

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN
DISTRICT (THE "DISTRICT")
HELD
JUNE 7, 2022

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, June 7, 2022, at 6:30 p.m. at Lowell Ranch, 2330 S. I-25, East Frontage Road, Castle Rock, CO 80104.

ATTENDANCE

Directors In Attendance Were:

Russell Grant, President
Calvin Bills; Vice President
Frank Strand; Secretary/Treasurer (virtual)
Steve Vrabel; Assistant Secretary/Treasurer
Edward Ammon; Assistant Secretary/Treasurer

Also, In Attendance Were:

Josh Miller and Nic Carlson; CliftonLarsonAllen LLP
Tim Flynn; Collins Cole Flynn Winn & Ulmer, PLLC
John McKillip, Jr. ; APM
Dave & Becky Martin; 3211 Autumn Sun Circle
Steve Williams; 1062 Glade Gulch Road

I. CALL TO ORDER

Director Grant called the meeting to order at 6:52 p.m.

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

Potential Conflicts of Interest: All Directors previously filed Potential Conflict of Interest Disclosure Statements with the Board and the Secretary of State. Such disclosures were filed because: (i) each Director is a Director of the BMR Metropolitan District ("BMRMD"); and (ii) the functions of each District overlap at times, and there are now and may be in the future intergovernmental agreements between the two Districts. All Potential Conflict of Interest Disclosures 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 (3) Board members 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.

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III. APPROVAL OF AGENDA

Director Grant requested to add Item VII-K to consider approval of Wipfli 2021 Audit Engagement Letter. Upon a motion duly made by Director Ammon, seconded by Director Bills and, upon vote, unanimously carried, the Board approved the Agenda as amended.

IV. COMMUNITY COMMENTS

Public Comment: Mr. & Mrs. Martin and Mr. Williams inquired about the District's plans regarding the school bus stop on Autumn Sun Circle and prospective plan to pave the road shoulders on Autumn Sun Circle. Some discussion ensued; however, further discussion was deferred to Agenda Item VII.B.

V. APM PROJECT STATUS REPORT

Mr. McKillip presented a report regarding the projects/ items that APM is working on. Items addressed included:

- a. Work on walking paths
- b. Replacing speed limit signs
- c. Repairing erosion on equestrian trails
- d. Scheduling of roadside mowing. Slash on the road shoulders associated with the HOA Firewise project is delaying progress.
- e. Future work.

VI. MANAGER'S REPORT/ ADMINISTRATIVE MATTERS

A. Review and Consider Approval of the Minutes of May 3, 2022 Regular Meeting and May 6, 2022 Study Session: Following review, upon a motion duly made by Director Ammon, seconded by Director Bills and, upon vote, unanimously carried, the Board approved the May 3, 2022 Regular Meeting Minutes and May 6, 2022 Study Session Minutes as presented.

B. Review and Consider Acceptance of May 2022 Bill.com claims report totaling \$51,054.18 including BMR Water Usage Totaling \$110.00: Director Grant reviewed the Bill.com claims with the Board. Following review, upon a motion duly made by Director Ammon, seconded by Director Bills and, upon vote, unanimously carried, the Board accepted the May2022 Bill.com claims report totaling \$51,054.18 including the BMR water usage totaling \$110.00 as presented.

C. Review and Accept April 30, 2022 Unaudited Financial Statements: Director Grant reviewed the April 30, 2022 Unaudited Financial Statements with the Board. Following review, upon a motion duly made by Director Vrabel, seconded by Director Bills and, upon vote, unanimously carried, the Board accepted the April 30, 2022 Unaudited Financial Statements as presented. Director Grant pointed out that the 2022 BMRMD budget was only prepared to extend through the first quarter of 2022 with the expectation that Castle Rock would be operating the BMR water system by 1 May 2022. Since the target date for Castle Rock to assume operation of

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the BMR water system is now 1 September 2022, the BMRMD budget will need to be amended.

D. Review and Accept Cash Position Schedule as of June 2022: Director Grant reviewed the June 2022 Cash Position Schedule with the Board. Following review, upon a motion duly made by Director Vrabel seconded by Director Bills and, upon vote, unanimously carried, the Board accepted the June 2022, Cash Position Schedule as presented.

VII. DIRECTOR ITEMS

A. BMR Fire Mitigation Project – Director Ammon: Director Ammon provided an update to the Board noting the progress continues with recent focus on the process for obtaining government grants to help fund fire mitigation projects.

