

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF

TWO BRIDGES METROPOLITAN DISTRICT

Held: Wednesday, January 22, 2020, at 2:00 p.m., at Lokal Homes, LLC, 8310 South Valley Highway, Suite 115, Englewood, Colorado.

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:

Ryan Lantz
Tommy Pucciano
Korin Barr
Nicole Iannone

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

Also present were: Ashley B. Frisbie, White Bear Ankele Tanaka & Waldron, Attorneys at Law, District manager; Diane Wheeler, Simmons & Wheeler, PC, District accountant; Stella Boulter and Nicole Clark, residents (via speakerphone); and residents as reflected on the attached sign-in sheet.

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 with 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 noted that a quorum was present and 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 Board determined that 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.

Approval of Minutes

Ms. Frisbie presented the Minutes from the November 20, 2019 special meeting and the December 4, 2019 continued meeting to the Board for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the Minutes as presented.

Discuss Operations & Maintenance Fee

The Board discussed the District's operations and maintenance fee. Ms. Wheeler explained that revenue from the operations and maintenance fees can be used to pay for certain services within the District, including landscape maintenance, snow removal, covenant enforcement, trash removal, and certain other services. Revenue from the operations and maintenance fee should not be used to pay for the general administration of the District. Ms. Wheeler also noted that revenue received from the operations and maintenance fee and from property taxes are not held in separate bank accounts. Following discussion, the Board requested that Ms. Wheeler provide a breakdown of the cost of the allowed services in 2019 and the corresponding revenue received from the operations and maintenance fee.

Public Comment

Ms. Barr reported that Douglas County is constructing a parking lot west of the first bridge into the community, off of Bayou Gulch Road.

Don Heimmer inquired into the two model homes, and whether they pay the same taxes as the homes that have been purchased by residents. Ms. Wheeler explained that the model homes are taxed on the value of the home as both business and residential personal property.

Mr. Lantz reported that Parcel P is currently owned by a developer entity; however, he would like to see the District take ownership of this certain parcel as it has entitlements that would allow for community amenities to be built at some point in the future. It was noted that if the District were to build a community amenity, it would be exempt from state sales tax. Mr. Lantz also noted that the District currently owns Parcel R, which is zoned as farmland. Following discussion, the Board requested that Mr. Lantz look into this issue further to see if the District and the developer entity could possibly swap parcels.

Gary Boulter and Karen Heimmer discussed issues related to the developer, including flooding of outdoor property due to developer construction and the dumping of dirt and debris by construction workers. Mr. Lantz requested that everyone return to District business.

Gary Boulter requested an extension on his one-year landscaping installation requirement due to the flooding of his outdoor property. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the extension.

Administrative Matters

Acknowledge Resignation of Special District Management Services, Inc. as District Manager

The Board acknowledged the resignation of Special District Management Services, Inc. as District Manager.

Review and Consider Approval of Proposal for District Management Services

Ms. Frisbie presented the Board with a proposal from White Bear Ankele Tanaka & Waldron, PC for District Management Services. Mr. Pucciano reported that he also received a proposal from MSI, LLC for District Management Services. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the proposal from White Bear Ankele Tanaka & Waldron, PC for District Management Services.

Discuss Designation of Administrative Duties

The Board discussed appointment of the Architectural Review Committee. Following discussion, upon a motion duly made and seconded, the Board unanimously appointed Gary Boulter (resident), Tony Iannone (resident), Mr. Pucciano, and Nic Fleming (Lokal Homes) as the Architectural Review Committee. Mr. Lantz informed the Board that Lokal Homes is planning to sell some of the lots for custom homebuilding, which will require the Architectural Review Committee to have a more active role in design approval.

Following discussion, the Board determined to have Troy McCarty (resident) coordinate with other residents to appoint a Covenant Control Committee. This committee will monitor covenant issues throughout the community and notify Ms. Frisbie of any issues so she can coordinate a cure of the violation.

The Board discussed collection of the operations and maintenance fees. Ms. Wheeler reported that she is working to set up an ACH program so payments can be automatically deposited. Until that is set up, Ms. Barr will continue to collect the fees and coordinate deposit with Ms. Wheeler.

The Board discussed landscaping oversight and other community matters. Following discussion, it was determined that M. Barr and Ms. Iannone will provide the majority of the oversight and will coordinate with Ms. Frisbie as needed.

Acknowledge Resignation of Judy Leyshon as Secretary to the Board

The Board acknowledged the resignation of Judy Leyshon as Secretary to the Board.

