

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARDS OF DIRECTORS OF THE
MIRABELLE METROPOLITAN DISTRICT NOS. 1 & 2
(THE "DISTRICTS")
HELD
May 12, 2021

A special meeting of the Boards of Directors of the Mirabelle Metropolitan District Nos. 1 & 2 (referred to hereafter as the "Boards") was convened on Wednesday, May 12, 2021, at 10:00 a.m. Due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, the Districts' Board meeting was held via Zoom. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Tim E. Roberts, President
Jennifer Fulton-Miller, Treasurer
Michele Miller, Assistant Secretary

The absences of Directors Kershishnik and Schriefer were excused.

Also, In Attendance Were:

Trish Harris, Esq.; White Bear Ankele Tanaka & Waldron ("WBA")
Denise Denslow and Shelby Clymer; CliftonLarsonAllen LLP ("CLA")
Aaron Clutter; JR Engineering
Stephanie Stanley; Centennial Water and Sanitation District ("CWSD")

ADMINISTRATIVE MATTERS

Call to Order/Declaration of Quorum: It was noted that a quorum of the Boards was present, that the Directors had confirmed their qualification to serve, and therefore the meeting was called to order at 10:10 a.m.

Director Conflicts of Interest Disclosures: The Boards discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Boards of Directors to the Secretary of State. The members of the Boards were requested 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 Boards' members prior to this meeting in accordance with statute. It was noted by Attorney Harris that disclosures of potential conflicts of interest were filed with the Secretary of State for all directors, and no additional conflicts were disclosed at the meeting.

Agenda: The Boards reviewed the Agenda for the meeting. Following discussion, upon a motion duly made by Director Fulton-Miller, seconded by Director Roberts and, upon vote, unanimously carried, the Boards approved the Agenda as presented.

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Presentation by Stephanie Stanley, Centennial Water and Sanitation: Report on Drought Conditions and Request for Waiver of Notice: Ms. Stanley with Centennial Water and Sanitation District (CWSD) made a presentation to the Boards regarding current drought watch conditions. She provided a Power Point presentation that outlined the different stages of drought conditions and the ensuing results at each phase. She also presented to the Boards a chart showing proposed drought water rates, which impact the second and third tiers in the stage one and stage two declarations. Currently CWSD remains in drought watch. CWSD has a public hearing scheduled for May 24th to consider potential implementation of new rates. This meeting will be held at 6:30 p.m. via Zoom. The wholesale agreement provides for a 90-day noticing period to end users, which as the Districts. CWSD may request a waiver of this 90-day period should drought rates need to be implemented. Ms. Stanley will continue to work with CLA to get information to the residents in the Mirabelle/Solstice community.

Public Comment: There was no public comment.

CONSENT AGENDA

Minutes from the April 14, 2021 Meeting: Upon a motion duly made by Director Miller, seconded by Director Fulton-Miller and, upon vote, unanimously carried, the Boards approved the Consent Agenda as presented.

FINANCIAL MATTERS

Payables and Schedule of Cash Position: Ms. Clymer provided an update to the Boards. Following discussion, upon a motion duly made by Director Fulton-Miller, seconded by Director Roberts and, upon vote, unanimously carried, the Boards approved the claims in the amount of \$264,683.69 and the Cash Position Statement.

Unaudited March 31, 2021 Financials: Ms. Clymer reviewed the financials with the Boards. Following discussion, upon a motion duly made by Director Fulton-Miller, seconded by Director Miller and, upon vote, unanimously carried, the Boards approved the Unaudited March 31, 2021 Financials.

Proposal from North Slope Capital Advisors for Pricing Certificate for Developer Advances: This item was deferred to the next meeting.

LEGAL MATTERS

Engagement of Special Counsel for Covenant Enforcement: Discussion ensued regarding the three proposals that were included in the packet. Ms. Harris provided additional information as requested. Following discussion, upon a motion duly made by Director Miller, seconded by Director Roberts and, upon vote, unanimously carried, the Boards approved the engagement of Altitude Law to provide covenant enforcement legal services.

Resolution Accepting District Eligible Costs for streets, drainage, water and sewer improvements constructed by Shea Homes within Solstice Filing #1:

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Ms. Harris reviewed the Resolution, informing the Boards of the multiple purposes intended to be met. The Resolution identifies the costs to be certified, in the amount of \$5,689,601.55, as District eligible. It also recognizes that the street and drainage improvements have received preliminary acceptance from Douglas County, subject to receipt of a letter agreement that obligates Shea Homes to any warranty work required to achieve final acceptance. Additionally, a bill of sale and license agreement to allow for mailbox kiosk maintenance will be needed. Ms. Harris noted that the letter agreement has been reviewed by Shea Home's legal counsel. Following discussion, upon a motion duly made by Director Miller, seconded by Director Fulton-Miller and, upon vote, unanimously carried, the Board of District No. 1 approved the Resolution Accepting District Eligible Costs for streets, drainage, water and sewer improvements constructed by Shea Homes within Solstice Filing #1 subject to receipt of the bill of sale and license agreement, remittance of the warranty agreement from Shea Homes, and final accounting review and certification of costs.

