

MINUTES OF A SPECIAL MEETING OF THE BOARD
OF DIRECTORS

OF

CUNDALL FARMS METROPOLITAN DISTRICT

Held: Tuesday, June 8, 2021, at 5:30 p.m. via
Teleconference.

*Due to the threat posed by the COVID-19 coronavirus, this
meeting was held via teleconference.*

Attendance

A special meeting of the Board of Directors of the Cundall Farms Metropolitan District was called and held as shown above and in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve on the Board, were in attendance:

David Scott
Reuben Patrick Maes
Bradley Mark Nelson
Kathy Snyder
Darren Fresquez

Also present was Megan J. Murphy, Esq. and Erin K. Stutz, Esq., White Bear Ankele Tanaka & Waldron, District General Counsel; Melissa Sykes, Advance HOA Management, Inc., District Manager; Gigi Pangindian, CliftonLarsonAllen LLP, District Accountant; and homeowners.

Call to Order

Mr. Scott noted that a quorum of the Board was present and called the meeting to order.

**Declaration of Quorum/Director
Qualification/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.

Agenda

The Board reviewed the proposed agenda. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the agenda as amended.

Public Comment

Ms. Erin Traux noted that landscaping to replace dead trees installed in the park took place. Three evergreen trees were planted in the berm at the park which block her view of the playground equipment at the park. She noted that she is not happy about this as she believes this will affect the value of her home and what she really likes about living here. She is asking the Board to replace these trees with different ones. Director Scott noted that there would be a discussion of trees later in the meeting.

Ms. Paula Juhrs noted that one person is interested in being appointed to the Social Committee and noted that she will follow up. She also noted the summer event is scheduled for June 26, 2021. She also noted that there would be a movie night in August.

Consent Agenda

Ms. Murphy reviewed the items on the consent agenda with the Board. Ms. Murphy advised the Board that any item may be removed from the consent agenda to the regular agenda upon the request of any director. Three items were requested to be removed from the consent agenda. Upon a motion duly made and seconded, the following items on the consent agenda were unanimously approved, ratified and/or adopted:

1. March 17, 2021 Special Meeting Minutes;
2. April 28, 2021 Special Meeting Minutes;
3. May 4, 2021 Special Meeting Minutes;
4. Fun Services Contract; and
5. Contract for Musical Services.

Director Matters

Discussion Regarding Board Liaisons

The Board engaged in discussion regarding Board Liaisons for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously approved

the appointment of Director Maes as liaison to White Bear Ankele Tanaka & Waldron.

Discussion Regarding
Architectural Review Committee

The Board engaged in discussion regarding Architectural Review Committee. Following discussion, upon a motion duly made and seconded, the Board unanimously appointed Director Maes and Ms. Judy Poor to the Committee.

Discussion Regarding
Establishment of Finance
Committee

The Board removed this item from the agenda.

Discussion Regarding Upcoming
Board Vacancy

Ms. Murphy noted for the Board that Director Snyder will be resigning from the Board. Director Snyder noted that she thinks that her replacement should be a woman and patio homeowner. Director Scott agrees with this perspective.

The Board engaged in discussion regarding filling the vacancy. Following discussion, the Board directed legal counsel to send a notice of vacancy via email blast on June 11, 2021 with responses due by June 25, 2021.

Financial Matters

Consider Ratification of Cash
Position and Interim Claims
Report

Ms. Pangindian presented the schedule of cash position dated April 30, 2021 updated as of June 1, 2021 to the Board. Ms. Pangindian presented total general and operations costs of \$26,400.62; total tree replacement costs of \$137,327.81; and total loan issue costs of \$204,200.00 to the Board for ratification. Following discussion, upon a motion duly made and seconded, the Board unanimously accepted the schedule of cash position and ratified the claims.

Acceptance of Unaudited Financial
Statements, dated April 30, 2021

Ms. Pangindian presented the unaudited financial statements, dated April 30, 2021 to the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously accepted the unaudited financial statements.

Consider Approval of 2020 Audit

Ms. Pangindian presented the 2020 Audit to the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the 2020 Audit, subject to final legal review and receipt of clean opinion.

Other Financial Matters
Management Matters

None.

Manager Report

Ms. Sykes reviewed the Manager Report with the Board.

Violation for Maintenance of Detention Pond from City of Thornton

Ms. Sykes discussed the violation for maintenance of detention pond from the City of Thornton (the “City”). She noted that she contacted KB Homes and asked them to clean up construction debris and that Schultz Industries will clean up the detention pond.

