

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT
(THE "DISTRICT")
HELD
AUGUST 3, 2021

A regular meeting of the Board of Directors of the Consolidated Bell Mountain Ranch Metropolitan District (referred to hereafter as the "Board") was convened on Tuesday, August 3, 2021, at 6:30 p.m. at Lowell Ranch, 2330 S. I-25, Castle Rock CO.

ATTENDANCE

Directors In Attendance Were:

Russell Grant, President
Calvin Bills, Vice President
Frank Strand; Secretary/Treasurer
Stephen Vrabel, Assistant Secretary/Treasurer
Edward Ammon; Assistant Secretary/Treasurer

Also, In Attendance Were:

Josh Miller & Nic Carlson; CliftonLarsonAllen LLP
Tim Flynn; Collins, Cockrel & Cole PC
Ann Molner; 4219 Serenade Road
John Anderson, 4745 E. Upper Lake Gulch Road

I. CALL TO ORDER Director Grant called the meeting to order at 7:13p.m.

II. DECLARATION OF QUORUM/ DIRECTOR QUALIFICATIONS/ POTENTIAL CONFLICTS OF INTEREST

After each Director had summarily stated for the record the fact and nature of his respective private interest and stated that the determination to participate in voting or take any other action on any contract or other matter in which he may have a private interest would be made in compliance with Section 24-18-109(3)(a) and (b), C.R.S., on an *ad hoc* basis, the Board turned its attention to the remaining agenda items.

Potential Conflicts of Interest: All of the Directors had previously filed Disclosure of potential conflict of interest statements with the Board and the Secretary of State in accordance with statutory requirements. Such conflicts arise because each Director is also a Director on BMR Metropolitan District ("BMRMD"). The BMRMD has entered into and may from time to time enter into additional agreements with Consolidated Bell Mountain Ranch Metropolitan District. All disclosures of potential conflict of interest statements, whether filed for this meeting or previously filed, are deemed continuing in nature and are incorporated into the record of this meeting.

Confirm Quorum and Location of Meeting: All Directors stated that the participation of at least three of them in the meeting was necessary to obtain a quorum of the Board or otherwise enable the Board to act. The Board confirmed a quorum and the location of the meeting.

RECORD OF PROCEEDINGS

III. APPROVAL OF AGENDA

Following discussion, upon a motion duly made by Director Strand, seconded by Director Bills, and, upon vote, unanimously carried, the Board approved the Agenda as amended to include item IV.K. regarding the driveway culvert at 255 Starburst Circle, and item IV.L. regarding Kalstrom Energy Proposal.

IV. COMMUNITY COMMENTS

A. Public Comment: There was no public comment.

V. MANAGER'S REPORT/ ADMINISTRATIVE MATTERS

A. Review and Consider approval of the Minutes of July 6, 2021 Regular Meeting: Following discussion, upon a motion duly made by Director Strand, seconded by Director Bills and, upon vote, unanimously carried, the Board approved the July 6, 2021 Regular Meeting Minutes.

B. Review and Consider approval of the Cash Requirements Report (CRR) Totaling \$35,966.85 Including BMR Water Usage Totaling \$825: Director Grant reviewed the CRR with the Board. Following review, upon a motion duly made by Director Strand, seconded by Director Ammon, and, upon vote, unanimously carried, the Board approved the May CRR totaling \$35,966.85 including the BMR water usage totaling \$825 as presented.

C. Review and Accept June 30, 2021 Unaudited Financial Statements: Director Grant reviewed the June 30, 2021 Unaudited Financial Statements with the Board. Following review, upon a motion duly made by Director Strand, seconded by Director Bills, and, upon vote, unanimously carried, the Board accepted the June 30, 2021 Unaudited Financial Statements.

D. Review and Accept Cash Position Reports as of June and July 2021: Director Grant reviewed the June and July Cash Position Reports with the Board. Following review, upon a motion duly made by Director Strand, seconded by Director Vlabel, and, upon vote, unanimously carried, the Board accepted the June and July 2021 Cash Position Reports as presented.

E. Update to the Accounts Payable (AP) Processing to Simmons & Wheeler P.C.: Mr. Flynn stated he requested Simmons & Wheeler draft and submit a new engagement letter, but has not yet received it.

