

**MINUTES OF A SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF THE
HOMETOWN METROPOLITAN DISTRICT NO. 1
HELD OCTOBER 2, 2015**

A special meeting of the Board of Directors (the "Board") of the Hometown Metropolitan District No. 1 (the "District") was held on Friday, October 2, 2015 at 10:00 a.m. at the offices of Century Communities, 8390 E. Crescent Parkway, Suite 650, Greenwood Village, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Todd Amberry, Assistant Secretary (for a portion of the meeting)
Eric Dome, Assistant Secretary

Also In Attendance Were:

Elisabeth A. Cortese, Esq. and Jennifer S. Henry; McGeady Sisneros, P.C.
Diane Wheeler; Simmons & Wheeler, P.C.
Joseph Stifter, Century Communities and Board Candidate
Jeff Powles, Century Communities and Board Candidate
Ken Rabel, Century Communities and Board Candidate

ADMINISTRATIVE
MATTERS

Disclosures of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Ms. Cortese noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. Ms. Cortese noted that all Directors' Disclosure Statements had been filed by the statutory deadline.

Agenda: The Board reviewed the Agenda for the meeting and following discussion, upon a motion duly made by Director Amberry, seconded by Director Dome and, upon vote, unanimously carried, the Board approved the Agenda as amended.

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 Director Amberry, seconded by Director Dome, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within its boundaries or within the county in which the District is located, or within 20 miles from the District boundaries, to conduct this meeting, it was determined to conduct the meeting at the above-stated date, time and location. Ms. Cortese reported that notices were duly posted and that no objections to the locations or any requests that the meeting place be changed

by taxpaying electors within its boundaries have been received.

Board Resignations: The Board acknowledged the resignations of Amy Anders and John Healy.

Board Appointments: The Board discussed the vacancies on the Board. It was noted that pursuant to Section 32-1-808(2)(a)(I), C.R.S., publication of a Notice of Vacancy on the Board was published in a newspaper having general circulation in the District and that no Letters of Interest from qualified eligible electors were received within ten (10) days of the date of such publication.

As such, qualified individuals, Joe Stifter, Jeff Powles and Ken Rabel, stated their interest in serving on the Board. Following discussion and, upon motion duly made by Director Amberry, seconded by Director Dome, Joe Stifter, Jeff Powles and Ken Rabel were nominated to fill the vacancies on the Board. Upon vote, unanimously carried, the Board appointed Joe Stifter, Jeff Powles and Ken Rabel to fill the vacancies on the Board and the Oaths of Office was administered.

Appointment of Officers: The Board considered the appointment of officers. Following discussion, upon motion duly made by Director Stifter, seconded by Director Powles and, upon vote, unanimously carried, the Board appointed the following slate of officers:

President – Joe Stifter
Secretary – Jeff Powles
Treasurer – Eric Dome
Assistant Secretaries – Ken Rabel and Todd Amberry

Mr. Amberry left the meeting at this time.

Engagement with CliftonLarsonAllen, LLP for Management Services: Following discussion, upon motion duly made by Director Powles, seconded by Director Rabel and, upon vote, unanimously carried, the Board ratified approval of the Engagement of CliftonLarsonAllen, LLP for Management Services.

Resolution No. 2015-10-01 Establishing 2016 Meeting Dates, Time, Location and Posting Locations: The Board discussed the business to be conducted in 2016 and scheduled regular meetings for Friday, March 11 and Friday, October 7, 2016. Following discussion, upon motion duly made by Director Powles, seconded by Director Rabel and, upon vote unanimously carried, the Board adopted Resolution No. 2015-10-01.

February 11, 2015 Meeting Minutes: The Board reviewed the minutes from the February 11, 2015 special meeting. Following discussion, upon motion duly made by Director Powles, seconded by Director Rabel and, upon vote unanimously carried, the Board approved the minutes from the February 11, 2015 special meeting.

District Insurance: The Board authorized the renewal of general liability insurance coverage and instructed consultants to proceed accordingly. The Board directed renewal of the District's Special District Association membership.

Resolution No. 2015-10-02 Providing for Directors' Exclusion from Workers' Compensation Coverage for 2016: Ms. Cortese reviewed Resolution No. 2015-10-02 Providing for Directors' Exclusion from Workers' Compensation Coverage with the Board. Following discussion, upon motion duly made by Director Powles, seconded by Director Rabel and, upon vote, unanimously carried, the Board adopted Resolution No. 2015-10-02 and approved execution of Form WC-44, Exclusion of Uncompensated Public Officials.

