

RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
COMPARK BUSINESS CAMPUS METROPOLITAN DISTRICT
HELD
May 24, 2011**

A regular meeting of the Board of Directors of the Compark Business Campus Metropolitan District was held on Tuesday, May 24, 2011 at 12:15 p.m. at 8390 E. Crescent Parkway, Suite 500, Greenwood Village, CO 80111.

Attendance

In attendance were Directors:

Michael P. Vickers
C. Chandler Lippitt
Bob Schwartz
Larry Grace

Also in attendance were:

Bob Blodgett; R.S. Wells L.L.C.
Matt Mendisco; R.S. Wells L.L.C.
Rick Kron; Grimshaw & Harring, P.C.
Janece Soendker; Clifton Gunderson LLP
Melanie Goetz; Hughes & Stuart
David Brehm; Plan West, Inc.
Patty Ortiz; Diverse Project Consultants, LLC
Todd Snidow; George K. Baum
Mitch Chambers; Mulhern MRE

Call to Order

Director Vickers called the meeting to order at 12:25 p.m. as a joint meeting with the E-470 Potomac Metropolitan District.

Disclosures of
Potential Conflicts
Of Interest

General conflicts of interest statements had been filed with the Secretary of State and Secretary of the District prior to the meeting on the Directors' behalf. The Board disclosed its potential conflicts. There were no changes since the last meeting.

Discuss
Board Vacancy

No candidates have yet been identified.

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Review and Approve Minutes

Upon a motion by Director Vickers, seconded by Director Lippitt and upon unanimous vote, the Board approved the February 22, 2011 regular meeting minutes as amended.

SVMD Issues

A. Status of Potential Inclusion Agreement with Parker Water and Sanitation District ("PWSD")

Mr. Chambers provided an update on the Inclusion Agreement and election process. He reported it is anticipated that the PWSD mill levy can be reduced from 14.9 mills to approximately 11.0 mills, prior to reassessment, on January 1, 2012.

He reported that the WISE project has changed slightly. The costs are being reevaluated by Parker to ensure that the cost comparison between Stonegate Village Metropolitan District ("SVMD") "going it alone" and including in the PWSD are still valid. He hopes to have this within the next two weeks.

Mr. Chambers reported that SVMD has hired Mr. Jason Mumm, of Stepwise and also SAIC, to perform a Peer Review of the modeling of future costs for SVMD alone versus the cost with the inclusion of the four districts into PWSD.

Mr. Chambers reported that he needs to know within the next two weeks what the future fees will be within Potomac and Compark as of January 1, 2012. SVMD intends to place a water and sewer bill calculator on their website so that residents may calculate their estimated water and sewer costs with and without the inclusion.

Mr. Chambers reported again that the reason this consolidation is being pursued is to achieve economies of scale by having a larger district with approximately 5,000 additional units in addition to the number of homes already within PWSD.

After discussion, it was decided that a continued regular meeting would be held on Tuesday, June 7, 2011 at 3:00 p.m. This will be a joint meeting between E-470 Potomac and Compark to further discuss the details of the potential inclusion into PWSD.

The Board discussed that pending issues to be resolved/discussed at the June 7, 2011 joint meeting with the E-470 Potomac Board and the SVMD manager and public relations consultant in attendance:

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1. What are the results of the public polling conducted by Floyd Ciruli? It appears he was hired in April by SVMD to perform the polling.
2. What is the status of the excess SFEs after inclusion into PWSD? Are these obtained by PWSD with the inclusion? Once the District exceeds the number available SFEs in its "water bank" will future development in the CBC area only be required to pay the PWSD resource fee as well as the other tap fee in order to receive water service?
3. Has SVMD considered converting the sod at Lincoln and Stonegate Parkway to xeriscape? Will this be required by PWSD after inclusion?
4. How will the landscape "credit" work for the \$1,000,000 paid by CBC to Stonegate for their share of the PWSD Reuter-Hess Reservoir? Can some of these funds be obtained as a cash refund back to the District?
5. The Board requested a survey of water and sewer tap fees and rates in the southern Arapahoe and northern Douglas County area after inclusion into PWSD.