VI. DIRECTOR ITEMS

A. Proposed Fence Repair/Replacement on BMR Southern Border – Director Grant: Mr. Anderson, manager of the JA Cattle Ranch, addressed the Board regarding his proposal for the CBMRMD to share in the cost a fence near the southern border shared by the JA Ranch and Bell Mountain Ranch. Although the proposed fence is completely on JA Ranch property, its purpose is to keep cattle from wandering onto Bell Mountain Ranch. During the ensuing conversation, it was noted that all but one land parcel on the shared southern border is owned by BMR private homeowners. Hence, his proposal would need to be addressed with 11 private homeowners in addition

RECORD OF PROCEEDINGS

to the CBMRMD. Once this was understood, Mr. Anderson withdrew his request for cost sharing.

B. Equestrian Center/Trail Update - Director Bills: Director Bills noted that he is continuing to work with the Equestrian Center staff and that planning for future trail maintenance will begin in September.

C. APM Updates- Director Bills: Director Bills stated that he continues to work with APM on the on-going maintenance needs. Directors Bills and Grant expressed satisfaction with APM's recent performance.

D. BMR Fire Mitigation Proposal – Directors Bills & Ammon: Director Ammon stated that progress is continuing to be made on this initiative. We have solicited a proposal from the State Forest Service to provide a mapping plan that will identify what mitigation is needed in the BMR Open Space areas and “C” zones on BMR. Once the project scope is identified, actual mitigation costs can be developed and budgeted for accomplishment. This will be a multi-year project.

E. BMR Entrance Logs – Director Vrabel: Director Vrabel provided the Board with options for replacement of the BMR entrance logs. After discussion, upon a motion duly made by Director Ammon, seconded by Director Bills, and, upon vote, unanimously carried, the Board approved \$5,000 for Director Vrabel to obtain 3D conceptual renditions. Numerous options will be presented by Director Vrabel to the Board at the September 7, 2021 meeting.

F. Community Park Plan Update (Tot Playground Equipment) – Director Strand: Director Strand provided an update to the Board. He stated that Recreation Plus Ltd has had an equipment supply problem and will be delayed in building the Tot Lot. If they cannot start the construction by mid-October, Director Strand will have the construction delayed until the spring.

G. IREA Projects Update – Director Strand: Director Strand provided an update noting that he has been in touch with IREA and will work with them to try and coordinate the timing of their work with the chip seal paving work that is scheduled to start on 16 August. Once the chip seal work is done, all of the utility location markings now on the pavement will be covered over.

H. Road Shoulder and Walking Path Repair and Upgrade – Director Bills: Director Bills provided an update to the Board noting that the work along Bell Mountain Drive near Starfire Circle is complete; however, several other areas also need attention this year. Director Vrabel suggested that when any future work involves the concrete swale along the roadwork, the outfall structure should be started first, followed by the concrete swale work. This will eliminate future outflow water erosion currently in existence.

RECORD OF PROCEEDINGS

I. Road Shoulder Damage – Director Bills: This item was discussed previously in Item H.

J. Resident Use of Roadsides and Drainage Ditches for Property Access – Directors Ammon and Bills: Director Bills provided an update to the Board stating that he will work on a letter informing homeowners that access to private property across road shoulders and drainage ditches needs to be obtained from the Metro District.

K. Driveway Culvert at 255 Starburst Circle: Director Grant informed the Board that the homeowner's contractor is designing a culvert for stormwater runoff to go under the existing driveway. Following discussion, upon a motion duly made by Director Ammon, seconded by Director Strand, and, upon vote, unanimously carried, the Board approved installation of a driveway culvert at 255 Starburst Circle per the homeowner's request, contingent on final review and approval of the design sketch by Director Grant.

L. Kalstrom Energy Proposal: Director Grant provided an update to the Board stating that Kalstrom has offered \$3,500 for the easement rights across CBMRMD owned land bordering the UPRR tracks. After discussion, the Board tabled this item and will consider it again in September.

M. Chip Seal Work: Director Grant stated that the chip seal work will begin on August 16th and he will work with the HOA to coordinate the work with the normally scheduled trash pick-up. The HOA will send out email notifications on behalf of the CBMRMD.

VII. ATTORNEY MATTERS

A. Executive Session, if needed, and called in accordance with 24-6-402 (4) (b) (c) or (g) CRS regarding matters that may be subject to negotiation, receiving legal advice or potential personal matters relating to water service from Castle Rock and internal Board governance matters: No Executive Session was necessary.

VIII. ADJOURNMENT

There being no further business to come before the Board at this time the meeting was adjourned at 9:02 p.m.

Respectfully submitted,



Secretary for the Meeting