

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN
DISTRICT (THE "DISTRICT")
HELD
NOVEMBER 1, 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, November 1, 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
Steve Vrabel, Assistant Secretary/Treasurer
Ed Ammon, Assistant Secretary/Treasurer

Also, In Attendance Were:

Nic Carlson; CliftonLarsonAllen LLP
Tim Flynn; Collins Cole Flynn Winn & Ulmer, PLLC
John McKillip, Jr.; APM
Eric Sztanko; BMR resident, 1756 Wildfire Circle
Jay Smith; BMR resident, 3191 Glade Gulch Circle

I. CALL TO ORDER

Director Grant called the meeting to order at 6:02 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.

III. APPROVAL OF AGENDA

Director Grant added the following items to the Agenda:

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- Pipeline and Water Tank Construction Status - 7F
- Update on the Ballot Issue 6A, BMR Property Tax Increase - 7G
- Study Session for 2023 Budget – 9B
- Street Signs Relocation – 7H
- Termination of Regional Facilities Agreement – 8A
- BMRMD Dissolution Agreement – 8B

Upon a motion duly made by Director Strand, seconded by Director Vrabel and, upon vote, unanimously carried, the Board approved the Agenda as amended.

IV. COMMUNITY COMMENTS

Public Comment: Mr. Jay Smith expressed his interest in serving a position on the Board. Jay is currently retired and summarized his past work experience for the Board.

V. APM PROJECT STATUS REPORT

Mr. McKillip, Jr. reviewed the monthly report with the Board. The Board accepted the report.

VI. MANAGER'S REPORT/ ADMINISTRATIVE MATTERS

A. Review and Consider Approval of the Minutes of October 4, 2022 Regular Meeting: Director Grant reviewed the October 4, 2022 Regular Meeting Minutes with the Board. Following review, upon a motion duly made by Director Strand seconded by Director Bills and, upon vote, unanimously carried, the Board approved the October 4, 2022 Regular Meeting Minutes as presented.

Because the BMRMD is now dissolved, the minutes of its October 4, 2022 Regular Meeting were reviewed by the CBMR Board of Directors who were also Directors of BMRMD until its dissolution. Following a brief discussion, the former Directors of the BMRMD signed the draft minutes as presented as evidence of their ratification, confirmation and approval of those minutes.

B. Review and Consider Acceptance of October 2022 Bill.com claims report totaling \$52,059.15 including BMR Water Usage Totaling \$1,645.00: Director Grant reviewed the October 2022 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 October 2022 Bill.com claims report totaling \$52,059.15 including the BMR water usage totaling \$1,645.00 as presented.

C. The October 2022 Bill.com claims disbursed for the BMRMD prior to Dissolution of the District Totaling \$70,684.08 were approved by Directors Grant and Bills prior to dissolution of the District.

D. Review and Accept Cash Position Schedule as of November 2022: Director Grant reviewed the November 2022 Cash Position Schedule with the Board. Following review, upon a motion duly made by Director Strand, seconded by

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Director Bills and, upon vote, unanimously carried, the Board accepted the November 2022, Cash Position Schedule as presented.

VII. DIRECTOR ITEMS

A. Update on Comcast Cable Install – Director Strand: Director Strand reported that Comcast has not provided any additional information regarding installation of the new communications they will be installing to increase the speed and capacity of the existing Comcast system.

B. Equestrian Trails Update – Director Bills: Director Bills informed the Board that the sale of the Equestrian Center has fallen through. He noted that the trail application is near completion and the Equestrian Center has agreed to fulfill their trail maintenance obligations in 2023.

C. Update on “C” Zone Fire Mitigation – Director Ammon: Director Ammon updated the Board. He stated that the District has submitted a Colorado State Forest Service Grant Application under the State’s 2022-2023 Grant Application Program for Forest Restoration and Wildfire Mitigation (FRWRM). The total estimated amount for the initial project is \$168,000. The amount of the grant request from the State is \$84,000. Douglas County is expected to provide \$42,000 and CBMRMD \$42,000. Douglas County provided a letter of support for the project as part of the grant application. The State is expected to announce the grant awards by the end of January 2023.

