

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN
DISTRICT (THE "DISTRICT")
HELD
MAY 4, 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, May 4, 2021, at 6:30 p.m. at Lowell Ranch, 2330 S. I-25, Castle Rock CO. *Individual protective face masks were required for all attendees and social distancing of 6 feet was observed.*

ATTENDANCE

Directors In Attendance Were:

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

Also, In Attendance Were:

Denise Denslow & Nic Carlson; CliftonLarsonAllen LLP
Tim Flynn; Collins, Cockrel & Cole PC
Ann Molner; 4219 Serenade Road
Larry Lomison; 501 Chandelle Road
Brian Harris; 426 Bell Star Circle

I. CALL TO ORDER

The meeting was called to order at 6:32 p.m. by Director Grant. Upon a motion duly made by Director Strand, seconded by Director Ammon, and, upon vote, unanimously carried, the Board excused the absence of Director Bills.

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 or her 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 or she 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

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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. 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.

III. APPROVAL OF AGENDA

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

IV. COMMUNITY COMMENTS

A. Public Comment: Mr. Harris and Ms. Molner asked the Board about how residents can cooperate with CBMR for dead tree removal and fire mitigation. The Board informed residents that more information is forthcoming and that there will be opportunities for homeowners to cooperate with fire mitigation in A and B Zones.

V. KALSTROM ENERGY

A. Presentation Regarding Water Line Easements: The representative from Kalstrom Energy who was originally scheduled to address the Board at this meeting was rescheduled for the June meeting. No further action was taken.

VI. MANAGER'S REPORT/ ADMINISTRATIVE MATTERS

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

B. Review and Consider approval of the Cash Requirements Report (CRR) for March Totaling \$36,047.39 Including BMR Water Usage Totaling \$165: Director Grant reviewed the CRR with the Board. Upon a motion duly made by Director Strand, seconded by Director Ammon and, upon vote, unanimously carried, the Board approved the February CRR totaling \$36,047.39 including the BMR water usage totaling \$165.

C. Review and Accept Cash Position Report as of May 2021: Ms. Denslow reviewed the Cash Position Report with the Board. The total amount available for operations and capital reserve as of 4 May is \$745,770.50. Upon a motion duly made by Director Strand, seconded by Director Vrabel and, upon vote, unanimously carried, the Board accepted the May 2021 Cash Position Report.

D. Update to the Accounts Payable (AP) Process: This topic was discussed in the BMRMD Board meeting. The plan is for AP processing to be transferred

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from Clifton Larson Allen (CLA) to Simmons and Wheeler. Customer water billing will remain the responsibility of CLA.

E. Audit Engagement Letter with Wipfli LLP to Prepare 2020 Audit - \$4,200: Upon a motion duly made by Director Strand, seconded by Director Vrabel, and, upon vote, unanimously carried, the Board approved the engagement letter with Wipfli to prepare the 2020 Audit in the amount of \$4,200.

VII. DIRECTOR ITEMS

A. Trail Updates, Director Strand: Director Strand stated the log benches have been sealed and are ready for installation. These will be installed after the trails have dried out, which will probably be the first week of June.

B. APM Updates- Director Strand: Director Strand provided an update to the Board noting that the activation of the irrigation systems is scheduled for May 17th and 18th. Discussion ensued concerning the HydroSystems irrigation systems drawings (see item VII.D. below).

C. BMR Fire Mitigation Proposal – Director Ammon: Director Ammon and Mr. Carlson provided an update to the Board that certified letters were sent to the residents last week. Director Ammon will meet with Douglas County and the Forest Service representatives on May 7th to address the next steps in the process. More information will be provided at the June CBMRMD meeting.

D. HydroSystems Irrigation System Construction Documents – Director Strand: This item was discussed Item VII.B–Directors Bills and Strand will mark up the irrigation system design drawings from Hydrosystems to reflect the existing piping in the BMR Parkway median, the Community Park and the location of the irrigation piping under the pavement at the front entrance. After the new construction is completed at the front gate, the final drawings will be modified to reflect what is actually installed at the front gate. At that point, the irrigation system drawings will be “as built” drawings.

E. BMR Entrance Logs – Director Vrabel: Director Vrabel informed the Board that with rising costs of construction, he is considering using fabricated steel or glulam beams in lieu of replacement logs. He will provide proposals at the June meeting.

