

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 2, 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, November 2, 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
Steve Vrabel; Assistant Secretary/Treasurer

The Board excused the absence of Director Ammon.

Also, In Attendance Were:

Nic Carlson; CliftonLarsonAllen LLP
Tim Flynn; Collins, Cockrel & Cole PC
Doug Sampson; 4601 High Spring Road
Ann Molner, 4219 Serenade Road
Larry Lomison, 501 Chandelle Road
Bill Forrest; 1276 Glade Gulch Road

I. CALL TO ORDER

Director Grant called the meeting to order at 6:46 p.m.

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

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

RECORD OF PROCEEDINGS

confirmed a quorum and the location of the meeting and excused the absence of Director Ammon.

III. APPROVAL OF AGENDA

The Board added Items 4K and 4L to the 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.

IV. COMMUNITY COMMENTS

A. Public Comment: Director Grant updated the Board with email from Carolyn and Jim Young expressing concern regarding pavement repairs and the plan to replace the logs at the BMR front gate over the entrance and exit. Mr. Forrest expressed concerns about the cost of log replacement as well as Mr. Sampson. Director Grant stated that he would address the Youngs' concerns directly with them regarding pavement repairs. Concerns regarding replacement of the logs at the front gate would be addressed later in the meeting.

V. MANAGER'S REPORT/ ADMINISTRATIVE MATTERS

A. Review and Consider Approval of the Minutes of October 5, 2021 Regular Meeting: Director Grant reviewed the 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 5, 2021 Regular Meeting Minutes.

B. Consider Approval of CliftonLarsonAllen LLP Master Service Agreement and Related Statement(s) of Work: Director Grant pointed out that the CLA agreement is divided into three sections. The first section addresses all of the services that CLA provides, not all of which are used by the Metro District. The second section is the statement of work for Special Districts Management Services, the third section is the statement of work for Special Districts Billing Services. Since not all Directors had reviewed the CLA agreement, action regarding acceptance of the agreement was deferred to the December Board meeting.

C. Review and Consider Approval of the August Cash Requirements Report (CRR) Totaling \$56,516.64 Including BMR Water Usage Totaling \$3,499: Director Grant reviewed the CRR 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 August CRR totaling \$56,516.64 including the BMR water usage totaling \$3,499 as presented.

D. Review and Accept Cash Position Schedule as of November 2, 2021: Director Grant reviewed the November Cash Position Schedule with the

RECORD OF PROCEEDINGS

Board. Following review, upon a motion duly made by Director Strand, seconded by Director Bills and, upon vote, unanimously carried, the Board accepted the November 2021 Cash Position Schedule as presented.

VI. DIRECTOR ITEMS

A. Conduct Public Hearing to Consider Approval of Amendment of 2021 Budget, if necessary, and Adoption of 2022 Budget, Appropriate Expenditures and Certify Mill Levies; Consider Approval of Resolution to Amend 2021 Budget, if necessary, and Approval of Resolution to Adopt 2022 Budget, Appropriate Expenditures and Certify Mill Levies:

Director Grant opened the Public Hearing at 7:02 p.m. The Board answered public questions. Director Grant closed the Public Hearing at 7:15 p.m.

Director Grant reviewed the 2022 Draft Budget with the Board and discussed the mill levy reductions. Director Grant also pointed out that a new Fund will be added to the CBMRMD budget titled, Water Service Fund, which will be used to pay any obligations left over from the BMRMD after the BMRMD is dissolved. Following review and discussion, and upon a motion duly made by Director Strand, seconded by Director Bills and, upon vote, unanimously carried, the Board:

1. Approved and Adopted Resolution 2021-11-1, A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR THE CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2022, AND ENDING ON THE LAST DAY OF DECEMBER, 2022.
2. Approved and Adopted Resolution 2021-11-2, A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNT AND FOR THE PURPOSES AS SET FORTH BELOW, FOR THE CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT, DOUGLAS COUNTY, COLORADO, FOR THE 2022 BUDGET YEAR.
3. Approved and Adopted Resolution 2021-11-3, A RESOLUTION LEVEYING PROPERTY TAXES FOR YEAR 2021 FOR COLLECTION IN 2022, TO HELP DEFRAID THE COSTS OF GOVERNMENT FOR THE CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT, COLORADO, FOR THE 2022 BUDGET YEAR.

