

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF

TWO BRIDGES METROPOLITAN DISTRICT

Held: Wednesday, June 23, 2021, at 9:00 a.m., at 8953 Red Primrose Street, Franktown, Colorado and via teleconference.

Attendance

A special meeting of the Board of Directors of Two Bridges Metropolitan District was called and held as shown above and in accordance with the applicable laws of the State of Colorado. The following directors, having confirmed their qualification to serve on the Board, were in attendance:

Nicole Iannone
Korin Barr
Ryan Lantz (via teleconference)
Robert Carter (via teleconference)
Aaron Argabright (via teleconference)

All director absences are deemed excused unless a contrary notation is recorded in these minutes.

Also present were: George M. Rowley, Esq. White Bear Ankele Tanaka & Waldron, District general counsel (via teleconference for a portion of the meeting); Ashley B. Frisbie, White Bear Ankele Tanaka & Waldron, District manager; Diane Wheeler, Simmons & Wheeler, PC, District accountant (via teleconference for a portion of the meeting); Gary and Nicky Joyce, Kevin and DeAnna Frost, Greg Miller, Nicole Clark, Karen McCracken, and Karen Heimmer, residents; and Dan Feeney, Ed Gonzales, Gavin Shephard, residents (via teleconference).

Call to Order/Declaration of Quorum/Director Qualifications

It was noted that a quorum of the Board was present, that the directors had confirmed their qualification to serve, and, therefore, the meeting for the District was called to order.

Conflict of Interest Disclosures

Ms. Frisbie advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Frisbie reported that disclosures for those directors that provided White Bear Ankele Tanaka & Waldron with notice of potential or existing conflicts of interest were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Ms. Frisbie inquired into whether members of the Board 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 members present was necessary to obtain a quorum or to otherwise enable the Board to act.

Approval of Agenda

Ms. Frisbie presented the proposed agenda to the Board for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the agenda, as amended.

Consent Agenda

The Board was presented with the consent agenda items. Upon a motion duly made and seconded, the Board unanimously took the following actions:

- a. Ratified of All Actions Taken at the July 13, 2020 Special Meeting and the October 28, 2020 Special Meeting, held by Teleconference Platform
- b. Approved Minutes from October 28, 2020 Special Meeting
- c. Ratified Agreement with The Douglas County Deputy Sheriff's Association for Speed and Safety Services
- d. Approved Amended and Restated Public Records Request Policy
- e. Approved 2020 Annual Report

Legal Matters

Discuss Status of Partial Assignment of Master Developer's Rights by and between Lokal Two Bridges, LLC and the District as Related to the Design Review Committee

Ms. Frisbie provided the Board with an update on finalization of the Partial Assignment of Master Developer's Rights by and between Lokal Two Bridges, LLC and the District as related to the Design Review Committee, noting that the assignment has been executed by both parties and is in the process of recordation with the Douglas County Clerk & Recorder.

Discuss Well Water Rights

The Board discussed the water rights of the two (2) wells located on District property, which rights are currently owned by the developer. Director Lantz provided an update, noting that the developer is actively working with a water attorney and is in the process of transferring the water rights to the District for both wells and Parcel P, which has rights for a potential community center. It was noted that any use of the water from the wells should only be from contractors who are working on homes within the District, and any suspicious activity can be directed to Mr. Lantz for confirmation.

Discuss Payment-In-Lieu-of-Taxes (“PILOT”) Covenant

The Board discussed the District’s Series 2018A and 2018B Bonds, noting that a PILOT Covenant was not recorded as part of the bond issuance, which would have allowed the District to collect its portion of taxes from a tax-exempt property owner. The Board discussed the process for engagement of special counsel to prepare the PILOT Covenant for all homes within the District. Mr. Rowley indicated that the PILOT Covenant would not be recorded on the District’s property, rather each individual property owner would need to consent to having the PILOT Covenant recorded on their property. Director Iannone explained that this would be a common interest for all homes within the community, to protect the District’s revenue stream, and would be on a go-forward basis for future property transfers, having no effect on current property owners.

Following discussion, upon a motion duly made and seconded, the Board unanimously approved the engagement of Otten Johnson Robinson Neff + Ragonetti PC as special counsel to prepare the PILOT Covenant, in an amount not-to-exceed \$3,000.

Consider Approval of Custom Home Build Design Guidelines

Director Iannone presented the Board with the Custom Home Build Design Guidelines, noting that there is only one (1) lot within the District that the guidelines will be applicable to, as all other homes are being built by the developer.

Following discussion, upon a motion duly made and seconded, the Board unanimously approved the Custom Home Build Design Guidelines, subject to changes as discussed, including a reduction of minimum stone/brick fascia requirements to 30%, removal of a separate annual fee (not related to the monthly Operations Fee), increase of maximum build out timeframe to four (4) years, and inclusion of an eighteen (18) month requirement to submit initial architectural plans.

Consider Amendment to Fee Resolution

Following discussion, the Board determined that an amendment to the Second Amended and Restated Resolution Concerning Imposition of an Operations Fee was not needed.

