

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE ERIE HIGHLANDS METROPOLITAN DISTRICT NOS. 1 AND 2 HELD MARCH 5, 2025

DISTRICT NO. 1 Minutes

A joint special meeting of the Board of Directors of the Erie Highlands Metropolitan District Nos. 1 and 2 (the “**District**”) was convened on Wednesday, March 5, 2025 at 6:00 p.m. This District Board Meeting was held at 185 Highlands Circle, Erie, Colorado 80516 and via Zoom video/telephone conference. The meeting was open to the public.

Directors for District No. 1 In Attendance Were:

Joshua Kiel Malm, President
Jason Edward Manley, Treasurer
Samuel A. Mayer, Secretary
Kristine Fillius, Assistant Secretary
Tonya L. Baca, Assistant Secretary

Also In Attendance Were:

Peggy Ripko and Kaitlyn Toman; Special District Management Services, Inc.

Jeffrey Erb, Esq., Haley Trecarichi, Esq.; Erb Law, LLC; (General Counsel for District No. 1)

Joan Fritsche, Esq.; Fritsche Law LLC (General Counsel for District No. 2)

Members of the Public Joined in Person and Virtually

CALL TO ORDER

The meeting was called to order at 6:07 P.M. The Board noted a quorum was present and 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. No disclosures were made, and it was noted that all Directors are residents of the District.

Agenda: The Board reviewed the proposed Agenda for the District’s special meeting.

Following discussion, upon motion, duly made by Director Malm, seconded by Director Mayer and, upon vote, unanimously carried, the Board approved the Agenda, as amended.

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Update on May 6, 2025 Election: The Board discussed the upcoming Election on May 6, 2025. The Board indicated that they will be having an Election at this time because there are more self-nomination forms submitted than seats available. The Board discussed the mechanism and timing for the election to be cancelled, which would require a person to withdraw their self-nomination form.

PUBLIC COMMENT Public comments were made regarding communication by the District to the community and improved transparency including timely notification of meetings, making minutes available to the homeowners, and unilateral decisions involving landscaping. The Board advised Mr. Davis that this information can already be found on the District website.

Additional public comment was made regarding the distribution of meeting notices to the homeowners prior to twenty-four hours before the meeting. The Board advised Mrs. Wells on how to obtain this information via the District website.

Ms. Ripko noted that if any resident wishes to receive notification of meetings directly, they can contact her and she will add them to the notification list.

Finally, public comment was made regarding the settlement agreement and status of the Townhome development.

ADMINISTRATIVE MATTERS **Minutes:** The Board reviewed the minutes of the December 3, 2024 special meeting and Statutory Annual Meeting.

Following discussion, upon motion, duly made by Director Mayer, seconded by Director Fillius and, upon vote, carried, with Directors Malm, Mayer, Manley, and Baca voting yes and Director Fillius voting no, the Board approved the minutes of the December 3, 2024 special meeting.

Terms of Settlement Agreement: Attorney Erb and Attorney Frische reviewed with the Board the terms of the Settlement Agreement with Districts 3-5 and Oakwood Homes and the process the Districts went through to separate from Districts 3-5 and the reasoning behind the decision.

Introduction to Special District Management Services, Inc. (“SDMS”): Ms. Ripko discussed with the Board the overview of SDMS services.

Website and Community E-Blast Communication Update: Ms. Ripko updated the Board on the website and community e-blast communication.

FINANCIAL MATTERS

Payment of Claims: The Board reviewed the payment of claims as follows:

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Fund	Period Ending Nov. 30 2024	Period Ending Dec. 31 2024	Period Ending Jan. 31, 2025
General	\$ 6,614.80	\$ 31,379.06	\$ 14,782.36
Debt Service	\$ 4,000.00	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 10,614.80	\$ 31,379.06	\$ 14,782.36

Following discussion, upon motion, duly made by Director Malm, seconded by Director Mayer and, upon vote, unanimously carried, the Board approved the payment of claims, as presented.

Unaudited Financial Statements and Cash Position: The Board reviewed the unaudited financial statements and cash position for the period ending December 31, 2024.

Following discussion, upon motion, duly made by Director Malm, seconded by Director Mayer and, upon vote, unanimously carried, the Board approved the unaudited financial statements and cash position for the period ending December 31, 2024.

OPERATION MATTERS

Cost Sharing Agreement for Landscaping, Pool and Clubhouse Operations and Maintenance by and between District No. 1 and No. 2: The Board reviewed the Cost Sharing Agreement – Landscaping, Pool and Clubhouse Operations and Maintenance by and between District No. 1 and No. 2.

Following discussion, upon motion, duly made by Director Malm, seconded by Director Manley and, upon vote, unanimously carried, the Board approved the Cost Sharing Agreement for Landscaping, Pool and Clubhouse Operations and Maintenance by and between District No. 1 and No. 2.

Snow Removal Contract: No action was taken at this time.

LEGAL MATTERS **Resolution re Acceptance of Transfer of Tracts from District Nos. 1-5 to District 1 and District 4 to Districts 1 and 2:** The Board reviewed Resolution re Acceptance of Transfer of Tracts from District Nos. 1-5 to District 1 (Landscape Tracts) and District 4 to Districts 1 and 2 (Pool and Clubhouse). Mr. Erb noted that these tracts were identified for transfer under the Settlement Agreement.

Following discussion, upon motion, duly made by Director Malm, seconded by Director Manley and, upon vote, unanimously carried, the Board adopted Resolution re Acceptance of Transfer of Tracts from District Nos. 1-5 to District 1 (Landscape Tracts) and District 4 to Districts 1 and 2 (Pool and Clubhouse).

Adequacy of Petitions for Inclusion/Exclusions: The Board discussed the adequacy of Petitions for Inclusion/Exclusions. The Board indicated that the

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Petitions are adequate, and pending receipt of the required deposit, set the hearing for the next meeting.

Status of Remaining Inclusions/Exclusions: The Board discussed the status of the remaining Inclusions/Exclusions, noting that some of the properties are owned by the Town of Erie or require new legal descriptions to be prepared.

Service and Facility Fee: Attorney Erb and Attorney Frische updated the Board regarding the Service and Facility Fee and approval of Town of Erie.

OTHER BUSINESS

2025 Regular Meetings: The Board discussed setting 2025 Regular Meeting Schedule.

Following discussion, upon motion, duly made by Director Manley, seconded by Director Malm and, upon vote, unanimously carried, the Board approved holding the 2025 regular meetings on the 1st Wednesday of each month.

ADJOURNMENT There being no further business to come before the Board at this time, upon motion duly made by Director Malm, seconded by Director Baca and, upon vote unanimously carried, the meeting was adjourned.

Respectfully submitted,

By  _____
Secretary for the Meeting