

RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE ORCHARD FARMS METROPOLITAN DISTRICT HELD SEPTEMBER 10, 2020

The Special Meeting of the Board of Directors (the “Board”) of the Orchard Farms Metropolitan District (the “District”) was held on Thursday, September 10, 2020, at 9:00 a.m., via video conference. The meeting was open to the public.

Directors In Attendance Were:

Ambra Born
Randall Stutz
Christopher Elliott
John Cheney
Brian McNelly

Also In Attendance Were:

Ben Houghton, Accountant and Kim Herman, District Manager; CliftonLarsonAllen LLP (“CLA”)
Megan Murphy, Esq. General Counsel; White Bear Ankele Tanaka and Waldron
Debra Hessler; Lennar Homes
Jeremiah Hagen; TPG Energy

1. CALL TO ORDER

The meeting was called to order at 9:03 a.m.

2. DECLARATION OF QUORUM / DIRECTOR QUALIFICATIONS / REAFFIRMATION OF DISCLOSURES

Ms. Murphy advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Murphy 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. Murphy 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.

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3. APPROVAL OF THE AGENDA

The Board reviewed the proposed agenda. Following discussion, upon a motion duly made by Director Elliott, seconded by Director McNelly, and upon a vote, unanimously carried, the Board approved the agenda as presented.

4. PUBLIC COMMENTS

There were no public comments.

5. CONSENT AGENDA

A. Approval of June 11, 2020 Minutes

B. Approval of Claims Payable in the amount of \$213,579.12

The Board reviewed the Consent Agenda and upon a motion duly made by Director Stutz, seconded by Director Elliott, and upon a vote, unanimously carried, the Board approved the Consent Agenda as presented.

6. FACILITIES MANAGEMENT / DISTRICT OPERATIONS

A. Review District Manager's Report

Ms. Herman reviewed the District Manager's report with the Board.

B. Committee Activities

Ms. Herman and Director Stutz provided an update regarding Committee activities.

i. Social Committee

Director Born stated no social events had been completed to date due to the COVID-19 restrictions. The Board discussed the addition of holiday lights at the entrance to the District and at the pavilion in the community park. Ms. Herman will check with Mr. Adam Coates with Lennar regarding the lights at the uncovered mailboxes.

ii. Landscaping Committee

1. Approve BrightView Proposals for Tree Replacements
2. Approve BrightView Proposals for Plant Replacements
3. Ratify BrightView Proposal for Dead Plant Removal

The Board discussed the tract behind the fences and "farms" on the north border, noting a plan was needed for maintenance.

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Ms. Herman and Director Stutz reviewed the proposals from BrightView. The Board discussed excluding the replacement of trees and plants on 163rd. Upon a motion duly made by Director Stutz, seconded by Director McNelly, and upon a vote, unanimously carried, the Board approved the BrightView proposals for tree and plant replacements, with the exception of trees and plants on 163rd, and ratified the proposal for dead plant removal.

The Board discussed the difference in fence staining at the south end of Elizabeth from the north and requested Ms. Herman work with Lennar to determine stain color used. The Board discussed the port-a-restroom at the community park, noting that at this time the restroom will be left alone due to the plan amendment requirement and costs.

Director McNelly requested Ms. Murphy draft a Resolution to allow for Committees to approve expenses within a preset amount between meetings. The Board agreed with the request.

iii. Advisory Committee

Director Born reported the Advisory Committee has not met since the last Board meeting, but will be scheduling a meeting to discuss community needs and future planning.

C. Review Covenant Enforcement Report

Director Stutz voiced concerns regarding lawn maintenance and the potential of a fine being imposed upon homeowners who make improvements without submitting an architectural review request. Following discussion, the Board indicated they did not believe this was appropriate or how they would like to proceed with violation matters.

D. Website Updates

Director Stutz reported frustration with the online calendar and requested it be updated as previously discussed to a google calendar with all park and tennis court reservations noted. Ms. Herman apologized for the delay and stated she will make this a priority.

Director McNelly requested the website be updated to include statistics regarding the timeframe for architectural review requests, the number of architectural review requests made, and those architectural review requests that are approved vs. denied. Ms. Herman stated she would pull this information and add it to the website.

E. Other – Welcome Packets

Ms. Herman reported a request regarding welcome packets for new homeowners in the District. Director Stutz recommended the Board deliver the District's governing

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documents along with a gift card for a meal to new residents to welcome them to the neighborhood.

7. LEGAL MATTERS

A. Discuss Mineral Interests

Ms. Murphy informed the Board that the District owns mineral rights underneath the community park. Great Western is currently extracting minerals for which the District will receive revenue. Mr. Hagen discussed an offer for to purchase the District's mineral interests. The Board decided to table the discussion for the next meeting.

B. Review and Accept Ranger Engineering Engineer's Report

Ms. Murphy reviewed the Ranger Engineering Engineer's Report, and recommended deferral until the next meeting to finalize.

C. Discuss Norris Design Recommendations for Final Acceptance of Landscaping Work

Ms. Murphy reviewed the Norris Design recommendations, including initial acceptance of Tract D. Ms. Herman and Ms. Murphy discussed updating the Community map to note each tract and the water and electrical meters associated with each. The Board indicated they are not ready to accept the landscaping work included in the report but would address at the next Board meeting.

D. Other

None.

8. FINANCIAL MATTERS

A. Consider Acceptance of Financial Statements and Cash Position Report

Mr. Houghton reviewed the July 31, 2020 Financial Statements and Cash Position Report, noting that 99.51% of taxes have been collected. Upon a motion duly made by Director Stutz, seconded by Director Elliott, and upon a vote, unanimously carried, the Board approved the Financial Statements and Cash Position Report.

B. Other

None.

9. DIRECTOR'S ITEMS

None.

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10. OTHER BUSINESS / ADJOURN

A. Suggested Budget Hearing and Board Meeting: November; Cancel December Meeting

The Board confirmed a special meeting on November 12, 2020 at 9 a.m. for the budget hearing. The meeting in December will be cancelled.

B. Discuss 2021 Meeting Schedule

The Board tabled discussion of the 2021 meeting schedule.

C. SDA Annual Conference, September 23-25, 2020; Deadline to register September 15

Ms. Herman noted she will send the link and list of courses and is able to sign up any interested Board members to attend.

Upon a motion duly made by Director Elliott, seconded by Director Born, and upon a vote, unanimously carried, the Board adjourned the meeting at 10:28 a.m.

Respectfully submitted,

Secretary for the Meeting

The foregoing minutes were approved on the 12th day of November, 2020.