

RECORD OF PROCEEDINGS

	<p>MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE MUEGGE FARMS METROPOLITAN DISTRICT NO. 1</p> <p>Held: Thursday, March 4, 2021, at 9:00 a.m. Due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of COVID-19 by limiting in-person contact, this meeting was held via Zoom videoconference and teleconference.</p>
Attendance	<p>A Special Meeting of the Board of Directors of the Muegge Farms Metropolitan District No. 1, Town of Bennett, County of Adams, State of Colorado, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following Directors present and acting:</p> <p style="text-align: center;">James E. Marshall John Vitella</p> <p><u>Also present were:</u></p> <p>James Hayes, Clayton Properties Group II, Inc. (Board Candidate) Brandon Wyszynski, Clayton Properties Group II, Inc. (Board Candidate) Dean Kilbourne, Clayton Properties Group II, Inc. (Board Candidate) MaryAnn McGeady, Esq., McGeady Becher P.C. Suzanne Meintzer, Esq., McGeady Becher P.C. Craig Sorensen, McGeady Becher P.C. Eric Weaver, Marchetti & Weaver, LLC Stephen Lloyd, Marchetti & Weaver, LLC Kurt C. Schlegel, Special District Solutions, Inc.</p> <p>The meeting was open to the public.</p> <p>Mr. Schlegel confirmed the presence of a quorum and Director Marshall called the meeting to order at 9:03 a.m.</p>

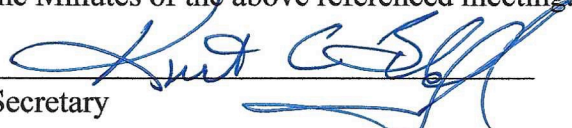
ADMISTRATIVE MATTERS:

Disclosure of Potential Conflicts of Interest	The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State. The members of the Board 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 Board members prior to this meeting in accordance with statute. It was noted by Attorney Meintzer that disclosures of potential conflicts of interest were filed with the Secretary of State for all directors, and no new conflicts of interest were disclosed at the meeting.
Quorum / Meeting Location and Manner / Posting of Notices / Agenda	<p>The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the venue for the District's board meeting. Following discussion, and upon motion duly made by Director Marshall, seconded by Director Vitella, and upon vote unanimously carried, the Board determined that because of current virus-related recommendations, it was determined to conduct the meeting virtually. The Board further noted that notice of this meeting venue was duly posted and that no objections or any requests that the meeting venue be changed were received from taxpaying electors within its boundaries.</p> <p>Upon motion duly made by Director Vitella, seconded by Director Marshall and, upon vote unanimously carried, the Agenda was approved.</p>
Director Daniel D. Watts Resignation	Attorney Meintzer stated that Director Watts had submitted his resignation from the District's Board of Directors effective February 25, 2021. Upon motion duly made by Director Vitella, seconded by Director Marshall and, upon vote unanimously carried, the resignation of Daniel D. Watts from the Muegge Farms Metropolitan District No. 1 Board of Directors was acknowledged.
Appointment of Directors	<p>The Board considered the appointment of qualified individuals to fill existing vacancies on the Board. It was noted that a Notice of Vacancies was published on January 14, 2021.</p> <p>Following discussion, upon motion duly made by Director Marshall, seconded by Director Vitella and, upon vote unanimously carried, the Board appointed the following qualified individuals to fill existing vacancies on the</p>

	<p>District's Board of Directors:</p> <ul style="list-style-type: none"> • James Hayes • Dean Kilbourne • Brandon Wyszynski <p>Director Marshall administered and Oath of Director to each of the new directors, and it was noted that Counsel will file the Oaths of Director, Certificates of Appointment, and Position Schedule Bonds with the Adams County Clerk and Recorder, the Adams County District Court, and the Division of Local Government, as required by statute.</p>
Appointment of Officers	<p>Upon motion duly made by Director Marshall, seconded by Director Vitella and, upon vote unanimously carried, the Board appointed the following the following slate of officers :</p> <p>James Marshall – President James Hayes – Treasurer John Vitella – Assistant Secretary Dean Kilbourne – Assistant Secretary Brandon Wyszynski – Assistant Secretary Kurt C. Schlegel – Secretary (not a board member)</p>
Consent Agenda	<p>Upon motion duly made by Director Marshall, seconded by Director Vitella and, upon vote, unanimously carried, the Board approved the Consent Agenda items, as follows:</p> <p style="padding-left: 40px;">A. The minutes of the January 14, 2021 Special Meeting.</p>
PUBLIC COMMENT:	None
FINANCIAL MATTERS:	
Ratification / Approval of Claims	<p>Mr. Weaver presented a list of the District's claims for January and February 2021 for the Board's consideration, and noted the need for a developer advance to pay for the outstanding payables presented. Discussion also took place as to process for presenting District payables to the Board members for their review and approval. It was determined that a monthly list of claims will be presented to all Board members, and that Directors Marshall and Hayes would be the responsible members of the Board to review and approve the District's payables through Bill.com.</p> <p>Following review and discussion and upon a motion duly made by Director Marshall, seconded by Director Vitella, and upon vote unanimously carried, the Board approved the</p>

