

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE ORCHARD FARMS METROPOLITAN DISTRICT

HELD

Thursday, June 10, 2021

A special meeting of the Board of Directors of the Orchard Farms Metropolitan District (referred to hereafter as the “Board”) was convened on Thursday, June 10, 2021 at 9:00 a.m. via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

In Attendance were Directors:

Ambra Brown
Randall Stutz
John Cheney
Brian McNelly
Christopher Elliott

Also in Attendance were:

Celeste Terrell, Rebecca Gianarkis & Lindsey Ross;
CliftonLarsonAllen LLP (“CLA”)
Megan Murphy, Esq. General Counsel; White Bear Ankele
Tanaka and Waldron (“WBA”)
Susie Ellis, Inspection Manager; Community
Preservation Specialists, Inc.
Debra Hessler; Lennar Colorado, LLC
Clara Moncotta; Resident
Alex Lamoste; Resident
Jennifer Ventero; Resident
Carter Wehrer; Resident
Grace Mar; Resident
Kala Tuleja; Resident
Aubrey Landvogt; Resident
Prashanth Manar; Resident
Tony Romo; Resident
Areli Munoz; Resident
Will Holmes; Resident
Chelsea
Dianna
Wendi
Nicole

CALL TO ORDER

Ms. Terrell called the meeting to order at 9:04 a.m.

DECLARATION OF QUORUM/

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

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REAFFIRMATION OF DISCLOSURES

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.

APPROVAL OF AGENDA

Following review, upon a motion duly made, seconded, and, upon vote, unanimously carried, the Board approved the agenda as presented.

PUBLIC COMMENT

The Board and residents discussed the possibility of adding a pool to the community. Topics covered included cost to residents, outstanding debt, bond refinancing, pool location, community preferences, and alternative options.

Director Born suggested the discussion to add a pool begin in the Advisory Committee first.

Director Stutz noted that it could be beneficial to refinance the debt, however Ms. Murphy noted that debt cannot be refinanced until December 1, 2022. Ms. Murphy also noted that it is not clear if a community pool would fit in the community.

Director Cheney suggested less costly alternatives such as a splash pad or community center. He also noted that the District is not currently in a financial position to incur the construction and operating costs that might accompany a community pool.

CONSENT AGENDA

Following review, upon a motion duly made by Director Stutz, seconded by Director Elliott and, upon vote, unanimously carried, the Board approved the Consent Agenda which included the following items:

March 22, 2021 Minutes

Claims Payable in the Amount of \$45,790.99

Third Amendment to Independent Contractor Agreement with BrightView Landscape Services, Inc.; and Settlement Agreement regarding Account Number 460104

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FACILITIES MANAGEMENT / DISTRICT OPERATIONS

District Manager's Report: Ms. Terrell reported that Rocky Mountain Sewer Jet withdrew their proposal to scope and jet the main line underdrains. She reminded the Board that they previously approved an amount not to exceed \$20,000 and noted that there are four additional options for service providers. Ms. Terrell noted that the top options are Fuzion and RK Mechanical.

Following discussion, upon a motion duly made by Director Stutz, seconded by Director Born and, upon vote, unanimously carried, the Board authorized Ms. Terrell to engage an underdrain contractor.

Director Cheney requested that Ms. Terrell complete site visits to monitor this work. Director Born asked why it is difficult to engage contractors and Ms. Murphy noted that it is a specialized service with a limited number of contractors.

Ms. Terrell also summarized the insurance schedule and the design review process, noting 59 design review requests have been processed since the March 11, 2021 Board meeting.

Snow Removal Areas: Ms. Terrell summarized the community areas where snow is currently contracted to be removed and the areas the Board wants to include for the 2021-2022 season.

Following discussion, upon a motion duly made by Director Stutz, seconded by Director McNelly and, upon vote, unanimously carried, the Board approved the snow removal plan as discussed and authorized the District manager to add additional snow removal areas in the future as development occurs within the community.

Director Born inquired about the expected date of completion of the second park. Director Cheney reported it will be done after the roads surrounding the second park are built.

Directors McNelly and Stutz requested the District work with Lennar to repair damages done to the roundabout.

Discuss Resident Request for Addition of Swing to Park: Ms. Terrell reviewed a resident request to add an accessible swing to the park. The Board supported the request. Following discussion, upon a motion duly made by Director Stutz, seconded by Director Born and, upon vote, unanimously

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carried, the Board approved the resident request to add an accessible swing to the playground.

Director McNelly requested Ms. Terrell solicit a quote for playground maintenance. Ms. Murphy additionally requested a quote for quarterly playground safety inspections.

Director Born requested that the park in Tract G be made more accessible, with the potential addition of a similar accessible swing to this park.

Committee Reports:

Social Committee: Director Born reported that the Social Committee has planned a variety of fun activities for the summer including a Fourth of July celebration and progressive block party event. Director Born will work with Ms. Terrell to add a section for the Social Committee to the website and plans to advertise Committee membership through signage in the park.

The Board discussed the permissibility of alcohol at events. Ms. Murphy noted security must be provided if the District provides the alcohol.