B. Equestrian Center/Trail Update - Director Bills: There were no updates provided.

RECORD OF PROCEEDINGS

C. APM Updates and Proposed future Contract Administration-Director Bills: Director Bills updated the Board noting that the roadside and repair projects will continue through the remainder of the year. He will provide a list of outstanding projects at the December meeting. Director Strand will schedule the remaining valley gutter replacements.

D. BMR Fire Mitigation Proposal – Directors Bills & Ammon: There were no updates provided.

E. BMR Entrance Log Replacement – Director Vrabel: Director Grant reviewed some of the history regarding this project. Late last year visible deterioration was noticed on the logs spanning the BMR entrance and exit. A certified arborist with extensive experience on Bell Mountain Ranch, Brett LeMaire, was hired to examine and assess the condition of the exiting logs. In February 2021, high reach equipment was used to closely examine and take core samples of the logs. It was found that dry rot extends to the center of the logs and there is severe checking on the top of the logs. Although there is no immediate danger of the logs collapsing, the arborist recommended that we replace the logs. In March 2021, Director Vrabel started searching for a firm to replace the existing logs. Initial estimates to replace the logs in kind were \$40k - \$60k. The logs are 30” in diameter, 48’ long and originally cost about \$6,500 each in 2006 imported from Canada. New structural drawings will need to be prepared, which will include disassembling the tops of the existing support columns and reconstruction. Since the existing logs had been weather treated at least twice in the past 15 years and still deteriorated, in May we began considering alternative materials that would have a longer life cycle, such as glulam beams or steel. In July we decided to consider using steel, which would provide a permanent solution that would never require future replacement. In August we hired a consulting firm to provide preliminary designs using corten steel, which turns brown when weathered and needs no continuing maintenance. We now have several architectural renderings using corten steel that we will send to homeowners, and via a survey, a final design will be selected. The estimated cost for this project is included in the 2022 District budget. The District will provide an update to the community via email regarding material options and costs.

F. Community Park Plan Update (Tot Playground Equipment) – Director Strand: Director Strand provided an update to the Board informing them that the tot lot will probably be delayed until next Spring. This item will be revisited on the Agenda in the Spring.

G. IREA Projects Update – Director Strand: Director Grant provided an update noting IREA has returned to the District and hydroseeded and matted areas with mulch. This item is considered complete.

RECORD OF PROCEEDINGS

H. Road Shoulder and Walking Path Repair and Upgrade – Director Bills: Director Bills provided an update to the Board. Directors Strand and Bills will coordinate further gutter replacements.

I. Mastication of Gamble Oak at 3627 Serenade Road Update – Director Bills: Director Bills provided an update to the Board stated that he has connected the homeowner with the landscape architect and no work will occur immediately. Erosion mitigation efforts including possible hydroseeding will resume in Spring 2022. Director Bills has approved the homeowner's landscape restoration plan on behalf of the Board.

J. Stevens Ranch Infrastructure Turn-over to CBMRMD – Director Ammon: There were no updates provided.

K. Discussion of Pre-approval of Claims for Payment: Mr. Flynn provided an update to the Board noting that change will require a resolution delegating authority to approve claims to Directors. He stated he will prepare a resolution for the December meeting for consideration.

L. Update on Revisions of District Rules: Director Bills stated that with the Board's approval, that he and Director Vrabel would review the current Metro District rules and regulations and present recommended changes to the Board in 2022. The Board agreed that they should proceed.

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: Executive Session was not necessary, and accordingly the Board did not go into Executive Session during this meeting.

VIII. ADJOURNMENT

There being no further business to come before the Board at this time, Director Grant adjourned the meeting at 7:55 p.m.

Respectfully submitted,


Secretary for the Meeting