

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF

BIG DRY CREEK METROPOLITAN DISTRICT

Held: Thursday, November 29, 2018, at 9:00 a.m. at Northern Hills Church, 5061 E. 160th Avenue, Brighton, CO.

Attendance

The special meeting referenced above was called and held in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve, were in attendance.

Corey Elliott
Randall Stutz
Chris Elliott
John Cheney

Ambra Born was absent. All director absences are excused unless otherwise stated.

Also present were Clint C. Waldron, Esq., and Megan J. Murphy, Esq., White, Bear, Ankele, Tanaka & Waldron, District General Counsel; Sarah Hunsche, CliftonLarsonAllen, District Accountant; Kim Herman, CliftonLarsonAllen, District Manager; Susie Ellis, Community Preservation Specialist, Inc.; Debra Hessler, Lennar Colorado, LLC; and Matt Janke, E5X Management, Inc..

Call to Order

Director Corey Elliott called the meeting to order.

**Declaration of Quorum/
Director Qualifications/
Reaffirmation of
Disclosures**

Director Corey Elliott noted that a quorum of the Board was present and that the directors had confirmed their continuing qualification to serve.

Ms. Murphy advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Murphy reported that disclosures for those directors with potential or existing conflicts of interest were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Ms. Murphy noted that a quorum was present and inquired into whether members of the Board had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The Board determined that the participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

Approval of Agenda

The Board reviewed the proposed agenda. Following discussion, upon motion duly made and seconded, the Board unanimously approved the agenda as amended, with the addition of the 2019 Annual Administrative Resolution.

Consent Agenda

Ms. Murphy presented the items on the consent agenda to the Board for consideration. Ms. Murphy advised the Board that any item may be removed from the consent agenda to the regular agenda upon the request of any director. No items were requested removed from the consent agenda. Upon motion duly made and seconded, the following items on the consent agenda were unanimously approved and adopted.

- Consider Approval of September 27, 2018 Minutes
- Consider Approval of Claims Payable in the Amount of \$12,925.47
- Consider Approval of Resolution Designating the 24-Hour Posting Location
- Consider Approval of Special District Disclosure Pursuant to §32-1-809, C.R.S.
- Approval of Resolution Adopting a Personal Data Privacy Policy

Facilities Management/ District Operations

District Manager's Report

Ms. Herman reviewed the district manager's report with the Board, including restroom, lighting at mailboxes, and sign rules. The Board engaged in a discussion regarding the proposed park sign. It was noted that Ms. Herman will work with Mr. Waldron to have updates rules for discussion at the next meeting.

Status of Proposed Revisions to Guidelines and Xeriscape Guidelines

Ms. Herman provided the Board with an update on the revised guidelines and Xeriscape guidelines. Following discussion, upon a motion duly made and seconded, the Board unanimously approved both guidelines.

Community Activities

Director Stutz provided the Board with an update on the Halloween event and Trunk or Treat, and noted Director Born, who represents the Social Committee, was unable to be in attendance at today's meeting.

Review Covenant Enforcement Report

Ms. Ellis reviewed the covenant enforcement report with the Board. Ms. Herman noted that when new residents submit a fence for approval, they are being reminded there is a requirement to stain the fence.

Discuss Covenant Compliance Committee

Director Stutz discussed the billing procedure with the Board and Ms. Herman. He noted that by the time the bills are mailed, there is an extremely short window for returning the payment. Following discussion, upon a motion duly made and seconded, the Board instructed Ms. Herman to mail the bills by the 15th of each month to provide a reasonable period for residents to receive the invoice and return payment. Ms. Herman noted that she will work with the billing

department on this.

Legal Matters

Discuss District Name Change from Big Dry Creek to Orchard Farms	Mr. Waldron discussed the proposed name change with the Board. The Board requested that a resolution changing the name be prepared for consideration by the Board at the next meeting.
Consider Approval of Engagement Letter with White Bear Ankele Tanaka & Waldron for Legal Services	Mr. Waldron reviewed the Engagement Letter with White Bear Ankele Tanaka & Waldron with the Board. Mr. Waldron noted specifically that the arbitration provision had been revised to make it clear that arbitration applies to this engagement letter as well as any prior engagement with the District. Mr. Waldron also noted and discussed the addition of the representative client list section. Mr. Waldron stated that as he is not independent as to the engagement, the Board is advised to have separate legal counsel review the engagement letter. The Board declined to engage separate legal counsel to review the letter. After discussion, upon a motion duly made by Director Cheney, seconded by Director Chris Elliott, and upon a vote, unanimously carried, the Board approved the engagement letter with White Bear Ankele Tanaka & Waldron.
Consider Approval of Property and Liability Schedule and Limits	Mr. Waldron presented the Board with the Property and Liability Schedule and Limits for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously the coverage.
Discussion of Automatic Renewal of Independent Contract Agreement with CliftonLarsonAllen, LLC for Management Services	The Board engaged in a general discussion regarding the management agreement. The Board noted that management needs to be more responsive to residents and provide better communication. No action was taken at this time.
2019 Annual Administrative Resolution	Mr. Waldron presented the Board with the 2019 Annual Administrative Resolution for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution.
Other Legal Matters	None.

Financial Matters

Consider Acceptance of Financial Statements and Cash Position Report	Ms. Hunsche reviewed the cash position report, September 30, 2018 Financials with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously accepted the September 30, 2018 Financials.
Public Hearing on 2018 Budget Amendment	Director Stutz opened the public hearing for the 2018 budget amendment. Mr. Waldron noted that notice for the public hearing was made in accordance with the applicable Colorado statutes. No written objections were received prior to the public hearing. After no public comment was made, the public hearing was closed.
Consider Adoption of	Ms. Hunsche presented the Board with the Resolution Amending the 2018

Resolution Amending 2018 Budget

Budget. Following discussion, upon a motion a motion duly made and seconded, the Board unanimously adopted the resolution and determined to amend the 2018 General Fund from \$60,700 to \$87,000 and the 2018 Debt Service Fund from \$568,311 to \$575,000.

Public Hearing on 2019 Budget

Director Stutz opened the public hearing for the 2019 budget. Mr. Waldron noted that notice for the public hearing was made in accordance with the applicable Colorado statutes. No written objections were received prior to the public hearing. After no public comment was made, the public hearing was closed.

Consider Adoption of Resolution Approving 2019 Budget

Ms. Hunsche presented the proposed 2019 budget and budget resolution to the Board for consideration. She noted that this proposed budget keeps the taxes and fees at the same level as 2018. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the budget and budget resolution, and certified 18.000 mills in the General Fund and 55.277 mills in the Debt Service Fund.

The Board also directed legal counsel, the District Manager, and the District's accountant to certify the mill levy by December 15, 2018, and to file the 2019 budget by January 30, 2019.

Consider Auditor Proposals for 2018 Audit

Ms. Hunsche presented the Board with the engagement letter of Simmons & Wheeler to prepare the 2018 Audit. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the engagement.

Other Financial Matters

None.

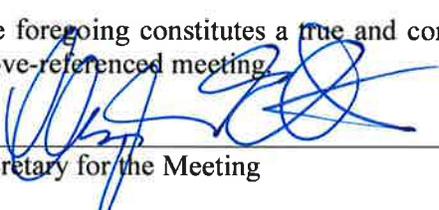
Other Business

None.

Adjourn

There being no further business to come before the Board and following discussion and upon motion duly made, seconded and unanimously carried, the Board determined to adjourn the meeting.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.



Secretary for the Meeting

The foregoing minutes were approved on the 13th day of June, 2019.