

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF

TWO BRIDGES METROPOLITAN DISTRICT

Held: Monday, July 13, 2020, at 9:00 a.m. via teleconference

Due to the Executive Orders issued by Governor Polis and Public Health Orders implementing the Executive Orders issued by the Colorado Department of Health and Environment, and the threat posed by the COVID-19 coronavirus, this meeting was held 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:

Korin Barr
Nicole Iannone
Robert Carter

Directors Ryan Lantz and Jeff Rodgers were 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; Nicole Clark, Diane Pepe, Aaron Argabright, Cliff Herman, Gary Boulter and Stella Boulter, residents.

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 presented.

Adoption of Resolution Declaring Emergency Procedures and Authorizing Teleconferencing for Regular and Special Meetings

Ms. Frisbie presented the Resolution Declaring Emergency Procedures and Authorizing Teleconferencing for Regular and Special Meetings to the Board for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution.

Update on Recall Election and May 2020 Directors' Election

Ms. Frisbie provided an update on the recall election, noting that David Lemnah submitted a written resignation from the Board on January 31, 2020, Thomas Pucciano's seat was up for election in May of 2020, therefore, the matter of his recall could not appear on the ballot, and the Recall Committee submitted a Petition to Withdraw the Recall Petition for Director Lantz on March 5, 2020, signed by a majority of the residents, causing all recall proceedings to be terminated.

Ms. Frisbie then provided an update on the May 2020 directors' election, noting that the directors' election was cancelled and each of the candidates who had submitted a self-nomination and acceptance form, that wasn't subsequently withdrawn, were deemed elected by acclamation.

Appointment of Officers

The Board discussed the appointment of officers. Following discussion, upon a motion duly made and seconded, the Board unanimously appointed the following slate of officers:

Nicole Iannone as President;
Korin Barr as Treasurer;
Ryan Lantz as Assistant Secretary;
Robert Carter as Assistant Secretary; and
Jeff Rodgers as Assistant Secretary.

Approval of Minutes

Ms. Frisbie presented the Minutes from the January 22, 2020 special meeting to the Board for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the Minutes as presented.

Public Comment

Ms. Clark requested an update on the potential sale of lots to custom home builders. Director Iannone reported that she was informed by Lokal Homes that an informational letter was prepared for the homeowners and should have been distributed. The Board requested that Ms. Frisbie follow up with Director Lantz for an update on this matter.

Operations & Maintenance Matters

Ratify Approval of First Addendum to Independent Contractor Agreement with Pine Valley Landscaping, LLC for Additional Landscaping Services

Ms. Frisbie presented the First Addendum to the Independent Contractor Agreement with Pine Valley Landscaping, LLC for Additional Landscaping Services to the Board for ratification. Following discussion, upon a motion duly made and seconded, the Board unanimously ratified the addendum.

Ratify Approval of Preparation of Irrigation Map and Vole Removal by Pine Valley Landscaping, LLC

Ms. Frisbie discussed the preparation of an irrigation map and the vole removal by Pine Valley Landscaping, LLC with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously ratified approval of preparation of the irrigation map and the vole removal.

Ratify Repair Work to Bridge Lanterns by Schlosser Signs, Inc.

Ms. Frisbie presented the invoice for the repair work to the bridge lanterns by Schlosser Signs, Inc. to the Board for ratification. Following discussion, upon a motion duly made and seconded, the Board unanimously ratified the repair work.

Discuss Prior Service Agreement for Landscape Services with Metco Landscape, Inc. ("Metco")

Directors Iannone and Barr provided an update on the status of landscaping issues, which included presentation of a report detailing the landscaping issues (missing edging, exposed/missing irrigation, missing tree wiring, etc.). Director Barr noted that she previously spoke with Director Lantz, and he had offered to work with Metco to see if they would be willing to provide compensation for some of the issues that should have been fixed or replaced under warranty. Director Barr is working to finalize the landscaping report and will send it to Director Lantz so that he can provide to Metco during the negotiation. The Board requested a 30-day turnaround from when the report is sent to Director Lantz for the resolve with Metco.

*Update on Status of
Neighborhood Cleanup*

Director Barr reported that the Neighborhood Cleanup was very successful, and thanked the community for their help.