Mr. Blodgett and Mr. Mendisco will inform Mr. Chambers and prepare and Agenda for the June 7, 2011 joint meeting.

B. Water Rights Tracking Report

After discussion, the Board reported that the pending 38 SFEs for Compark 190 may be removed from the "pending list" report. Mr. Blodgett will do so.

C. Receive SVMD Board Meeting Information

The Board reviewed the meeting agenda and minutes.

D. Accept SMWSA Board Meeting Information

The Board reviewed the recent meeting agendas and minutes.

E. Status of \$30 Monthly Water Operations (\$15) and Sewer Operations (\$15) Fee Charged by Compark

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After discussion, the Board decided to make a decision on the termination of this fee effective January 1, 2012 at the June 7, 2011 meeting.

Status of 2011 Capital Projects

A. Work Orders

No work orders at this time.

B. Status of LOCs

Ms. Ortiz reported all of the LOCs have been closed out. The District now has cash on hand at Douglas County and the Town of Parker. She reviewed this report with the Board. After discussion, the Board accepted the report.

C. Status of Grassland Drive/Chambers Road Intersection and Median Improvements

Ms. Ortiz reported that the Town of Parker is making improvements to this intersection and removing part of the median. The District will salvage plants. The only cost to the District will be the time of Ms. Ortiz and Mr. Strauss to coordinate this effort on behalf of the District.

D. Ratify Change Order with T2 Construction, Inc. for Required Seeding and Erosion Control Blanket - \$3,350

Upon a motion by Director Lippitt, seconded by Director Grace and upon unanimous vote, the Board ratified the Change Order.

E. Compark Blvd

Mr. Brehm reported that approximately \$4,000 in retainage is still being withheld. Mr. Brehm anticipates that T2 will complete all required warranty work so the retainage may be released in June.

Maintenance

A. Ratify 2011 Landscape Maintenance Services Agreements with Attira Golf and Landscaping, LLC - \$2,000/month (April – October) and \$525/month (November – March)

Upon a motion by Director Lippitt, seconded by Director Schwartz and upon unanimous vote, the Board ratified the 2011 Landscape Maintenance Services Agreements with Attira Golf and Landscaping, LLC

B. Status of Prairie Dog Management Program

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Mr. Brehm distributed a report entitled "Compark Business District Prairie Dog Removal Update" dated May 24, 2011 by Git R Done Pest Control. Mr. Brehm reported that no additional treatments are anticipated in 2011 at this time.

C. 2011 Weed Spraying Contract Options

Mr. Mendisco reported that Mr. Strauss recommended usage of Urban Landscaping Management for this work. They are also the low bidder.

Upon a motion by Director Lippitt, seconded by Director Grace and upon unanimous vote, the Board approved an agreement with Urban Landscape Management for 2011 weed spraying in the amount of \$14,940.

D. Xcel Energy Gas Line Issue

Ms. Ortiz provided an update on the issue related to Xcel's work on the gas line. Xcel determined recently that the sanitary sewer force main built by the District in the early 2000s was too close to the gas line. However, it appears the District built the force main first and the Xcel gas line followed later. Xcel continues to make repairs to the gas line in the field. Ms. Ortiz indicated it is anticipated that Xcel will file a claim against other parties to recover their cost for their repairs.

Director Vickers requested Ms. Ortiz obtain information, records and photos from Carroll and Lange/Manhard regarding this and any additional construction issues within the District.

Mr. Mendisco has filed a Notice with the District's insurance company in case the District is named in a claim.

E. Landscape Maintenance Coordination Work

The Board requested that Mr. Strauss coordinate all District landscape maintenance work in the future, including pest control. Mr. Mendisco will notify Mr. Brehm.