Discuss Board@cfmd.co

The Board engaged in discussion regarding Board@cfmd.co. Ms. Sykes noted that this has been deactivated. Following discussion, the Board directed Ms. Sykes to reactivate the Board@cfmd.co address and forward the messages to the full Board.

Consider Approval of Reserve Study from Association Reserves

Ms. Sykes presented the Reserve Study from Association Reserves to the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the Reserve Study.

Consider Approval of Proposal for Basketball Repairs

Director Nelson presented proposals for basketball court repairs to the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the proposal from Altitude Athletic Surfaces in an amount not to exceed \$59,750 including permit fees subject to final review by legal counsel and Director Nelson.

The Board requested that legal counsel reach out to KB Homes to inform them that the City will no longer approve asphalt basketball courts and inquire if KB Homes is willing to contribute funds toward a new basketball court.

Discussion Regarding Prairie Dog Eradication in Open Space

The Board engaged in discussion regarding prairie dog eradication in the open space. Following discussion, the Board directed legal counsel to request that the City remove prairie dogs from the City’s property at no cost to the District.

Discussion Regarding Grading Near St. Paul Street

Ms. Sykes noted that there are drainage issues near St. Paul Street. Following discussion, the Board directed Ms. Sykes to contact KB Homes to investigate the drainage issue.

Discussion Regarding Underdrain

The Board engaged in discussion regarding the mainline underdrain system. Following discussion, the Board directed legal counsel to follow-up with KB Homes to find out the status of conveyance of the mainline underdrain system.

Consider Approval of Proposal for LED Lights in the Park

Director Nelson presented the Board a proposal for installation of LED Lights at the park. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the proposal and authorized Director Nelson to approve up to \$8,000 for park and trail light replacements.

Other Management Matters

Director Nelson noted that it is starting to look very dry and the sprinkler system needs to be up and working. Ms. Sykes noted that she will follow-up with Schultz Industries to make sure the irrigation system is on.

Legal Matters

Update Regarding White Bear Ankele Tanaka & Waldron Covenant Enforcement Services

Ms. Murphy presented proposals for covenant enforcement to the Board for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the proposal with Winzenburg Leff Purvis & Payne.

Other Legal Matters

None.

Executive Sessions

Upon motion of Director Scott, seconded by Director Nelson, and upon an affirmative vote of at least two-thirds of the quorum present, pursuant to § 24-6-402(4)(b), C.R.S., conference with an attorney for the District, the Board convened in executive session at 7:52 P.M. for the purpose of receiving legal advice on specific legal questions related to waiver of fines and fees for account 1824267 and pursuant to § 24-6-402(4)(e), C.R.S. determining positions relative matter that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators related to a fine waiver request for account 1824267.

Pursuant to § 24-6-402(2)(d.5)(II)(B), C.R.S., no record will be kept of the portion of this executive session that, in the opinion of the District's attorney, constitutes privileged attorney-client communication pursuant to § 24-6-402(4)(b), C.R.S.

Also pursuant to § 24-6-402(4), C.R.S., the Board did not adopt any proposed policy, position, resolution, rule, regulation or take formal action during execution session.

Upon motion of Director Scott, seconded by Director Maes, the Board reconvened in regular session at 8:07 P.M. No Action was taken.

Upon motion of Director Scott, seconded by Director Nelson, and upon an affirmative vote of at least two-thirds of the quorum present, pursuant to § 24-6-402(4)(b), C.R.S., conference with an attorney for the District, the Board convened in executive session at 8:07 P.M. for the purpose of receiving legal advice on specific legal questions related contract with Arbortanics, Inc.; The Tree Farm Contract; contract with 1st Green Colorado LLC; and contract with James Nursery Company pursuant to § 24-6-402(4)(e), C.R.S. determining positions relative to matter that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators related to contract with Arbortanics, Inc.; The Tree Farm Contract; contract with 1st Green Colorado LLC; and contract with James Nursery Company.

Pursuant to § 24-6-402(2)(d.5)(II)(B), C.R.S., no record will be kept of the portion of this executive session that, in the opinion of the District’s attorney, constitutes privileged attorney-client communication pursuant to § 24-6-402(4)(b), C.R.S.

Also pursuant to § 24-6-402(4), C.R.S., the Board did not adopt any proposed policy, position, resolution, rule, regulation or take formal action during execution session.

Upon motion of Director Scott, seconded by Director Snyder, the Board reconvened in regular session at 8:44 P.M.

