to Colorado law, certain disclosures by the Directors may be required prior to taking official action at the meeting. The Board reviewed the agenda for the meeting, following which each Director confirmed the contents of any written disclosure previously made stating the fact and summary nature of any matters as required under Colorado law to permit official action to be taken at the meeting. Additionally, the Board determined that the participation of the Directors present was necessary to obtain a quorum or otherwise enable the Board to act.

Agenda Ms. Herman presented the Board with the proposed agenda for the meeting.

Upon a motion duly made by Director Yosten, seconded by Director Patterson and, upon vote, unanimously carried, the Board approved the agenda, as presented.

Public Comments There was no public comment.

Financial MattersDiscuss Consultants for Bond Refunding and Make Determinations Regarding Engagement of Consultants

Mr. Dickhoner reviewed and provided an update for bond refunding and engagement of consultants with the Board. Mr. Dickhoner noted that the fee for Kutak Rock was previously \$120,000.00 for bond and disclosure counsel work; the revised fee proposal is \$80,000.00 for bond and disclosure counsel; additionally, a \$25,000.00 fee for underwriter's counsel would be required unless the underwriter engaged disclosure counsel directly. Mr. Dickhoner explained that the disclosure document is a District document that is signed by the District. Mr. Dickhoner explained that if the underwriter engages disclosure counsel, the District would lose privity of contract with disclosure counsel which carries some risk in the event that a dispute arises with disclosure counsel. If the District were to engage disclosure counsel directly, the underwriter would need to obtain separate counsel at a fee of \$25,000 that would be paid out of the District's bond proceeds. The Board discussed the benefits and risks involved with both arrangements.

A. Review and Consider Approval of Engagement of Kutak Rock LLP as Bond Counsel and Disclosure Counsel

Mr. Dickhoner reviewed the Engagement of Kutak Rock LLP as bond and disclosure counsel with the Board. He presented and discussed the option of \$80,000.00 for Kutak Rock LLP, as bond and disclosure counsel, and \$25,000.00 for Sherman Howard, as underwriter's counsel, for a grand total of \$105,000.00.

Upon a motion duly made by Director Dell'Orfano, seconded by Director Yosten and, upon vote, unanimously carried, the Board approved the engagement of Kutak Rock LLP as bond and disclosure counsel.

Mr. Dickhoner estimated that the timeframe for the closing of the bonds will be the middle or end of May 2019.

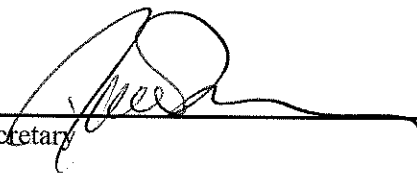
Next Meeting

The Board confirmed quorum for the next regularly scheduled meeting on November 12, 2019 at 6:00 p.m. at the Tallyn's Reach Clubhouse.

Adjournment

There being no further business to come before the Board and upon a motion duly made, seconded and unanimously carried, the meeting was adjourned at 6:12 p.m.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.


Secretary