

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF

BIG DRY CREEK METROPOLITAN DISTRICT

Held: Thursday, June 13, 2019, at 9:00 a.m. at Northern Hills Church, 5061 E. 160th Avenue, Brighton, CO.

Attendance

The regular 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.

Randall Stutz
Ambra Born
Corey Elliott
Chris Elliott

John Cheney 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; Gigi Pangindian, CliftonLarsonAllen, District Accountant; Kim Herman and Matt Urkowski, CliftonLarsonAllen, District Manager; Susie Ellis, Community Preservation Specialist, Inc.; Debra Hessler, Lennar Colorado, LLC; and Sarah Hunsche, E5X Management, Inc.

Call to Order

Director Stutz called the meeting to order.

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

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

Mr. Waldron advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. Waldron 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. Mr. Waldron 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 presented.

Public Comment

None.

Consent Agenda

Mr. Waldron presented the items on the consent agenda to the Board for consideration. Mr. Waldron 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.

- Approval of August 8, 2018 Community Meeting Minutes
- Approval of November 29, 2018 Minutes
- Approval of Claims Payable in the Amount of \$81,979.41
- Adoption of First Amendment to 2019 Annual Administrative Resolution
- Ratification of Requisition No. 1 in the Amount of \$722,961.63
- Ratification of Requisition No. 2 in the Amount of \$2,708,103.06

**Facilities Management/
District Operations**

District Manager’s Report

Ms. Herman reviewed the District Manager’s Report with the Board and provided an update on the port-a-potty, solar lighting, and park signs. She noted that the City has informed her that moving the port-a-potty at this time would cause a delay in acceptance of the Park. Ms. Herman informed the Board that the preferred plan is to move the port-a-potty from the perimeter of the park to a more central location, but it is not clear if a truck could access it for cleaning. Director Stutz noted that people that live farther away from the park may be more likely to use the port-a-potty, especially if they have children. Ms. Ellis offered to inspect and monitor the port-a-potty to see if it is being cleaned and maintained. Ms. Herman informed the Board that she will work with the City to see what would be required to move it. Director Born asked about the cost to install a permanent restroom, Mr. Waldron responded that this would be approximately \$300,000.

Ms. Herman informed the Board that she is working with Director Stutz on solar lighting for the mailboxes, and that she will work with Mr. Waldron on the final park sign which will incorporate rules from the Resolution Adopting Rules and Regulations.

**Review and Consider
Adoption of Resolution
Adopting Rules and
Regulations**

Mr. Waldron presented the Board with the Resolution Adopting the Rules and Regulations for consideration. It was noted that the rules and regulations have been reviewed by the advisory committee. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the Resolution subject to final legal review.

Discuss Sign Rules

It was noted that this matter was discussed in the District Manager’s Report and Ms. Herman will include language from the adopted Rules and Regulations.

Community Activities – Social Committee	Director Born presented the Board with an update on the Social Committee and stated that there will be a movie night and bike parade held soon.
Review Covenant Enforcement Report	Ms. Ellis reviewed the covenant enforcement report with the Board and noted that cases are lower this year from last year. Director Born commented that the Advisory Committee does not think the red fence stain is working. Mr. Waldron noted that Lennar is responsible for the Residential Improvement Guidelines and Site Restrictions which includes the fence stain information. The Board requested Ms. Herman work with Lennar on developing alternative fence stain options.
Consider Proposed Operations Fee Agreement with CliftonLarsonAllen	Ms. Herman presented the Board with the Operations Fee Agreement with CliftonLarsonAllen. Due to an error, CLA did not collect the Operations Fee – Payment Due Upon Transfer from several homeowners in 2018. The error resulted in the District missing \$45,500 in Operations Fee – Payment Due Upon Transfer. Lennar agreed to pay \$20,000 and CLA is responsible for paying \$25,500 pursuant to the terms of the Agreement. Ms. Herman also noted that CLA has collected just over \$6,000, leaving \$19,000 remaining due. Ms. Murphy informed the Board that the Agreement requires full payment be made by CLA no later than March 1, 2020. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the Agreement.

Legal Matters

Consider Adoption of Resolution Changing the Name of the District to Orchard Farms Metropolitan District	Mr. Waldron presented the Board with the Resolution Changing the Name of the District to Orchard Farms Metropolitan District. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution.
Discuss Letter from Jost Energy Law, P.C.	Mr. Waldron presented the Board with the letter from Jost Energy Law, P.C and stated that this letter was sent to White Bear Ankele Tanaka & Waldron and he is bringing it to the Board’s attention. It was stated that the District does not own any land with mineral rights so this might not apply to the District at all.
Consider Adoption of Resolution Regarding Acceptance and Acquisition of Public Improvements (Tracts A, B, K, L, and M)	The Board engaged in a general discussion regarding acceptance of tracts and public improvements from Lennar. Ms. Murphy noted that legal counsel does not have a list of improvements on each tract and does not recommend acceptance at this time. Mr. Waldron asked if the Board would be willing to hold a special meeting to consider acceptance at a later date, which the Board responded that they would be willing to hold.
Consider Approval of Bills of Sale (Tracts A, B, K, L, and M)	This matter was deferred.
Discuss Landscaping along York Street	Mr. Waldron engaged in a discussion with the Board regarding landscaping along York Street. He stated that this is not in a separate tract but is located in the right-of-way. Ms. Herman informed the Board that the City wants the District to maintain this and will investigate if an easement is required to do so.
Other Legal Matters	Mr. Waldron provided the Board with a summary on HB19-1087. Director Born stated that she wants the meeting notices to continue to be posted within the

community. Director Stutz stated that he would like a large sign in the park that meeting notices can be posted on. Following discussion, the Board directed Ms. Herman to post future meeting notices on both the website and in the park.

Financial Matters

Consider Acceptance of Financial Statements and Cash Position Report

Ms. Pangindian reviewed the cash position report and April 31, 2019 Financial Statement with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously accepted the cash position report and April 30, 2019 Financial Statement.

Consider Acceptance of 2018 Audit

Ms. Pangindian presented the Board with 2018 Audit for consideration and noted that Mr. Waldron had previously reviewed and provided comments. Following discussion, upon a motion duly made and seconded, the Board unanimously accepted the Audit subject to receipt of a clean opinion from the auditor.

Conduct Public Hearing on Budget Amendment and Consider Adoption of Resolution to Amend 2018 Budget

Mr. Waldron opened the public hearing for the 2018 budget amendment and 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.

Ms. Pangindian presented the Board with the Resolution Amending the 2018 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 \$87,000 to \$100,000.

Discuss use of Bill.com

Ms. Herman and Ms. Pangindian engaged in a discussion with the Board regarding the use of Bill.com. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the use of Bill.com and assigned Director Corey Elliott and Director Stutz as approved persons.

Other Financial Matters

None.

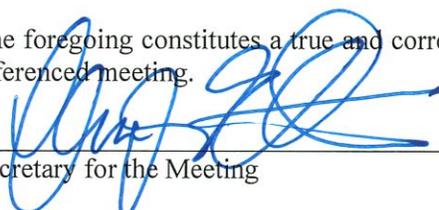
Other Business

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 12th day of September, 2019.