FINANCIAL
MATTERS

Payment of Claims, Cash Position and Unaudited Financial Statements: The developer is currently funding the District, so there were no claims, cash position or unaudited financials presented.

Bank Account: The Board discussed the need for a District bank account and the need to add all Board Members as signers on the account. Following discussion, upon motion duly made by Director Powles, seconded by Director Rabel and, upon vote, unanimously carried, the Board authorized the District Accountant to open a District Bank account with all Board members to be added as signers, with all checks requiring two signatures.

Application for 2014 Audit Exemption: Following discussion, upon motion duly made by Director Powles, seconded by Director Stifter and, upon vote unanimously carried, the Board ratified approval of the 2014 Application for Audit Exemption.

2015 Budget Amendment Hearing: The President opened the public hearing to consider amending the 2015 Budget.

It was noted that a Notice stating that the Board would consider amending the 2015 Budget, along with the date, time and place of the public hearing was published in a newspaper having general circulation within the District, in accordance with statutory requirements. No written objections were received prior to the public hearing.

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

Following discussion, the Board determined that an amendment to the 2015 budget was not necessary at this time.

2016 Budget Hearing: The President opened the public hearing to consider the proposed 2016 Budget and discuss related issues.

It was noted that a Notice stating that the Board would consider adoption of the 2016 Budget, along with the date, time and place of the public hearing was published in a newspaper having general circulation within the District, in accordance with statutory requirements. No written objections were received prior to the public hearing.

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

Ms. Wheeler reviewed the proposed 2016 Budget with the Board.

Following discussion, the Board considered the adoption of the Resolution No. 2015-10-03 to Adopt the 2016 Budget, Resolution No. 2015-10-04 to Appropriate Sums of Money and Resolution No. 2015-10-05 to Set Mill Levies; a General Fund Mill Levy at 34.000 mills and a Debt Service Mill Levy at 40.000 mills. Upon motion duly made by Director Powles, seconded by Director Rabel and, upon vote unanimously carried, Resolution Nos. 2015-10-03, 2015-10-04 and 2015-10-05 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, 2015. District Accountant was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of Arapahoe County and the Division of Local Government, no later than December 15, 2015. District Manager was also authorized to transmit the Certification of Budget to the Division of Local Government no later than January 30, 2016.

2016 Accounting Services: The Board discussed the engagement of Simmons & Wheeler, P.C. for District accounting services for 2016. Following discussion, upon motion duly make by Director Powles, seconded by Director Rabel and, upon vote unanimously carried, the Board approved the engagement of Simmons & Wheeler, P.C. for 2016 District accounting services, operating under the existing agreement, and appointed Simmons & Wheeler, P.C. to prepare the 2017 budget.

Application for 2015 Audit Exemption: The Board discussed appointing Simmons & Wheeler, P.C. to prepare and file the Application for Audit Exemption for 2015. Following discussion, upon a motion duly made by Director Powles, seconded by Director Rabel, and upon vote unanimously carried, the Board appointed Simmons & Wheeler, P.C. to prepare and file the Application for Audit Exemption for 2015.

LEGAL MATTERS

Amended and Restated Service Plan and City IGA: Ms. Cortese discussed the status of the Amended and Restated Service Plan for the District and the upcoming October 19, 2015 public hearing regarding same. Following discussion, upon motion duly made by Director Powles, seconded by Director Rabel and, upon vote, unanimously carried, the Board approved the Amended and Restated IGA between the District and the City of Arvada, which will be heard by the City for a first reading on November 16, 2015 and for a second reading on December 7, 2015.

First Amendment to 2011-2016 Operation Funding Agreement: Following discussion, upon motion duly made by Director Powles, seconded by Director Rabel and, upon vote, unanimously carried, the Board approved the First Amendment to 2011-2016 Operation Funding Agreement between the District, Hometown, LLC and Park 5th Avenue Development Co., LLC.

Termination of District Facilities Construction and Service Agreement: Following discussion, upon motion duly made by Director Powles, seconded by Director Rabel and, upon vote, unanimously carried, the Board approved the Termination of District Facilities Construction and Service Agreement among the District and Hometown Metropolitan District Nos. 3 and 4, to remove Hometown Metropolitan District Nos. 3 and 4 as parties.