B. School Bus Parking – Director Vrabel: Director Vrabel reviewed two solicited proposals to pave the existing loop road adjacent to the Community Park in support of moving the current bus stop from Autumn Sun Circle to the loop road. Since both proposals exceed \$60,000, paving the loop will need to be publicly bid to be compliant with State law. The possibility of leaving the bus stop on Autumn Sun Circle and paving the road shoulders there was also discussed. The Board decided that in any case, the road shoulders on Autumn Sun Circle will not be paved. Following an extended discussion, upon a motion duly made by Director Grant, and approved by Directors Grant, Vrabel, Ammon and Bills with a dissenting vote by Director Strand, the Board approved an amount of \$75,000 for a project to support moving the bus stop, contingent upon receipt of written consent by the Douglas County School District that they will move the bus stop to the loop road upon completion of paving the loop road. The project scope includes paving the existing loop road, installation of area lighting, trimming two trees, and moving the existing irrigation piping, if necessary.

C. Front Entrance Grass and Irrigation Plan – Director Bills: Director Strand provided an update to the Board noting that the irrigation system is operational and an additional zone valve has been installed. He explained that the turf at the front entrance is in poor condition because IREA (now CORE) cut irrigation piping and irrigation control lines when they installed underground electrical lines at the front gate. Following a discussion, upon a motion duly made by Director Bills, and approvals by Directors Bills, Vrabel, Grant and Ammon with dissenting vote by Director Strand, the Board approved replacing the sod at the front gate for an amount not to exceed \$15,000.

D. Comcast Cable Install – Director Strand: Director Strand informed the Board that Comcast has identified three conflicts with the underground

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gas lines. He has confirmed that work will not be approved without permitting, bonding and project documentation.

E. Metro District Materials Management/Laydown Yard Location Update – Directors Bills, Strand & Vrabel: Director Bills provided an update to the Board. If the existing loop road is paved, the previously proposed layout for the materials storage area will need to be modified. Directors Bills and Strand will meet to determine the location.

F. Stop Signs/Moving BMR Street Signs – Director Bills: Director Bills provided an update and proposed options to the Board. After a discussion with dissenting opinions regarding the merits of moving the existing street signs, the Board directed APM to move the street signs to the top of the Stop Sign metal poles with the exception of those identified by Director Grant within the next 60 days.

G. Equestrian Trail Changes and 2022 Maintenance – Director Bills: Director Bills requested an approval of names for previously unnamed equestrian trails. Following discussion, upon a motion duly made by Director Bills, seconded by Director Ammon and, upon vote, unanimously carried, the Board approved the equestrian trail names proposed by Director Bills.

H. Update on Erosion Mitigation Letters – Director Bills and Mr. Flynn: Director Bills told the Board that letters will be sent to three residents informing them that repairs need to be made on the drainage ditches adjacent to their houses and informing them that proposed agreements for repairs will be forthcoming.

I. O&M Property Tax Revenue Limit Discussion: Mr. Flynn explained that increasing the District's property tax revenue cap above \$500,000 annually, requires a vote of the eligible electors of CBMR. The next TABOR election can be held on November 8, 2022. Mr. Flynn will draft sample ballot language together with a sample resolution for calling a TABOR r election for the purpose of increasing the District's property tax revenue cap and present it to the Board for approval at the July Board meeting.

J. Chip Seal Paving Project 2022 – Director Grant: Director Grant reviewed the bids with the Board stating that the low bid received was \$119,587.50 from the A-1 Chipseal Company. Following review and discussion, upon a motion duly made by Director Ammon, seconded by Director Vrabel and, upon vote, unanimously carried, the Board approved contract award to the A-1 Chipseal Company for an amount totaling \$119,587.50.

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K. Approval of Wipfli 2020 Audit Engagement Letter: Director Grant reviewed the engagement letter with the Board. Following review, upon a motion duly made by Director Grant, seconded by Director Ammon and, upon vote, unanimously carried, the Board approved the Wipfli 2021 Engagement Letter as presented for a total of \$4,300.

L. Stevens Ranch Turnover: Director Ammon stated he is working with legal counsel and the developer to discuss the property transfer to the District. He will provide more updates at the July Board meeting.

VIII. ATTORNEY MATTERS

B. Other: None.

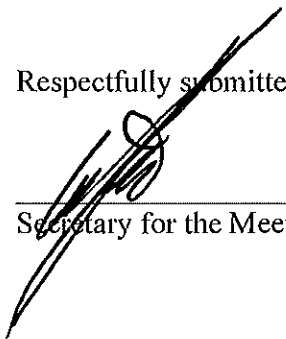
IX. OTHER BUSINESS

A. Discuss Alternative July 6, 2022 Board Meeting Date: Following discussion, upon a motion duly made by Director Ammon, seconded by Director Bills and, upon vote, unanimously carried, the Board approved changing the July meeting date to July 6, 2022.

X. ADJOURNMENT

There being no further business to come before the Board at this time, Director Ammon adjourned the meeting at 9:35 p.m.

Respectfully submitted,



Secretary for the Meeting