

**MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
MUEGGE FARMS METROPOLITAN DISTRICT NO. 1
HELD JUNE 12, 2024**

A Special Meeting of the Board of Directors (the “Board”) of the Muegge Farms Metropolitan District No. 1 (the “District”) was convened on Wednesday, June 12, 2024, at 1:30 p.m. by Zoom video/telephone conference. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

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

Also In Attendance Were:

AJ Beckman, Mark McGarey and David Frazier; Public Alliance, LLC
Suzanne Meintzer, Esq. and Jay Morse, Esq., McGeady Becher P.C.
Eric Weaver (for a portion of the meeting) and James Schultz; Marchetti & Weaver, LLC
Brett Price; Oakwood Homes
Jack Beckwitt (for a portion of the meeting); Lennar Colorado, LLC
Alex Schull; Resident

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 Board members prior to this meeting in accordance with statute. Attorney Meintzer noted that Disclosure Statements were filed for all directors with the Secretary of State, and no additional conflicts were disclosed at the meeting.

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

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

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 Marshall, seconded by Director Wyszynski and, upon vote, unanimously carried, the Board determined the meeting would

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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, or any requests that the video/telephonic manner of the meeting be changed by taxpaying electors within the District boundaries, have been received.

Vacancy on the Board: Mr. Schull expressed his interest in serving on the Board of Directors. Director Wyszynski discussed establishing a process for appointing Directors to the Board. The Board determined that Director Wyszynski and Mr. Beckman would work together to create a process to give all District residents an opportunity to run for vacant Board positions.

CONSENT AGENDA

The Board considered the following actions:

- Approval of the Minutes of the March 20, 2024 Special Meeting.

Following discussion, upon motion duly made by Director Marshall, seconded by Director Wyszynski and, upon vote, unanimously carried, the Board approved and/or ratified approval of the Consent Agenda items.

PUBLIC COMMENTS

Mr. Scull confirmed his interest in serving on the Board.

FINANCIAL MATTERS

Claims: Mr. Weaver presented for the Board's review and consideration the claims list for the period ending June 12, 2024. Following review, upon motion duly made by Director Marshall, seconded by Director Bauer and, upon vote, unanimously carried, the Board ratified approval of the payment of claims for the period ending June 12, 2024.

Unaudited Financial Statements: Mr. Weaver reviewed with the Board the unaudited financial statements for the period ending April 30, 2024. 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, 2024.

2023 Audit: Mr. Weaver presented the 2023 Audit to the Board. Following discussion, upon motion duly made by Director Marshall, seconded by Director Wyszynski and, upon vote, unanimously carried, the Board approved the 2023 Audit and authorized execution of the Representations Letter, subject to final legal review and receipt of an unmodified opinion letter by the Auditor.

Fees and Operating Costs Review: The Board entered into discussion regarding operating costs and the fees required to fund operations. Mr. Price advised the Board that he expects Oakwood

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Homes to have newly constructed residential units available in June 2024. Mr. Price also provided updates to the Board regarding matters that may impact operating costs, including common area landscaping, water costs imposed by the Town of Bennett, and the District's covenant enforcement obligations. Mr. Price discussed potentially going out to bid for landscaping services to confirm the cost of common area landscaping. He further reported that he is working with the Town of Bennett to mitigate the cost of water.

Mr. Price also noted that supplemental covenants for the American Dream and Coach House products were nearly ready for recordation and confirmed that the covenants would be circulated for District Counsel review prior to recordation.

2025 Budget Preparation: The Board discussed the 2025 Budget Hearing. Following discussion, the Board determined to hold the public hearing to consider adoption of the 2025 Budget on October 17, 2024, at 9:00 a.m., via Zoom videoconference.

2024 Annual Meeting: The Board discussed the 2024 Annual Meeting. Following discussion, the Board determined to hold the Annual Meeting on October 17, 2024, at 8:45 a.m., via Zoom videoconference.

Repayment pursuant to the Facilities Acquisition and Reimbursement Agreement between the District, Clayton Properties Group, Inc. (f/k/a Clayton Properties Group II, Inc.) and MGV Investments, LLC ("FARA"), with revenue received under the Cost Sharing Agreement between the District and Muegge Farms Metropolitan District No. 2: The Board discussed the status of repayment pursuant to the FARA. It was noted that additional payments under the FARA for construction costs for public improvements are required to be verified by the District's cost verification engineer. Clayton estimates that the approximate amount to be verified is \$700,000.

OPERATIONS AND MAINTENANCE MATTERS

Design Review Committee Report/Update: Director Vitella reported to the Board he is working with the Design Review Committee and the design review process is being accomplished in a timely and accurate manner. Mr. Frazier reviewed with the Board the current violations, noting that the majority are for weeds or trash cans being improperly stored.

Covenant Enforcement Matters: Mr. Beckman reported to the Board that he is working with a fencing contractor to replace three fences which were incorrectly installed prior to the District formally adopting design guidelines. The District will coordinate the replacements with the property owners, and the cost of the replacements will be paid with funds received from Clayton, MGV and Lennar. Director Wyszynski requested regular updates regarding covenant violations and the status of resolving violations.

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

LEGAL MATTERS

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First Amendment to District No. 1 Facilities Acquisition and Reimbursement Agreement between the District, Clayton Properties Group, Inc., and MGV Investments, LLC: Attorney Meintzer noted that the Board had previously approved this agreement, and that the District was awaiting comments from counsel for Clayton Properties Group, Inc. No action was taken was taken by the Board.

Termination of the Amended and Restated Multiple-Year Operation Funding Agreement between the District and Clayton Properties Group II, Inc: Attorney Meintzer noted that the Board had previously approved this agreement, and that the District was awaiting comments from counsel for Clayton Properties Group, Inc. No action was taken was taken by the Board.

Multiple-Year Operation Funding Agreement between the District and Clayton Properties Group, Inc.: Attorney Meintzer noted that the Board had previously approved this agreement, and that the District was awaiting comments from counsel for Clayton Properties Group, Inc. No action was taken was taken by the Board.

Other: There were no other legal matters to discuss at this time.

OTHER BUSINESS

Attorney Meintzer and Mr. Beckman discussed Website Accessibility requirements with the Board. The Board discussed the appointment of a Compliance Officer. Following review, upon motion duly made by Director Wyszynski, seconded by Director Vitella and, upon vote, unanimously carried, the Board appointed Mr. Beckman as the Compliance Officer and authorized him to take related action.

ADJOURNMENT

Following discussion and review, upon a motion duly made by Director Marshall, seconded by Director Wyszynski and, upon vote unanimously carried, the meeting was adjourned.

Respectfully submitted,

DocuSigned by:
By AJ Beckman
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Secretary for the Meeting