Second Amendment to Infrastructure Acquisition and Reimbursement Agreement: Following discussion, upon motion duly made by Director Powles, seconded by Director Rabel and, upon vote, unanimously carried, the Board approved the Second Amendment to Infrastructure Acquisition and Reimbursement Agreement between the District and Hometown, LLC.

Public Hearing on Petition for Inclusion: Director Stifter opened the public hearing to consider the Petition received from Park 5th Avenue Development Co., LLC (“Park 5th”) to include approximately 22.201 acres of real property into the District.

It was noted that publication of Notice stating that the Board would consider approving the inclusion of Park 5th's property into the District was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No further public comments were received and the public hearing was closed.

Following discussion, the Board considered the adoption of the Resolution to include Park 5th's property into the District as set forth in the Petition. Upon motion duly made by Director Powles, seconded by Director Rabel, upon vote, unanimously carried, the Resolution was adopted and execution of the Certified Resolution No. 2015-10-06 was authorized. Legal Counsel was authorized to transmit the Petition and Certified copy of the Resolution to the District Court of Jefferson County for an Order to include the property into the District.

Resolution No. 2015-10-07 Calling November 3, 2016 Election: The Board discussed the November 3, 2016 debt election. Following discussion, upon motion duly made by Director Powles, seconded by Director Rabel and, upon vote unanimously carried, the Board adopted Resolution No. 2015-10-07 Calling a November 3, 2016 Debt Election which appointed Jennifer S. Henry as the Designated Election Official and authorized her to perform all tasks required for the November 3, 2016 Debt Election for the conduct of a mail ballot election.

Resolution No. 2015-10-08 Calling May 3, 2016 Election: The Board discussed the May 3, 2016 election. Following discussion, upon motion duly made by Director Powles, seconded by Director Rabel and, upon vote unanimously carried, the Board adopted Resolution No. 2015-10-08 Calling a May 3, 2016 Directors' Election which appointed Jennifer S. Henry as the Designated Election Official and authorized her to perform all tasks required for the May 3, 2016 Regular Election of the Board of Directors for the conduct of a mail ballot election.

Resolution No. 2015-10-09 Resolution Regarding the Retention and Disposal of Public Records and Adopting a Public Records Retention Schedule: The Board discussed Resolution No. 2015-10-09 Regarding the Retention and Disposal of Public Records and Adopting a Public Records Retention Schedule. Following discussion, upon motion duly made by Director Powles, seconded by Director Rabel and, upon vote unanimously carried, the Board adopted Resolution No. 2015-10-09 as presented.

Transparency Notice Required Under Section 32-1-809, C.R.S.: Ms. Cortese informed the Board of the required transparency notice under Section 32-1-809, C.R.S. The Board directed District Counsel to post the required notice on the Special District Association website.

Resolution No. 2015-10-10 Acknowledging the Dissolution of Hometown Metropolitan District No. 3: The Board discussed Resolution No. 2015-10-10 Acknowledging the Dissolution of Hometown Metropolitan District No. 3. Following discussion, upon motion duly made by Director Powles, seconded by Director Rabel and, upon vote unanimously carried, the Board adopted Resolution No. 2015-10-10 as presented.

Resolution No. 2015-10-11 Acknowledging the Dissolution of Hometown Metropolitan District No. 4: The Board discussed Resolution No. 2015-10-11 Acknowledging the Dissolution of Hometown Metropolitan District No. 4. Following discussion, upon motion duly made by Director Powles, seconded by Director Rabel and, upon vote unanimously carried, the Board adopted Resolution No. 2015-10-11 as presented.

OTHER MATTERS:

Status of Improvements and Potential Bond Issue: The Board discussed the status of improvements and noted that sales are expected in the third quarter of 2016. The Board deferred discussion related to a potential bond issuance.

Allocation of Responsibilities Regarding Design Review, Covenants and Maintenance: The Board Discussed this item. No action was taken at this time.

ADJOURNMENT

There being no further business to come before the meeting was adjourned.

Respectfully submitted,

By _____
Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL OCTOBER 2, 2015 MINUTES OF THE HOMETOWN METROPOLITAN DISTRICT NO. 1 BY THE MEMBERS OF THE BOARD OF DIRECTORS SIGNING BELOW:

Todd Amberry

Eric Dome

Jeff Powles

Ken Rabel

John Vitella