RECORD OF PROCEEDING

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF:
BNC METROPOLITAN DISTRICT NO. 1
HELD WEDNESDAY, MARCH 18, 2026

ADMINISTRATIVE ITEMS

The regular meeting of the Board of Directors of the BNC Metropolitan District No. 1, Adams County, Colorado, was called to order on the day shown above by Director Trzeciak in accordance with the laws of the State of Colorado. The following Directors were present and acting:

Jeffery Trzeciak, President (Term Expires May 2027)
Thomas Kivett, Vice President (Term Expires May 2027)
Rob Hodnet, Director (Term Expires May 2027)
Rich Lange, Treasurer (May 2029)
Arthur Tucker, Secretary (Term Expires May 2029)

Also present were:
Marcos Pacheco (CRS of Colorado, District Manager)
Michael Schenfeld (CRS of Colorado, District Manager)
Kim Alex (CRS of Colorado, District Accountant)
Lisa Mayers (Spencer Fane, Attorney at Law)
Maddie Cowger (Resident)
Kelly Alvarez (Pool Manager)

CALL TO ORDER

A quorum of the Board was present, and the meeting was called to order at 6:00 p.m.

CONFLICT OF INTEREST DISCLOSURE

No disclosures of potential conflicts of interest were reported.

APPROVE AGENDA

Mr. Pacheco presented the proposed agenda. Director Kivett moved to approve the agenda as presented. Upon second by Director Lange, a vote was taken, and the motion carried unanimously.

MINUTES

The Board reviewed the December 8, 2025, and December 29, 2025, meeting minutes. Director Kivett moved to approve the minutes as presented. Upon second by Director Hodnet, a vote was taken, and the motion carried unanimously.

PUBLIC COMMENT

Sherry, who has lived in the District for 11 years, attended her first meeting. She asked about property taxes and mill levies. She then asked questions about the possibility of there being a sunset to the taxes paid. The Directors took this opportunity to address her questions.

PUBLIC APPEALS

No public appeals were presented.

FINANCIAL ITEMS

PUBLIC HEARING FOR THE 2025 AMENDED BUDGET – Director Trzeciak opened the Public Hearing at 6:11 p.m. Ms. Alex presented the 2025 Amended Budget and explained the reason for amendment. Director Trzeciak closed the public hearing at 6:12 p.m. Director Kivett moved to adopt the 2025 Amended Budget. Upon second by Director Tucker, a vote was taken, and the motion carried unanimously.

REVIEW & APPROVE/RATIFY PAYMENT OF CLAIMS – Ms. Alex reviewed the current claims to be approved. After reviewing the claims, Director Kivett then moved to approve the claims as presented. Upon second by Director Lange, a vote was taken, and the motion carried unanimously.

FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDING DECEMBER 31, 2025 - Ms. Alex reviewed the financial statements with the Board. The Board had no further questions for Ms. Alex.

FINANCIAL STATEMENTS FOR THE PERIOD ENDING FEBRUARY 28, 2026 – Ms. Alex reviewed the financial statements with the Board. The Board had no further questions for Ms. Alex.

OPERATIONS AND MAINTENANCE ITEMS

a. LANDSCAPING & OPEN SPACES
    a. Review of Spring Clean Up Report – Mr. Schenfeld presented the Spring Clean Up Report and answered questions from the Board.
    b. Backflow Repair Updates, Quote Review and Approval – Mr. Schenfeld reviewed the Backflow Repair Updates along with the Quote Review. After reviewing the quote, Director Kivett then moved to approve the quote as presented. Upon second by Director Hodnet, a vote was taken, and the motion carried unanimously.
    c. Discussion of Landscaping Maintenance – 3 to 5 Year Plan – Mr. Schenfeld presented two options for the Landscape Maintenance which led to a discussion. CRS will acquire segmented quotes with a mixture of mulch and rock. CRS will follow up prior to the next meeting.
    d. Review of Quotes for Tree Maintenance & Service Options – Mr. Schenfeld discussed the need for tree maintenance and presented the quotes to the Board. There was a concern mentioned that the City has a different provision about the height of tree's lowest limb. Once more information is made available, the Board will determine the best course of action with their trees.
    e. Review Quote for Little Library Work – The Board decided to not move forward with the installation of the little libraries as they have already expended the amount they previously agreed upon. Ms. Cowger noted that she is happy to have volunteers install the little libraries. However, Mr. Pacheco noted that a volunteer waiver will be required to be signed before a resident can perform the installation.
    f. Review Quotes for Miscellaneous Landscaping Repairs – Mr. Schenfeld reviewed the repairs needed for the Controller Panel as well as the Rain Sensor. After reviewing the quotes, Director Kivett then moved to approve the quotes as presented. Upon second by Director Hodnet, a vote was taken, and the motion carried unanimously.

g. <u>Fencing Repair Updates</u> – Mr. Schenfeld reviewed the fence repairs that have been done as well as fence repairs that will be needed in the future.

b. <u>POOL OPERATIONS –</u>

a. Pool Operations Update & Lookahead – Mr. Pacheco reviewed the Pool Operations Update and the Lookahead Schedule.

b. Review and Approve Contracts for 2026 Pool Season

i. Pool Monitors – Ms. Alvarez reviewed the monitors for the season. Ms. Alvarez has backups in case the monitors do not show. Ms. Alvarez mentioned adding bathroom cleaning and countertops to the contract. Director Trzeciak moved to approve of hiring five monitors that are on the list. Upon second by Director Kivett, a vote was taken, and the motion carried unanimously.