Discuss Creation of Berm on an Oil Well Site

The Board engaged in discussion regarding creating a berm on the oil well site (Tract M). Following discussion, upon a motion duly made and seconded, the Board unanimously approved creating a berm on oil well site, subject to final approval by the City.

Discuss Engagement of CO Smart to Provide Tree Watering on a Month-to-Month Basis

The Board engaged in discussion regarding the engagement of CO Smart to provide tree watering on a month-to-month basis not to exceed \$3,000/month. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the engagement of CO Smart subject to final review by Director Fresquez.

Ratification of Arbortanics, Inc.
d/b/a The Tree Farm Contract

The Board engaged in discussion of the Arbortanics, Inc. d/b/a The Tree Farm Contract. Following discussion, upon a motion duly made and seconded, the Board unanimously ratified the contract subject to final review by Director Fresquez.

Ratification of 1st Green Colorado
LLC Contract

The Board engaged in discussion of the 1st Green Colorado LLC Contract. Following discussion, upon a motion duly made and seconded, the Board unanimously ratified the contract subject to final review by Director Fresquez.

Approval of James Nursery
Company Contract

The Board engaged in discussion regarding the James Nursery Company Contract. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the contract subject to final review by Director Fresquez.

Discuss Tree Planting at the Park

Director Fresquez noted that the tree planting at the park was approved by the City and the trees at the park are not going to be moved or replaced. Ms. Truax noted she was not happy with this decision and she feels it reduces the value of her home and substantially impacts her view of the park. Director Maes noted that mature trees generally increase the value of home. Director Scott noted that Ms. Traus has a beautiful view of pine trees, the Board received the City's approval to plant these trees, and the Board has decided to keep the trees in their current location. Director Snyder noted there was no guarantee in any documents that the view of the park would remain forever, Ms. Traux likely does not have no legal recourse. Ms. Truax noted that the email communication from the Board did not include the message that there would be new trees at the park and that would have made a difference to her.

Other Business Matters

The Board engaged in discussion regarding meeting dates. Following discussion, upon a motion duly made and seconded, the Board unanimously approved moving the July 6, 2021 meeting to July 13, 2021.

Adjourn

There being no further business to be conducted, the meeting was adjourned.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.

Secretary for the Meeting

The foregoing minutes were approved on the 13th day of July, 2021.

DRAFT

**ATTORNEY STATEMENT
REGARDING PRIVILEGED ATTORNEY-CLIENT COMMUNICATION**

Pursuant to Section § 24-6- 402(4)(b), C.R.S., I attest that, in my capacity as the attorney representing Cundall Farms Metropolitan District, I attended the executive session meeting at a special meeting of Cundall Farms Metropolitan District convened at 7:52 P.M. on June 8, 2021 for the sole purpose of discussing legal advice on specific legal questions related to a fine waiver request for account 1824267 and pursuant to § 24-6-402(4)(e), C.R.S. determining positions relative to matter that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators related to a fine waiver request for account 1824267. I further attest it is my opinion that all of the executive session discussion constituted a privileged attorney-client communication as provided by Section 24-6-402(4)(b), C.R.S. and, based on that opinion, no further record, written or electronic, was kept or required to be kept pursuant to Section 24-6-402(2)(b), C.R.S. or Section 24-6-402(2)(d.5)(II)(B), C.R.S.

Megan J. Murphy, Esq.

Pursuant to Section § 24-6- 402(4)(b), C.R.S., I attest that, in my capacity as the attorney representing Cundall Farms Metropolitan District, I attended the executive session meeting at a special meeting of Cundall Farms Metropolitan District convened at 8:07 P.M. on June 8, 2021 for the sole purpose of discussing legal advice on specific legal questions related contract with Arbortanics, Inc.; The Tree Farm Contract; contract with 1st Green Colorado LLC; and contract with James Nursery Company pursuant to § 24-6-402(4)(e), C.R.S. determining positions relative to matter that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators related to contract with Arbortanics, Inc.; The Tree Farm Contract; contract with 1st Green Colorado LLC; and contract with James Nursery Company. I further attest it is my opinion that all of the executive session discussion constituted a privileged attorney-client communication as provided by Section 24-6-402(4)(b), C.R.S. and, based on that opinion, no further record, written or electronic, was kept or required to be kept pursuant to Section 24-6-402(2)(b), C.R.S. or Section 24-6-402(2)(d.5)(II)(B), C.R.S.

Megan J. Murphy, Esq.