MANAGER MATTERS

Manager's Report: Ms. Denslow reported that there are currently no covenant violations, and design review applications are standard in nature.

Other: None.

CONSTRUCTION MATTERS

District On-Site Utilities, Street and Landscaping Monthly Progress Report: Mr. Clutter provided an overview of the report that was included in the packet to the Boards. He noted that the weather has slowed construction activity.

Agreements for Landscaping:

Agreement with BrightView Landscaping for the Design-Assist Landscaping and Irrigation Improvements for 2021: Following discussion, upon a motion duly made by Director Roberts, seconded by Director Fulton-Miller and, upon vote, unanimously carried, the Board of District No. 1 approved the Agreement with BrightView Landscaping for Design-Assist Landscaping and Irrigation Improvements for 2021.

Agreement with BrightView for 3-Year Warranty and Maintenance of the 2021 Landscaping and Irrigation Improvements: Following discussion, upon a motion duly made by Director Roberts, seconded by Director Fulton-Miller and, upon vote, unanimously carried, the Board of District No. 1 approved the Agreement with BrightView for 3-Year Warranty and Maintenance of the 2021 Landscaping and Irrigation Improvements.

Agreement with JR Engineering for Construction Management Services: Following discussion, upon a motion duly made by Director Roberts, seconded by Director Fulton-Miller and, upon vote, unanimously

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carried, the Board of District No. 1 approved the Agreement with JR Engineering for Construction Management Services.

Addendum 2021B to the Infrastructure Acquisition and Reimbursement Agreement between District No. 1 and Shea Homes relative to 2021 landscaping work to be completed and 3-year landscaping maintenance agreement: The item was moved on the agenda from legal matters to be addressed under construction matters. Upon a motion, seconded and, upon vote, unanimously carried, the Board approved Addendum 2021B to the Infrastructure Acquisition and Reimbursement Agreement between District No. 1 and Shea Homes relative to 2021 landscaping work to be completed and 3-year landscaping maintenance agreement as presented.

Final Acceptance of Mirabelle Storm Sewer Outfall located within Chatfield State Park: Mr. Clutter noted that the first-year inspection was successfully completed. Following discussion, upon a motion duly made by Director Miller, seconded by Director Fulton-Miller and, upon vote, unanimously carried, the Board of District No. 1 approved the Final Acceptance of Mirabelle Storm Sewer Outfall located with Chatfield State Park.

Change Order #4 to Agreement between District No. 1 and BrightView (Phase 1 Streetscape): Mr. Clutter informed the District No. 1 Board that this Change Order is a deductive amount to allow for the work to move into the three-year contract form. Following discussion, upon a motion duly made by Director Miller, seconded by Director Roberts and, upon vote, unanimously carried, the District No. 1 Board approved Change Order #4 to Agreement between District No. 1 and BrightView (Phase 1 Streetscape).

Change Order #5 between District No. 1 and BrightView (High Line Canal): Mr. Clutter noted that this Change Order is also a deductive amount to allow for the work to move into the three-year contract form. Following discussion, upon a motion duly made by Director Miller, seconded by Director Roberts and, upon vote, unanimously carried, the District No. 1 Board approved Change Order #5 between District No. 1 and BrightView (High Line Canal).

Contract with BrightView to perform 3-years of maintenance for Phase 1 Streetscape and High Line Canal: Following discussion, upon a motion duly made by Director Fulton-Miller, seconded by Director Roberts and, upon vote, unanimously carried, the Board of District No. 1 ratified approval of the Contract with BrightView to perform 3-years of maintenance for Phase 1 Streetscape and High Line Canal.

Addendum 2021C to the Infrastructure Acquisition and Reimbursement Agreement between District No. 1 and Shea Homes relative Solstice Streetscape Phase One and Highline Canal landscaping maintenance: This

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item was moved on the agenda from legal matters to be addressed under construction matters. Upon a motion, seconded and, upon vote, unanimously carried, the Board approved Addendum 2021C to the Infrastructure Acquisition and Reimbursement Agreement between District No. 1 and Shea Homes relative Solstice Streetscape Phase One and Highline Canal landscaping maintenance as presented.

License Agreement between District No. 1 and Chatfield South Water District for Emergency Interconnect: Discussion ensued regarding the process to finalize the emergency interconnect, which will be constructed by Chatfield South Water District after their approval. Following discussion, upon a motion duly made by Director Roberts, seconded by Director Miller and, upon vote, unanimously carried, the District No. 1 Board approved the License Agreement between District No. 1 and Chatfield South Water District for Emergency Interconnect.

Development of a maintenance map for the Districts: Mr. Clutter stated that this process is underway through the creation of a maintenance manual that will be a living document. No action was needed by the Boards.


OTHER BUSINESS

Other: None.

ADJOURNMENT

There being no further business to come before the Boards at this time, the meeting was adjourned at 11:10 a.m.

Respectfully submitted,

By 
 DocuSigned by:
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 Secretary for the Meeting