Following discussion, upon a motion duly made by Director McNelly, seconded by Director Born, the Board nominated Jill Chapman to the Social Committee.

Landscaping Committee: Ms. Terrell reported a landscaping walk happened recently with BrightView. Mr. Stuckey noted that he is working closely with residents to report broken sprinklers. He also noted that nine trees are dead and he would like BrightView to replace them at the expense of Lennar as they should still be insured by Lennar. Following discussion, upon a motion duly made by Director Stutz, seconded by Director Cheney and, upon vote, unanimously carried, the Board approved tree replacements per Ms. Terrell's report.

Following discussion, upon a motion duly made by Director Stutz, seconded by Director McNelly, the Board authorized Ms. Terrell to approve landscape enhancement and landscape management contracts within the District's current fiscal year budget and later add the landscape enhancement or landscape management contracts to the consent agenda for ratification by the Board.

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Advisory Committee: Director McNelly reported that the welcome letter is pending. Ms. Ellis mentioned some community members park on the landscaping and some residents have put fences against the sidewalks. Director McNelly noted these items to be discussed at the next Advisory Committee meeting and will report to the Board of the Committee's recommendations. Ms. Terrell noted last month's meeting was productive and that the discussed changes and updates were made to the website.

Following discussion, upon a motion duly made by Director McNelly, seconded by Director Born, the Board nominated residents Jill Chapman and Holly Anthony to the Advisory Committee.

Suggested Plant List to be Added to Residential Improvement Guidelines: Ms. Terrell shared the suggested plant list and noted it was compiled by Ms. Ellis. Director Stutz asked if residents can change tree placement around their homes. Ms. Ellis noted residents should request a variance to be approved by the Design Review Committee to change their tree placement.

Following discussion, upon a motion duly made by Director McNelly, seconded by Director Stutz and, upon vote, unanimously carried, the Board approved the suggested plant list to be added to the Residential Improvement Guidelines.

Covenant Enforcement Report: Ms. Ellis presented her covenant enforcement report to the Board, noting most violations concerned landscaping.

Other: Following discussion, upon a motion duly made by Director McNelly, seconded by Director Stutz and, upon vote, unanimously carried, the Board added the sidewalks on the corners of 16308 Elizabeth Street and 16288 Elizabeth Street to the snow removal plan.

LEGAL MATTERS

Appointment of Members to the Advisory Committee: Members were appointed to the Committee during the respective Committee updates previously detailed.

WBA Covenant Enforcement Services: Ms. Murphy reported to the Board that WBA will no longer offer covenant enforcement

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services to its clients. She proposed three alternative firms that offer this service. Ms. Murphy reported the District used this service just a few times.

Following discussion upon a motion duly made by Director McNelly, seconded by Director Born and, upon vote, unanimously carried, the Board approved the engagement of Orten Cavanagh Holmes & Hunt LLC for covenant enforcement services.

Other: Following discussion, upon a motion duly made by Director McNelly, seconded by Director Born and, upon vote unanimously carried, the Board authorized Ms. Ellis to contact Legal Counsel with covenant enforcement questions at her discretion.

FINANCIAL MATTERS

March 31, 2021 Financial Statements and Cash Position Report: Ms. Ross reviewed the Financial Statements and Cash Position Report with the Board. Following review, upon a motion duly made by Director Cheney, seconded by Director Born and, upon vote, unanimously carried, the Board accepted the march 31, 2021 Financial Statements and Cash Position Report.

2020 Audit: Ms. Ross presented a draft of the 2020 Audit to the Board. Following review, upon a motion duly made by Director Cheney, seconded by Director Stutz and, upon vote, unanimously carried, the Board authorized CLA to review and file the 2020 Audit, subject to the receipt of a clean opinion and review by Legal Counsel.

Handling of Delinquent Monthly Dues: Director Born requested additional information about the process from delinquent monthly dues to potential foreclosure. Ms. Murphy summarized the process for the Board.

Other: None.

DIRECTORS' MATTERS

Fencing Height Requirements for Homes Backing to Open Space: The Board, Ms. Ellis, and Ms. Murphy discussed fencing height requirements for homes in the community that back up to open space. The two options discussed were a six-foot privacy fence and a split-rail fence. Discussion ensued regarding challenges pertaining to varied resident preferences. It was determined that fence height is a private matter to be determined by individual residents. No action was taken.

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Other: Director McNelly reminded the Board on behalf of the Advisory Committee that Sherwin-Williams will perform a site visit to suggest a color pallet for the community.

OTHER MATTERS

At the request of resident Will Holmes, Director McNelly briefly summarized the conversation regarding a possible community pool that took place at the start of the meeting.

ADJOURNMENT

September 9, 2021 Board Meeting: A quorum was confirmed for the September 9, 2021 Board Meeting. There being no further business to come before the Board, upon a motion duly made by Director McNelly, seconded by Director Stutz and, upon vote, unanimously carried, the Board adjourned the meeting at 11:23 a.m.

Respectfully submitted,

Secretary for the Meeting

The foregoing minutes were approved on the 9th day of September, 2021.