

## RECORD OF PROCEEDINGS

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MINUTES OF A SPECIAL MEETING OF  
THE BOARD OF DIRECTORS OF THE  
CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT  
(THE "DISTRICT")  
HELD  
DECEMBER 6, 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, December 6, 2022, at 6:00 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 (via teleconference)  
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  
Dean Amon; BMR resident,  
Carolyn Youngs; BMR resident, 4231 Serenade Road

I. CALL TO ORDER Director Grant called the meeting to order at 6:00 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 was a Director of the BMR Metropolitan District ("BMRMD"), which has now been dissolved; and (ii) the functions of each District overlapped at times. These potential conflicts of interest no longer exist. As to future Board meetings, potential Conflict of Interest Disclosures will be filed only if new potential conflicts of interest arise.

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### III. APPROVAL OF AGENDA

Director Grant added Items VII-C and VII-D items to the Agenda:

- Discussion of appointment of new Director
- Update on construction progress

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

### IV. COMMUNITY COMMENTS

**Public Comment:** Ms. Carolyn Youngs inquired about road repair on Glade Gulch Rd, and expressed support for repair. In the ensuing discussion it was pointed out that the Ballot Issue on the 8 December Douglas County Election ballot would have provided a continuing source of major funding for Capital Improvements for Capital Projects was defeated by a vote of 379 No, to 225 Yes votes. The Metro District does not currently have funding to accomplish major repairs to Glade Gulch Rd. Furthermore, even if funding were available, no major repairs would be pursued before the new BMR-TCR water pipeline connector and new water storage tank are completed. Glade Gulch Rd is part of the construction truck haul route for these projects.

### V. APM PROJECT STATUS REPORT

Mr. Dean Amann briefed the Board regarding the final tap fee payments due for the last two properties on the Stevens Ranch filing. He announced that Adamo Homes has made an offer to purchase lots 99 and 100 from the BMR Equestrian Center and they have 45 days to accomplish "due diligence" before they are obligated to consummate a contract or withdraw their purchase offer.

Mr. Eric Sztanko provided feedback on the recent ballot initiative.

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

### VI. MANAGER'S REPORT/ ADMINISTRATIVE MATTERS

**A. Review and Consider Approval of the Minutes of November 1, Regular and November 11, 2022 Special Meeting:** Director Grant reviewed the November 1, 2022 Regular Meeting and November 11, 2022 Special Meeting Minutes with the Board. Following review, upon a motion duly made by Director Vrabel, seconded by Director Ammon and, upon vote, unanimously carried, the Board approved the November 1, 2022 Regular Meeting and November 11, 2022 Special Meeting Minutes as presented.

**B. Discuss and consider approval of 2023 insurance renewal. Consider adoption of documents needed to obtain or maintain insurance coverage through the Colorado Special Districts Property and Liability Pool and T. Charles Wilson Risk Management and authorize membership in the Special District Association:** Mr. Carlson reviewed the 2023 insurance information with the Board and noted increases to coverage and the details of the property schedule. Following discussion, upon a motion duly made by Director Ammon, seconded by Director Vrabel and, upon vote, unanimously carried, the Board approved the 2023 insurance renewal and authorized membership 2023 renewal with Special District Association.

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**C. Consider Approval of CliftonLarsonAllen LLP Statements of Work:** Mr. Carlson reviewed with the Board. Following review, upon a motion duly made by Director Ammon, seconded by Director Grant, with a 4-1 in favor, Director Vrabel opposing, the Board approved the CliftonLarsonAllen LLP Statements of Work as presented.

### FINANCIAL MATTERS

**A. Review and Consider Acceptance of November 2022 Bill.com claims report totaling \$109,485.10:** Director Grant reviewed the November 2022 Bill.com claims report with the Board noting that allocations between the Water Fund and General Fund need to be adjusted. Following review, upon a motion duly made by Director Ammon, seconded by Director Vrabel and, upon vote, unanimously carried, the Board accepted the November 2022 Bill.com claims report totaling \$109,485.10, subject to reallocation between the two Funds:

**B. Review and Accept October 31, 2022 Unaudited Financial Statements:** These statements were not available at the time of the meeting, and hence were not discussed.

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

**D. Conduct Public Hearing to Consider Amendment of the 2022 Budget. If necessary, consider adoption of Resolution to Amend the 2022 Budget:** The Board was informed that a 2022 Budget amendment was not necessary.