	District's January and February 2021 payables, totaling \$26,458.82 as presented.
Unaudited Financial Statements	<p>Mr. Weaver presented the District's unaudited financial statements for the period ending December 31, 2020.</p> <p>Following review and discussion and upon a motion duly made by Director Marshall, seconded by Director Vitella, and upon vote unanimously carried, the Board accepted the unaudited financial statements for the period ending December 31, 2020.</p>
2020 Audit Exemption Application	<p>Mr. Weaver presented a copy of the District's 2020 Audit Exemption Application for the Board's review and consideration. Following review and discussion and upon a motion duly made by Director Marshall, seconded by Director Vitella, and upon vote unanimously carried, the Board approved the 2020 Audit Exemption Application as presented. Mr. Weaver stated that he will circulate the Application for the Board member signatures and submit to the State Auditor's office prior to the March 31, 2021 deadline.</p>
BOND MATTERS COMMITTEE REPORT:	
Engagement of External Financial Advisor	<p>Director Marshall presented the recommendation of the Bond Matters Committee to engage Hilltop Securities Inc. as External Financial Advisor ("EFA").</p> <p>Following extensive discussion, upon a motion duly made by Director Marshall, seconded by Director Vitella and upon vote unanimously carried, the Board: (1) added Director Hayes to the Bond Matters Committee and expanded the Committee's scope to include solicitation of other EFA proposals; (2) directed Counsel to circulate the EFA proposal from Hilltop Securities Inc. to the Bond Matters Committee; and (3) directed Counsel to obtain an EFA proposal from North Slope Capital Advisors and provide it to the Bond Matters Committee.</p>
Engagement of District Underwriter	<p>Attorney Meintzer noted that the Bond Matters Committee had received and reviewed proposals from Piper Sandler & Co. and D.A. Davidson & Co. to serve as District Underwriter. Director Marshall then presented the recommendation of the Bond Matters Committee that Piper Sandler & Co. be engaged as District Underwriter.</p> <p>Following discussion and upon a motion duly made by Director Marshall, seconded by Director Vitella and upon vote unanimously carried, the Board approved the engagement of Piper Sandler & Co. as District Underwriter,</p>

	and authorized execution of the Underwriter/Placement Agent Engagement Letter between the District and Piper Sandler & Co.
Engagement of District Bond Counsel	Following discussion, and upon a motion duly made by Director Marshall, seconded by Director Vitella and upon vote unanimously carried, the Board approved the engagement of Ballard Spahr LLP as District Bond Counsel, and authorized execution of a Bond Counsel Engagement Agreement between the District and Ballard Spahr LLP.
Issuance of Bonds	<p>Director Marshall discussed the projected timeline for the issuance of bonds by the District, and anticipated closing in late April 2021.</p> <p>Following discussion, and upon a motion duly made by Director Marshall, seconded by Director Vitella and upon vote unanimously carried, the Board authorized any necessary actions required in connection with the issuance of the bonds.</p>
LEGAL MATTERS:	
Operation Funding Agreement	<p>Attorney Meintzer discussed the need for an Operation Funding Agreement between the District and Clayton Properties Group II, Inc. (“Clayton”). Representatives of Clayton who were present at the meeting acknowledged that Clayton intends to advance funds to the District for operations, and the Board confirmed its intent to reimburse Clayton for such advances.</p> <p>Following discussion and upon a motion duly made by Director Marshall, seconded by Director Vitella and upon vote unanimously carried, the Board authorized Counsel to prepare a multiple fiscal year Operation Funding Agreement between the District and Clayton, using the cash flow/financial analysis prepared in connection with the bond issuance.</p>
Special Counsel for Covenant Enforcement Services	<p>Attorney McGeady informed the Board of Counsel’s recommendation that the District engage special counsel for covenant enforcement services, and suggested that the Board appoint a committee of two to work with Attorney Meintzer to review and compare proposals, conduct interviews, etc., and then make recommendations to the Board regarding engagement of special counsel for covenant enforcement services.</p> <p>Upon a motion duly made by Director Marshall, seconded by Director Vitella and upon vote unanimously carried, the</p>

	Board appointed a committee consisting of Directors Hayes and Wyszynski, and directed Counsel to obtain proposals and work with the Committee regarding the engagement of special counsel for covenant enforcement services.
Conveyance of Real Property	Attorney Meintzer discussed the conveyance of Tracts A – H, inclusive, and Tract K, and Final Plat for Muegge Farms Filing No. 4 with the Board. Upon a motion duly made by Director Marshall, seconded by Director Vitella and upon vote unanimously carried, the Board accepted the conveyance of Tracts A – H, inclusive, and Tract K, and Final Plat for Muegge Farms Filing No. 4 to the District from Muegge Farms, LLC.
Muegge Farms Metropolitan Districts Nos. 5, 6, 7, and 8	It was noted that the organizational elections for the new districts were held on November 3, 2020, and that Counsel plans to submit motions to the District Court to organize the new districts on or about March 5, 2021.
OTHER BUSINESS: None	
Adjournment	There being no further business coming before the Board, upon motion duly made by Director Marshall, seconded by Director Vitella, and upon vote unanimously carried, the meeting was adjourned at 10:27 a.m.
	The foregoing Minutes were approved by the Board of Directors on March 18, 2021.
	The foregoing record constitutes a true and correct copy of the Minutes of the above referenced meeting.  Secretary