Consider Appointment of Officers

The Board discussed appointment of officers. Following discussion, upon a motion duly made and seconded, the Board unanimously appointed Director Lantz as President, Director Barr as Treasurer, Directors Lemnah, Pucciano, and Iannone as Assistant Secretaries, and Ms. Frisbie as Secretary.

Update on May 2020 Election

Ms. Frisbie provided the Board with an update on the May 2020 recall election. Ms. Frisbie informed the Board that in order for the recall election to be cancelled, Mr. Lemnah will need to resign from the Board and the recall committee for Mr. Lantz will need to submit a letter informing the Designated Election Official of their request to withdraw the recall petition, signed by eligible electors of the District. Ms. Frisbie noted that the District will begin to incur election costs the first week of March if the election is not cancelled. Mr. Lantz informed the Board that he will inform Mr. Lemnah that if he does intend on resigning, it would benefit the District administratively to resign as soon as possible, rather than waiting until May.

Discuss District Website

Ms. Frisbie informed the Board that the District's previous management company has taken down the District's website, as it was set up through their company website. Mr. Lantz noted that he will contact the previous management company with a request to keep the design and relocate the website, as the District did pay for the setup.

Operations & Maintenance Matters

Review and Consider Approval of Proposal from Pine Valley Landscaping, LLC for Landscape Maintenance Services

Ms. Barr presented the Board with a proposal from Pine Valley Landscaping, LLC for Landscape Maintenance Services. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the proposal and authorized legal counsel to prepare an Independent Contractor Agreement.

Discuss Winter Watering

The Board discussed winter watering.

Review and Consider Approval of Proposal from Pine Valley Landscaping, LLC for Winter Watering

Ms. Barr presented the Board with a proposal from Pine Valley Landscaping, LLC for winter watering. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the proposal for winter watering and requested that the winter watering be included as part of the yearly contract with the contractor.

Mr. Pucciano reported that will reach out to Metco Landscape, Inc. to confirm the last time winter watering was completed, as it was a part of their contract, but it doesn't appear that it has been done recently. Following discussion, the Board determined to hold the last check owed to Metco Landscape, Inc. until confirmation of all work under their contract has been confirmed completed.

Discuss Native Grass and Weed Control Matters	Ms. Iannone provided the Board with an update on native grass and weed control matters. She reported that she met onsite with Douglas County, and the county confirmed that none of the weed control issues are on District property.
Discuss Purchase of Additional Mailbox	Ms. Barr discussed the request for an additional mailbox with the Board, noting that the current mailboxes are too small and few for the current residents. She reported that the concrete pad that holds the mailbox is failing and needs to be replaced. Following discussion, the Board authorized Ms. Barr to obtain a quote for replacement of the concrete pad, and determined to defer the purchase of an additional mailbox at this time.
Discuss Bulletin Board Key	Ms. Barr reported that the District's previous management company lost the key to the bulletin board by the mailbox. Following discussion, the Board authorized Ms. Barr to coordinate with a locksmith for key replacement.
Discuss and Consider Appointment of Architectural Review Committee	This was discussed above under Administrative Matters.
Discuss Covenant Enforcement Matters	This was discussed above under Administrative Matters.

Financial Matters

Discuss Past Due Payments to Vendors and Developer Advances for Same	The Board discussed past due payments to vendors and developer advances for same. Ms. Wheeler reported that the District needs \$6,361.35 in developer funding at this time. Outstanding invoices include many months of legal invoices and all of the invoices from December 2019. Ms. Lantz reported that he is working with legal counsel on confirmation of the legal invoices.
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Approval of Claims	Ms. Wheeler presented the Board with the claims payable as of January 22, 2020. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the claims payable, as amended to hold invoices to Metco Landscape, Inc., as discussed.
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Legal Matters

Consider Approval of Fourth Amendment to 2016 Operation Funding Agreement between the District and Lokal Two Bridges, LLC	The Board reviewed the Fourth Amendment to the 2016 Operation Funding Agreement between the District and Lokal Two Bridges, LLC. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the amendment.
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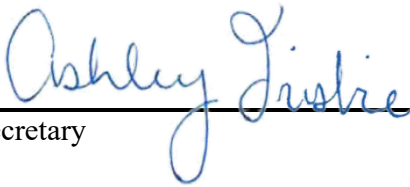
Other Business

Ms. Iannone reported that the fence along the back of the property had been repaired and inquired into who performed the repair. Ms. Pucciano indicated that he was not aware of who performed the fence repair.

Adjournment

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

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


Secretary