ii. Pool Manager – Director Trzeciak reviewed the Pool Manager position and noted his appreciation for the work done by Ms. Alvarez. After review, Director Kivett moved to approve the hiring of the Pool Manager. Upon second by Director Lange, a vote was taken, and the motion carried unanimously.

c. Review and Approve of Pool Contracted Services for 2026 Services – Mr. Schenfeld reviewed the Pool Contract for 2026 Services. After review, Director Kivett moved to approve the Pool Contract for 2026 Services. Upon second by Director Hodnet, a vote was taken, and the motion carried unanimously.

d. Upcoming Capital Projects

i. Review and Approval of Pool Bathroom Improvement Quotes – The Board decided to see a comparison of the quotes and once received, will make a decision on a path forward. Mr. Schenfeld will gather additional information and report back to the Board.

ii. Review and Approval of Pool Resurfacing Quotes – Mr. Schenfeld reviewed Resurfacing quotes for the Pool. Pool and Spa Medics are the first choice, given their scope matches other contractors. After review, Director Kivett moved to approve quote from Pool & Spa Medics. Upon second by Director Hodnet, a vote was taken, and the motion carried unanimously.

iii. Pending Quotes – Shade Sails – Mr. Schenfeld reviewed the pending quote for Shade Sails. Mr. Schenfeld mentioned that this is not in the budget currently.

iv. Review and Approval of Lemonade Stand at Pool – Mr. Schenfeld reviewed the Lemonade Stand at the Pool. After review, Director Trzeciak motioned to approve the Lemonade Stand. Upon second by Director Tucker, a vote was taken, and the motion carried unanimously.

COMMUNITY ENGAGEMENT MATTERS

a. Little Library Art Competition Proposal – Maddie Cowger

a. Ms. Cowger proposed the Little Library Art Competition. She noted that the ARC will need to review. Ms. Cowger proposed taking votes by using the pool key card number. After review, Director Lange moved to approve the Little Library Art Competition. Director Kivett abstained from the vote. Upon second by Director Hodnet, a vote was taken, and the motion carried by a majority vote.

b. Summer Community Engagement Proposal – Maddie Cowger (enclosure)

a. Ms. Cowger presented the proposal for Summer Community Engagement. Ms. Cowger noted small community events, once a month, at a low cost. Director Kivett mentioned that he wants to see fewer events this year as a test. The Board proposed two events, with a possible third. Ms. Cowger will resubmit the proposal to meet these requirements.

c. Spring Clean Up Request

a. Mr. Schenfeld mentioned that it will be conducted on May 9, 2026, but some equipment will need to be purchased. After review, Director Kivett moved to approve the purchase of equipment for the Spring Cleanup. Upon second by Director Hodnet, a vote was taken, and the motion carried unanimously.

   b. Mr. Schenfeld mentioned that he will reach out to the City regarding the pond that is not draining correctly.

d. Website Update
   a. Mr. Schenfeld reviewed the website update.
e. Covenant Enforcement Updates
   a. Mr. Pacheco reviewed the Covenant Enforcement Updates and related schedule of conducting inspections. Mr. Schenfeld then reviewed the information about the trees and the requirements necessary for trimming.
f. Discussion with Board regarding Parks & Rec Resident Letter
   a. Mr. Pacheco reviewed correspondence received by the Board from a resident. After discussion, Mr. Pacheco informed the Board that the proper channels are being followed to address the relayed issues.

MANAGER MATTERS

LOOK AHEAD SCHEDULE – Mr. Pacheco reviewed the look ahead schedule with the Board, outlining upcoming compliance deadlines.

DIRECTOR'S ITEMS

REVIEW & APPROVAL OF DESIGN REVIEW REQUESTS – The Board reviewed the Design Review Requests. After review, Director Trzeciak moved to approve all Design Review Requests. Upon second by Director Lange, a vote was taken, and the motion carried unanimously.

LEGAL MATTERS

EXECUTIVE SESSION – Director Kivett moved to enter into Executive Session Pursuant to Section 24-6-402(4)(b) and (e), C.R.S., for the purpose of receiving legal advice on specific legal questions and for the purpose of developing negotiating positions and strategies with respect to the pending lawsuit against BNC3 Metropolitan District and related to the cost and fee awards against the District; and for developing legal positions and strategies related to certain disputes with BNC2 Metropolitan District related to cost sharing, contribution related to the payment of the attorney fee award to BNC3 Metropolitan District and/or its directors, and cost reconciliations; and to discuss repayment options from BNC2 Metropolitan District for the 2026 pool season. The Board entered Executive Session at 7:48 PM.

At the conclusion of the Executive Session, Director Kivett moved to reconvene the public meeting. Upon second by Director Tucker, a vote was taken, and the motion carried unanimously. The public meeting was reconvened at 8:37 PM.

OTHER BUSINESS

a. Following the Executive Session, Director Thomas moved to approve the settlement agreements as amended. Upon second by Director Lange, a vote was taken, and the motion carried unanimously.
b. Director Hodnet asked about cracks on the walls. Mr. Schenfeld informed the Board that the wall is in good condition and will be constantly evaluated.
c. Interior posts were also discussed which would require homeowner permission; a plan will be reviewed with the Board.

ADJOURNMENT

With no further business to come before the Board, Director Trzeciak moved to adjourn the meeting. Upon second by Director Lange, a vote was taken, and the motion carried unanimously. The meeting was adjourned at 8:44 PM.

Respectfully submitted,

DocuSigned by:

Molly Couture

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Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL MARCH 18, 2026, MINUTES OF THE BNC METROPOLITAN DISTRICT NO. 1 BY THE ACTING PRESIDENT OF THE BOARD SIGNING BELOW:

Signed by:

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JEFFERY TRZECIAK, President