Discuss Property Line Adjacent to Tract F (near East Bridge)

Director Barr informed the Board that horse paddocks owned by Helicon Show Stables have encroached onto Tract F, property owned by the District. Director Lantz reported that he does not believe that there had been any prior discussions or land use agreements in place with Helicon Show Stables to use District property, and volunteered to reach out to Helicon Show Stables to discuss the issue. No action was taken by the Board.

Subsequent to the meeting, Directors Iannone and Barr informed Director Lantz that they would initiate conversations with Helicon Show Stables to discuss land use on Tract F.

Discuss Request from
Adjacent Property Owner
for Access Easement

Director Barr informed the Board that Mr. David Evans, an adjacent property owner, was still interested in obtaining an access easement from the District (Tract J) for equipment and emergency services, noting that access would only be used a few times per year. Director Carter noted that he is in support of the District allowing the easement; however, he would prefer that strict parameters be in place and that the easement be tied to the current property owner so it cannot be transferrable. Director Lantz agreed and recommended that a non-transferrable use agreement be put in place. Director Iannone noted that Mr. Evans will also need to have the plans approved by Douglas County.

Following discussion, upon a motion duly made and seconded, the Board unanimously approved the request to allow an access easement, subject to final review by legal counsel and the Board.

Financial Matters

Approval of
Payables/Financials

Ms. Wheeler presented the Board with the April 30, 2021 unaudited financial statements and the claims payable, in the amount of \$75,372.54. Following discussion, upon a motion duly made and seconded, the Board unanimously accepted the financials and ratified the claims payable.

Consider Acceptance of
2020 Audit

Ms. Wheeler presented the 2020 Audit to the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously accepted the 2020 Audit, subject to receipt of a clean opinion from the auditor and final review by legal counsel.

Other Financial Matters

There were no other financial matters.

Operations & Maintenance Matters

Discuss Negotiations with
Metco Landscape, Inc.
("Metco") related to Prior
Landscape Maintenance
Services

Director Lantz provided an update on the status of negotiations with Metco related to prior landscape maintenance services that were provided to the District. He reported that he will reach out to Metco to see if they are willing to attend an onsite visit to look at the landscaping and discuss compensation or replacement for some of the issues that should have been fixed or replaced under warranty.

Discuss Landscape Repair
Work

Director Barr reported that the landscaping at the community entrance by the west bridge is in need of some major repair work,

noting that there are at least thirty-two (32) dead trees and that irrigation lines were not run to some of the original trees. Director Barr reported that the landscape repair work completed in 2020 consisted of ornamental grass and flower replacement, but not tree removal or replacements. Director Barr requested that Lokal Homes split the cost of the required repair work with the District. Director Lantz indicated that he will need to communicate with other Lokal Homes representatives to discuss this request.

Mr. Gonzales volunteered to help with landscape oversight and maintenance, as may be needed.

Discuss Noxious Weed Control

Director Iannone provided the Board with an update on noxious weed control matters in the community, noting that the District is looking into environmentally friendly weed control options, including the use of goat grazing. No action was needed by the Board at this time.

It was noted that Douglas County will be completing a native mowing beauty band on the common areas soon.

Discuss District Website

Director Barr provided the Board with an update on the status of the setup of a District website, noting that a bid with a website designer is in process.

Discuss Covenant Control Process

Director Iannone informed the residents that all covenant control issues should be reported directly to Ms. Frisbie going forward, and requested that Ms. Frisbie send an email blast out to the residents to inform them of the new reporting process. Ms. Barr noted that off-leash dogs are still a major concern in the community, and requested that a reminder about leash laws be included in the email blast.

The Board also requested that Ms. Frisbie confirm landscaping requirements for the model home, located at 8750 Red Primrose Street, and coordinate with the property owner, as applicable.

Discuss Community Survey Regarding Allowance of Chickens and Bees

Director Iannone reported that a community survey was distributed to allow homeowner input related to the allowance of bees and chickens in the District. Director Iannone noted that 19 out of 32 homeowners responded, with 5 homeowners indicating a strong concern or opposition to the allowance of chickens and/or bees. Ms. Frisbie noted that the Rules, Regulations, and Design Guidelines currently allow chicken coops and beehives; however, District approval is required on an individual basis.

Following discussion, the Board determined to hold a District Work Session with the community at a date to be determined to discuss this matter further.

Public Comment

Director Barr reported that the neighborhood cleanup is scheduled for July 10, 2021 at 9:30 a.m.

Director Barr reported, on behalf of Ms. McCracken, that the community would like to see a new mailbox kiosk and concrete pad. Director Barr noted that proposals for these items are in process and will be included on the next agenda.

Director Iannone reported, on behalf of Mr. Cliff Herman, that the community would like to see draft Minutes distributed in a reasonable amount of time after each meeting. Following discussion, the Board directed Ms. Frisbie to ensure that the Board receives draft Minutes within thirty (30) days after each meeting. The Board will then ensure that the draft Minutes are distributed to the community within forty-five (45) days after each meeting.

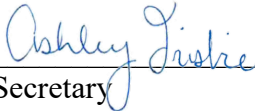
Other Business

The next regular meeting is scheduled for October 27, 2021 at the office of Lokal Homes; however, the meeting location is subject to change.

Adjournment

There being no further business to come before the Board and, following discussion, upon a motion duly made, seconded and unanimously carried, the Board determined to adjourn the meeting.

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


Secretary