

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE MUEGGE FARMS METROPOLITAN DISTRICT NO. 1 HELD JUNE 16, 2023

A Special Meeting of the Board of Directors (the “Board”) of the Muegge Farms Metropolitan District No. 1 (the “District”) was convened on Friday, June 16, 2023, at 10:00 a.m. by Zoom video/telephone conference. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

James E. Marshall (for a portion of the meeting)
James A. Hayes
John P. Vitella
Brandon S. Wyszynski

Also In Attendance Were:

AJ Beckman and Kate Innes; Public Alliance, LLC

Suzanne Meintzer, Esq. and Jay Morse, Esq.; McGeady Becher P.C.

James Shultz, Marchetti & Weaver, LLC

ADMINISTRATIVE MATTERS

Disclosures of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State.

Mr. Beckman 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 Directors prior to this meeting in accordance with the statute. Attorney Meintzer noted that Disclosure Statements have been filed for all directors. No additional conflicts were disclosed.

Appointment of Acting President: The Board discussed an appointment of Acting President. Following discussion, upon motion duly made, seconded, and unanimously carried, the Board appointed Director Hayes as Acting President.

Agenda: Mr. Beckman distributed, for the Board's review and approval, the Agenda for the District's Special Meeting.

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Following discussion, upon motion duly made by Director Hayes, seconded by Director Wyszynski and, upon vote, unanimously carried, the Agenda was approved, as amended.

Meeting Location and Posting of Meeting Notices: 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, upon motion duly made by Director Hayes, seconded by Director Wyszynski and, upon vote, unanimously carried, the Board determined the meeting would be held by video/telephonic means, and encouraged public participation via video or telephone. The Board further noted that notice of the time, date and location was duly posted and that no objections to the video/telephonic manner of the meeting, nor any requests that the video/telephonic manner of the meeting be changed by taxpaying electors within the District boundaries, have been received.

May 2, 2023 Election: Mr. Beckman advised the Board that the Designated Election Official cancelled the May 2, 2023 election, as allowed under Colorado law, because there were not more candidates than positions available on the Board of Directors. It was noted that Director Wyszynski was deemed elected to a 4-year term ending in May 2027.

Appointment of Director: The Board deferred discussion.

Resignation and Appointment of Secretary to the Board: The Board discussed the resignation of Kurt Schlegel as Secretary to the Board.

Following discussion, upon motion duly made by Director Wyszynski, seconded by Director Hayes and, upon vote, unanimously carried, the Board acknowledged the resignation of Kurt Schlegel as Secretary to the Board.

Appointment of Officers: The Board deferred discussion.

CONSENT AGENDA

The Board considered the following items under the Consent Agenda:

- Approval of the Minutes of the February 6, 2023, Special Meeting.
- Ratify approval of the termination of Special District Solutions, Inc. for District Management services.
- Ratify approval of the engagement of Public Alliance LLC for District Management and Community Management services; Ratify approval of the Master Service Agreement (the "MSA") with Public Alliance LLC and Task Order Nos. 1 and 2 under the MSA.

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Following discussion, upon motion duly made by Director Hayes, seconded by Director Wyszynski and, upon vote, unanimously carried, the Board approved the Consent Agenda.

PUBLIC COMMENTS

There were no public comments.

FINANCIAL MATTERS

Claims: Mr. Shultz presented for the Board's review and consideration the claims list for the period ending May 31, 2023.

Following review, upon motion duly made by Director Marshall, second by Director Wyszynski and, upon vote, unanimously carried, the Board ratified approval of the payment of claims ending May 31, 2023.

Unaudited Financial Statements: Mr. Shultz reviewed with the Board the unaudited financial statements for the period ending April 30, 2023.

Following discussion, upon motion duly made by Director Marshall, seconded by Director Wyszynski and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending April 30, 2023.

2022 Audit: Mr. Shultz reviewed the draft 2022 Audit with the Board.

Following review and discussion, upon motion duly made by Director Marshall, seconded by Director Wyszynski and, upon vote, unanimously carried, the Board approved the 2022 Audited Financial Statements and authorized execution of the Representations Letter, subject to final legal and accounting review.

Resolution Terminating Project Fund: Attorney Meintzer discussed with the Board a Resolution Terminating Project Fund, noting that the Trustee had requested the resolution, but that the terms of the Indenture do not require one. The Board deferred further discussion at this time.

OPERATION AND MAINTENANCE MATTERS

Committee Report/Update: Mr. Beckman discussed with the Board the research and work completed to date to determine a fee necessary to cover the anticipated annual operating shortfall. Director Wyszynski requested further review by the working group. Following discussion, the Board determined to continue the discussion and meeting to a later date.

Other: There were no other operations and maintenance matters to discuss at this time.

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LEGAL MATTERS

Resolution No. 2023-06-01, Resolution Acknowledging and Adopting the Declaration of Covenant and Restrictions: The Board deferred discussion. Attorney Meintzer discussed with the Board, and the Board acknowledged that, in the absence of a homeowners' association, the District anticipates accepting covenant enforcement responsibilities at another time.

Resolution No. 2023-06-02, Resolution Adopting Design and Landscape Guidelines: The Board deferred discussion.

Resolution No. 2023-06-03, Resolution Adopting Policies and Procedures Governing the Enforcement of Covenant and Restrictions: The Board deferred discussion.

Resolution No. 2023-06-04; Resolution Regarding the Imposition of District Fees: The Board deferred discussion.

Executive Session: The Board determined that an executive session was not needed.

Other: The Board appointed a Fee Committee, consisting of Mr. Schultz, Mr. Beckman, Director Wyszynski, and Director Marshall to discuss the imposition of operations and maintenance fees.

OTHER BUSINESS

Status of Development: Directory Hayes reported to the Board that the first phase (108 sites) by Oakwood Homes, LLC have been approved for construction and construction is expected to begin in a couple of weeks.

Website: Mr. Beckman discussed creating a separate website for the District with the Board.

Following review and discussion, upon motion duly made by Director Marshall, seconded by Director Wyszynski and, upon vote, unanimously carried, the Board directed Public Alliance to create a website for the District that is separate from the other Muegge Farms Metropolitan Districts.

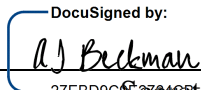
Amended and Restated Multiple-Year Operation Funding Agreement: Attorney Meintzer discussed the Amended and Restated Multiple-Year Operation Funding Agreement by and between the District and Clayton Properties Group II, Inc. with the Board, noting that she would work with the District Accountant to finalize a shortfall amount.

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CONTINUANCE

Following discussion and review, upon a motion duly made by Director Marshall, seconded by Director Wyszynski and, upon vote unanimously carried, the Board of Directors continued the meeting until June 21, 2023, at 4:00 p.m.

Respectfully submitted,

By  _____
Secretary for the Meeting