Discuss Purchase of
Additional Mailbox and
Concrete Pad for Same

The Board engaged in general discussion regarding the purchase of an additional mailbox and concrete pad for same. Director Barr will look into options to present to the Board at the next meeting for discussion. No action was taken by the Board.

Discuss Amendment
Procedures for Amended
and Restated Declaration of
Protective Covenants and
Easements of Two Bridges
and the District's Rules,
Regulations, and Design
Guidelines

The Board engaged in general discussion regarding amendment procedures for the Amended and Restated Declaration of Protective Covenants and Easements of Two Bridges and the District's Rules, Regulations, and Design Guidelines. Ms. Frisbie explained the difference between the covenants and the rules & regulations, noting that the rules and regulations were intended to elaborate on the covenants and are typically easier for the Board to amend. The Board discussed possibly considering a future amendment to the covenants, so they more closely mirror the actual operations and intent of the District. No action was taken by the Board.

Discuss and Consider
Appointment of
Architectural Review
Committee

The Board discussed appointment of the Architectural Review Committee. Following discussion, upon a motion duly made and seconded, the Board unanimously appointed Tony Iannone, Troy McCarty, and Gary Boulter to the Architectural Review Committee, subject to final approval by Lokal Two Bridges, LLC, as the master developer.

*Discuss Process for Design
Approval*

This matter was included as part of the discussion related to the Design Guidelines. See "Discuss Implementation of Design Guidelines" below.

Discuss District Website

There was no update at this time.

Financial Matters

Operations & Maintenance
Fees ("O&M Fees")

*Discuss Collection of O&M
Fees*

There was no discussion at this time.

*Discuss Revenues
Generated from O&M Fees*

The Board discussed the revenues generated from the O&M Fees. Ms. Wheeler reported that these revenues may be used to pay for certain services, including landscaping, covenant control, insurance, and trash removal services. Ms. Boulter inquired about the \$200 monthly amount, and requested confirmation that it was

a justifiable amount. Ms. Wheeler noted that there is not enough revenue generated from the O&M Fee to cover the certain services noted above, so they are currently being supplemented by property tax revenue.

Approval of
Payables/Financials

Ms. Wheeler presented the Board with the June 30, 2020 unaudited financial statements and the claims payable as of July 11, 2020, in the amount of \$58,054.11. It was noted that a portion of the District's property taxes have not yet been paid to Douglas County, so Ms. Wheeler will need to request a developer advance to supplement the District's funds. Following discussion, upon a motion duly made and seconded, the Board unanimously accepted the financials and approved the claims payable.

Ms. Wheeler reported that the bank signature cards are in process, and that any two board members can sign checks.

Consider Acceptance of
2019 Audit

Ms. Wheeler presented the 2019 Audit to the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously accepted the 2019 Audit, subject to receipt of a clean opinion from the auditor and final review by legal counsel.

Legal Matters

Consider Adoption of
Resolution Establishing an
Electronic Signature Policy

Ms. Frisbie presented the Resolution Establishing an Electronic Signature Policy to the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution.

Consider Approval of Fifth
Amendment to 2016
Operation Funding
Agreement between the
District and Lokal Two
Bridges, LLC

The Board reviewed the Fifth 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.

Discuss Ownership of
Parcels P and R

The Board discussed the ownership of Parcels P and R. Ms. Frisbie noted that Director Lantz had previously recommended that the District and the developer entity swap Parcels P and R, noting that Parcel P is owned by the developer entity and has entitlements that would allow for community amenities to be built at some point in the future, and that the District currently owns Parcel R, which is zoned as farmland. Following discussion, the Board determined to decline the recommendation to switch parcels.

Other Business

Discuss Implementation of Design Guidelines

Director Iannone presented the Board with proposed Design Guidelines, prepared by Mr. Iannone. The Board discussed the requirements within the proposed Design Guidelines and implementation of the same. Ms. Frisbie noted that the Design Guidelines will need to be reviewed and approved by Lokal Two Bridges, LLC, as the master developer.

The Board also discussed imposing a vacant lot fee to supplement the District's revenue. Ms. Wheeler noted that the fee must be justifiable and comparable to fees that are in place on the occupied lots. Following discussion, the Board directed the District's consultants to present a vacant lot fee recommendation to the Board at the next meeting.

October 2020 Meeting

The Board determined to reschedule the October 7, 2020 meeting to October 28, 2020 at 9:00 a.m.

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