F. Community Park Plan Update- Director Vrabel: Director Vrabel and Ms. Molner reviewed with the Board and noted that the community survey results indicated a strong preference for a permanent bathroom with plumbing. Preliminary proposals indicate such a structure would cost approximately \$100,000. Considering the relatively small use of the Community Park,

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especially in the winter months, and since funds of that magnitude are not available, restroom work will be considered at a future date

Ms Molner then proposed constructing a “Tot Lot” playground this year and addressed the construction proposal that Director Strand has obtained. Upon a motion duly made by Director Strand, seconded by Director Vrabel, and, upon vote, unanimously carried, the Board approved the proposal. The District will provide up to \$20,000 towards the project, and the HOA will provide the additional funding beyond \$20,000. The District will contract the construction upon a funds transfer by the HOA to the District for any additional funds in excess of \$20,000 needed to fund the construction. Director Strand will work with the vendor to determine the precise costs.

G. IREA Project Along Glade Gulch Road Update – Director Strand:

Director Strand stated IREA has not conducted any work yet. The permit for work expires May 5th, and IREA will need to apply for an additional permit before conducting any further work.

H. Proposed Fence Repair/Replacement on BMR Southern Border –

Director Grant: Director Grant informed the Board that the barbed wire fence on the southern border of Bell Mountain Ranch is in disrepair, occasionally allowing cows to roam the District. The neighboring ranch manager, John Anderson, has proposed that the District share in the cost of the fence repair. Mr Anderson is soliciting proposals to repair the fence and will let us know what the repair costs would be. No action was taken by the Board at this time.

I. Roadside and Walking Path Upgrade – Director Strand: Director Strand provided an update regarding the proposed project to repair and upgrade the walking path along Bell Mountain Drive, between Mariposa Rd and Starfire Circle. Directors Bills and Strand are working with contractors to determine the exact costs. Upon a motion duly made by Director Strand, seconded by Director Vrabel, and, upon motion, unanimously carried, the Board approved the work contingent on Director Bills’ approval with a not to exceed amount of \$35,000 for new concrete gutter and \$15,000 for repair of the walking path.

J. Stop Sign Replacement – Director Strand: Upon a motion duly made by Director Strand, seconded by Director Vrabel, and, upon vote, unanimously carried, the Board approved a not to exceed amount of \$18,000 for the stop sign replacement.

K. Pothole Repair – Director Strand: Director Strand informed the Board that the asphalt is unavailable, given recent weather. Upon a motion duly made by Director Strand, seconded by Director Vrabel, and, upon vote,

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unanimously carried, the Board approved a not to exceed amount of \$7,000 for pothole repairs when the asphalt is obtainable.

L. Knothead Tree and Lawn Care Proposal – Director Grant: This item was deferred to the June meeting.

VIII. ATTORNEY MATTERS

- A. Executive Session, called in accordance with 24-6-402 (4) (b) for the purpose of receiving legal advice for legal counsel relating to the Water Service Contract with Castle Rock and the BMR Dissolution Agreement.

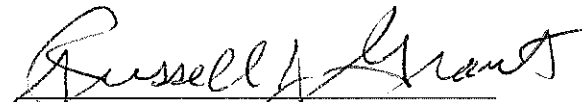
Upon a motion duly made by Director Strand, seconded by Director Ammon and upon a vote unanimously carried the Board entered into Executive Session at 7:55 p.m. The Board also went into the Executive Session as the Board of the BMR Metropolitan District at the same time. The Executive Session was closed at 8:45 PM. The Executive Session was conducted but not recorded because it was held solely for the purpose of obtaining advice from legal counsel.

No formal actions were taken during the Executive Session..

IX. ADJOURNMENT

Director Grant adjourned the meeting at 8:45 p.m.

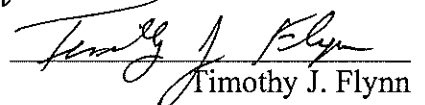
Respectfully submitted,


Secretary for the Meeting

ATTORNEY STATEMENT

Pursuant to Section 24-6-402 (2) (d.5) (II) (B) C.R.S., I Timothy J. Flynn, state that I am General Counsel for the BMR Metropolitan District and that I was present at the time the Board convened in Executive Session on Tuesday, May 4, 2021 at approximately 7:55 pm. I further state that the Executive Session was not recorded because it constituted a privileged attorney client communication and that no electronic record thereof was necessary. The Board did not adopt any proposed policy, position, rule, regulation or take any formal action during the Executive Session.

Date: Aug 3, 2021

Signature: 
Timothy J. Flynn