The Board also requested that Mr. Strauss' contact information be placed on the District website so that he may be contacted directly regarding complaints or issues in the District related to landscaping.

Financial Matters

A. Review and Approve 2010 Audit.

After discussion, the Board tabled the approval until the June 7, 2011 continued meeting.

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B. Review March 31, 2011 Financial Statements

Ms. Soendker reviewed with the Board. After discussion, upon a motion by Director Lippitt, seconded by Director Grace, the Board approved the Financial Statements.

C. Review and Approve May 24, 2011 Cash Position

Ms. Soendker reviewed with the Board. After discussion, upon a motion by Director Lippitt, seconded by Director Grace, the Board approved the Cash Position Report.

D. Review and Approve Claims

Upon a motion by Director Lippitt, seconded by Director Grace and upon unanimous vote, the Board approved the April claims dated May 23, 2011 as presented represented by check nos. 2095-2105 totaling \$20,156.61 and ratified February and March claims.

E. Review Updated 2011 Debt Service Payment Projections

Ms. Soendker reviewed with the Board.

F. Review George K. Baum Debt Refinancing Options

Mr. Snidow reviewed the May 16, 2011 general obligation refunding bond proposal for restructuring the Series 2007A & B payments.

Director Vickers reported that he and Director Lippitt have met with George K. Baum. This restructuring is expected to provide approximately six years of level debt service payments and level mill levy certifications for the District.

After discussion, upon a motion by Director Grace, seconded by Director Lippitt and upon unanimous vote, the Board authorized George K. Baum to continue to proceed towards the refunding bond documents. It is anticipated that the Board will have a Special Meeting in mid to late June to approve the refunding bond documents.

G. May 1, 2011 Preliminary Assessed Value for 2012 Collection

Mr. Blodgett and Ms. Soendker reviewed the preliminary assessed value of the District. The assessed value declined approximately 6% from the 2010 values. The final preliminary assessed value will be received on August 25, 2011.

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Manager's Report

A. Website Update

No report.

B. Douglas County/Parker Referrals

No referrals that impact the District

Attorney's Report

A. Status of Tap Purchase Agreement for 183 Unit-Future RVU Student Housing Site with Providence Medical Resorts, LLC - \$1,987,253.82

Director Vickers reported that PMR may not be able to perform on the Agreement now. Further update to be provided at the June 7, 2011 meeting.

B. Approve Resolution of Commitment for Water Service to Lot 4-A-1, Compark Filing No. 4, 2nd Amendment, Compark Business Campus

Mr. Kron and Mr. Blodgett reviewed the proposed Resolution with the Board. Some amendments are necessary so that it will comply with the 2003 joint resolution between SVMMD and the CBC. The Resolution will be amended and brought back to the June 7, 2011 meeting.

C. Approve Fiber Optic Easement Requested by E-470 Public Highway Authority (PHA)

The Board discussed the status of this easement. Director Grace asked if the E-470 PHA is being paid by someone to provide the easement for fiber optics. If so, the District should be compensated. Mr. Kron reported that he believes it is an easement to provide access to the Authority's toll booths. After discussion, the Board tabled action to the June 7, 2011 meeting.

Director's Items

A. Potential Irrigation Well Drilling

No discussion.

B. Consent Required by the Town of Parker to Include Property Within the Parker Water and Sanitation District

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Mr. Kron noted the developer needs the consent of the Town of Parker per their annexation agreement of 2006. The District is not a party to this agreement.

Director Lippitt asked that this be discussed further at the June 7, 2011 Board meeting.

Other Items

A. Confirm Quorum for August 23, 2011 Board Meeting

A quorum was established for the August 23, 2011 Board meeting.

Adjournment

Upon a motion by Director Lippitt, seconded by Director Grace, at 3:00 p.m. the Board continued the meeting to June 7, 2011 at 3:00 p.m. at Clifton Gunderson, LLP. Director Schwartz reported that he will not be able to attend this meeting.

Respectfully submitted,



Secretary for the Meeting