D. Update on Entrance Logs – Director Vrabel: Director Vrabel stated that Director Strand will be securing a lift to facilitate a close examination of the existing logs and allow core samples to be taken to verify the amount of deterioration present. Based on the results, a schedule for replacement of the logs will be established.

E. HOA Gate Installation Study Update - Director Vrabel: Director Vrabel reported that the HOA is continuing to gather information regarding the potential installation of unmanned access gates for Bell Mountain Ranch. The Board decided to suspend further discussion regarding this topic until the HOA makes a formal proposal to the District.

F. Pipeline and Water Tank Construction Status: Director Grant updated the Board. He stated that the sitework for the water storage tank is essentially complete; and, that construction of the concrete tank has been suspended until March 2023 due to winter weather. Construction of the pipeline will continue through the winter, as weather permits. The needed property easements for the pipeline are yet to be secured. Construction for both projects is expected to be substantially complete by the end of July.

G. Update on Ballot Issue 6A, BMR Property Tax Increase: Attorney Flynn provided an update noting that ballots have been mailed to all registered voters

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with Bell Mountain Ranch addresses. Election Day is November 8th and the election results will be available prior to the Study Session Budget discussion.

H. Street Signs Relocation: Director Bills informed the Board that the existing street sign brackets will not fasten on the new metal stop sign poles without redrilling the holes on the metal poles, which was done on the sample poles, but is not practical for all locations. He discussed several alternative options. Following review, upon a motion duly made by Director Bills, seconded by Director Ammon and, upon vote, unanimously carried, the Board approved purchasing new “L” style brackets and reusing the existing sign blades. The existing wooden posts will be removed where at the locations where the street signs are moved to the top of the stop sign poles.

VIII. ATTORNEY MATTERS

A. Termination of Restated and Amended Regional Facilities Agreement: Attorney Flynn explained that this Agreement was entered into years ago between the BMRMD and the CBMR Metropolitan District for the purpose of cooperating with respect to the provision of water service to the Bell Mountain Ranch Community. Because the water rights and the water system that previously served the Bell Mountain Community have been conveyed to the Town of Castle Rock in exchange for a Perpetual Water Service Agreement with the CBMR Metropolitan District there is no need for the Agreement and it should be terminated. Following review, upon a motion duly made by Director Ammon, seconded by Director Bills and, upon vote, unanimously carried, the Board approved the termination of the Restated and Amended Regional Facilities Agreement.

B. BMRMD Dissolution: Attorney Flynn updated the Board. He stated that all the necessary documents have been executed and delivered to Fidelity National Title with respect to the Dissolution of the BMRMD. Those documents affecting real estate will be recorded by the title company in Douglas County. As of 1 November 2022, Castle Rock Water is the owner and operator of the BMRMD water distribution system. BMR customers are now customers of Castle Rock Water. Director Grant stated that all necessary service and utility accounts have either been transferred to Castle Rock Water or are in the process of being transferred.

C. Termination of CLA Master Services Agreement: Upon a motion duly made by Director Ammon, seconded by Director Bills and, upon vote, unanimously carried, the Board approved the termination of the CLA Master Services Agreement with Bell Mountain Ranch Metropolitan District.

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IX. OTHER BUSINESS

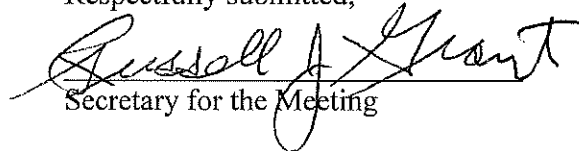
A. Confirm Quorum for December 6, 2022 Board Meeting Date: The Board confirmed that a quorum should be available for the December 6, 2022 Board meeting.

B. Study Session for the 2023 Budget: A Study Session to discuss/ modify the proposed 2023 Budget will be held on 11 Nov 2023. The time will be extended to 1:00 p.m. to 5:00 p.m. at the Douglas County Phillip Miller Library. CLA will confirm that the meeting room availability for the two-hour extended time.

X. ADJOURNMENT

There being no further business to come before the Board at this time, Director Grant adjourned the meeting at 8:11 p.m.

Respectfully submitted,


Secretary for the Meeting