**E. Conduct Public Hearing on the proposed 2023 Budget and Consider Adoption of Resolution No. 2022-12-01 to Adopt the 2023 Budget, Resolution 2022-12-02, Appropriate Sums of Money and Resolution No 2022-12-03 to Set Mill Levies:** Director Grant opened the public hearing at 7:04 p.m. Director Grant closed the public hearing at 7:05 p.m. It was noted that publication of Notice stating that the Board would consider approval of the 2023 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing. There were no public comments.

Director Grant reviewed the 2023 proposed Budget with the Board. Following review, upon a motion duly made by Director Ammon, seconded by Director Vrabel and, upon vote, unanimously carried, the Board approved the 2023 Budget, the Adoption of Resolution No. 2022-12-01 to Adopt the 2023 Budget, Resolution 2022-12-02, Appropriate Sums of Money and Resolution No 2022-12-03 to Set Mill Levies. (Note: The budget was actually correct as presented)

**F. Appoint Board member to sign the DLG-70 Certification of Tax Levies form:**

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Upon a motion duly made by Director Vrabel, seconded by Director Ammon and, upon vote, unanimously carried, the Board appointed Director Grant to sign the DLG-70 Certification of Tax Levies form.

**G. Consider Appointment of District Accountant to prepare 2024 Budget:** Upon a motion duly made by Director Vrabel, seconded by Director Ammon and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare 2024 Budget.

**H. Consider Approval of Engagement Letter with Wipfli LLC to prepare 2022 Audit:** Upon a motion duly made by Director Vrabel, seconded by Director Ammon and, upon vote, unanimously carried, the Board approved the engagement letter with Wipfli LLC to prepare 2022 Audit as presented.

### VII. DIRECTOR ITEMS

**A. Update on “C” Zone Fire Mitigation – Director Ammon:** Director Ammon updated the Board noting that the State grant awards for Wildfire Risk Mitigation projects will be announced in late January.

**B. Update on Entrance Logs – Director Vrabel:** Director Vrabel provided an update to the Board stating that core drilling will take place before the next meeting with a report to the Board expected in January.

**C. Discussion of Appointment of New Director:** Director Grant updated the Board noting that Jay Smith was the only person before December who had expressed interest in becoming a District Board member. Jay Smith addressed the Board at the November meeting and presented a short resume of his background, mainly in the oil and gas industry. The Board agreed to appoint Jay Smith and to have him take his oath of office at the Metro District’s January Board Meeting. sworn onto the Metro Board at the January Board meeting. Director Bills provided his official resignation from the Board as of December 31, 2022.

**D. Update on Construction Progress:** Director Grant updated the Board noting that Castle Rock Water is still working to finalize the easements for the water pipeline. They hope to have the easements completed by the end of January.

**E. Other:** None.

### VIII. ATTORNEY MATTERS

**A. BMRMD Dissolution Agreement Update:** Attorney Flynn updated the Board noting that the Dissolution Order has been recorded with the Douglas County Clerk and Recorder.

**B. Consider Adoption of Resolution No. 2022-12-04 Calling a Regular Election for Directors on May 2, 2023, appointing a Designated Election Official (DEO) and authorizing the DEO to perform all tasks required for the conduct of a mail ballot**

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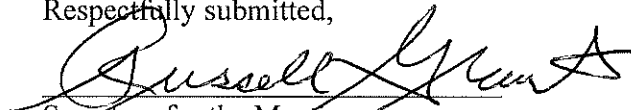
**election:** Attorney Flynn reviewed the 2023 Election process with the Board. Following review, upon a motion duly made by Director Ammon, seconded by Director Grant and, upon vote, unanimously carried, the Board approved the Adoption of Resolution No. 2022-12-04 Calling a Regular Election for Directors on May 2, 2023, appointing the DEO and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election as presented.

### IX. OTHER BUSINESS

**A. Confirm Quorum for January 3, 2023 Board Meeting Date:** The Board confirmed that a quorum should be available for the January 3, 2023 Board meeting.

**X. ADJOURNMENT** There being no further business to come before the Board at this time, Director Ammon adjourned the meeting at 8:30 p.m.

Respectfully submitted,



Secretary for the Meeting