

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE COMPARK BUSINESS CAMPUS METROPOLITAN DISTRICT HELD FEBRUARY 28, 2017

A regular meeting of the Board of Directors of the Belford South Metropolitan District was held on Tuesday, February 28, 2017 at 12:15 p.m. at 8390 E. Crescent Parkway, Suite 500, Greenwood Village, CO 80111.

Attendance

In attendance were Directors:

Michael P. Vickers, President
Tom List, Vice President/Secretary/Treasurer
Kevin Michalek, Asst. Secretary/Treasurer

Also in attendance were:

Bob Blodgett, Stephanie Net and Janece Soendker;
CliftonLarsonAllen LLP
Russ Burrows; Calibre Engineering
Rick Kron; Spencer Fane
Tom George; Spencer Fane

Call to Order

President Vickers called the meeting to order at 12:15 p.m.

Disclosures of Potential Conflicts Of Interest

The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. It was noted that Disclosure Statements had been filed prior to the meeting in accordance with statute. Mr. Kron requested that the Directors consider whether they had any new conflicts of interest which had not previously been disclosed. There were no additional disclosures made.

Board Vacancies

No report.

CONSENT AGENDA

The Board considered the following actions:

- IV. Review and Approve Minutes of the November 22, 2016 Regular Meeting
- V. Financial Items
 - A. Ratify Approval of November-January Claims \$36,383.35
 - B. Ratify December 31, 2016 Continuing Disclosure Statement

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- C. Ratify Agreement with L. Paul Goedecke, P.C. for 2016 Audit - \$3,850
 - D. Ratify 2017 Tap Fee Schedule
 - E. Accept 2017 Final Budget
 - F. Ratify 2017 Insurance Policy
 - G. Approve CliftonLarsonAllen LLP Cash Access Addendum
- VI. Engineering and Maintenance Items
- A. Ratify Change Order No. 1 for Compark Village Filing No. 7 Detention Pond with Calibre Engineering, Inc. - \$9,456
 - B. Accept Work Order Between CLC and AUI for Relocation of Water Line near Chambers and E-470 - \$14,409
 - 1. Approve Reimbursement Agreement between the District and CLC - \$14,409
- VII. Attorney Items
- A. Ratify Agreement with IREA for Detention Pond Cost Sharing \$162,000
 - B. Ratify Assignment of Water and Wastewater SFEs Agreement with Belford South MD – 204 SFEs
 - C. Ratify Tap Purchase Agreement December 20, 2016 between the District and Vista South LLC
 - D. Ratify Easement Deed between the District and City and County of Denver Board of Water Commissioners and South Metro WISE Authority
- VIII. Manager's Items
- A. Accept SVMD Meeting Information
 - B. Accept SMSWA Meeting Information
 - C. Accept SFE Water Rights Tracking Schedule (SVMD, LPMD, CBC, BSMD)
 - D. Information Items and Referrals

Mr. Chambers has indicated that the Stonegate administrative fee for 2017 may change in February or March. The Board decided to approve the 2017 tap fee as is and revisit it at the May meeting if Stonegate changes the administrative fee.

Mr. Blodgett further reported that Mr. Kron recommended that the District contact the SDA insurance pool and notify them of the District owned detention ponds in case there was ever a liability claim. Mr. Blodgett will do so.

Mr. Blodgett recommended that Item 6b, the work order between Compark Land Company and AUI instead be with AUI and the District so there is not the time and expense of a reimbursement agreement between the District and CLC. The Board concurred.

Following discussion, upon a motion duly made by Director Vickers, seconded by Director List, and upon vote, unanimously carried, the Board approved the Consent Agenda with the recommended changes noted by Mr. Blodgett.

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DISCUSSION AGENDA

IX. SVMMD Updates

A. Other

Mr. Chambers was not at the meeting.

X. Engineering/ Construction Items

A. Filing 7 Detention Pond Update (Mainstreet Project)

1. Update on AUI Contract
2. Update on Revised Design Plan by Manhard
3. Update on Storm Sewer Construction
4. Schedule

Mr. Burrows provided an update on the Filing 7 Detention Pond work. He indicated that updated plans are being prepared by Manhard. They are being reviewed at the State Engineer's Office also. The estimated cost is \$250,000.

Following discussion, upon a motion duly made by Director Vickers, seconded by Director List, and upon vote, unanimously carried, the Board authorized Mr. Burrows to proceed with bids for construction of the detention pond and ratification at the May Board Meeting.

B. IREA Detention Pond Work Schedule

Mr. Burrows reported they will complete this work in 2018.

C. Detention Pond A and B Updates

Mr. Burrows reported the A pond has been cleaned by Atira Golf and Landscaping. The B pond may need some additional work.

1. Approve Work Order with SBS - \$TBD

Action was deferred until the May Board Meeting in Mr. Strauss' absence.

D. Discuss Filing 8 and 9 Sanitary Sewer Line Construction Agreement with 470 Compark

1. Discuss Cost Sharing Between BSMD and CBCMD

Mr. Burrows reported that he and Mr. Moore, District Engineer for the Belford South Metro District, have agreed that the cost sharing should be based on the total acreage served by the

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sanitary sewer line. This is 80% for Belford South and 20% for Compark. This will be the cost sharing ratio. Mr. Moore has estimated a cost of approximately \$250,000 for the sewer line.

Following discussion, upon a motion duly made by Director Vickers, seconded by Director List, and upon vote, unanimously carried, the Board authorized Mr. Burrows to move forward with construction of the Filing 8 and 9 sanitary sewer line subject to legal counsel and President review of the final bids and cost sharing agreement.

E. SVMD Lift Station Meter (in CBCMD) Update

Mr. Burrows reported the District flows have been reviewed through November 2016. They are much lower than previously projected by Stonegate in their model for their wastewater treatment plant facility. Director Vickers noted this information should be shared with Stonegate as it may increase the number of SFEs available to the District for future wastewater flows.

F. Status of Happy Canyon Trail Erosion Under Chambers Road Bridge

Mr. Burrows reported AUI has prepared a proposal to remove the sediment. The estimated cost is about \$12,000.

1. Discuss Approval of Agreement with AUI for Sediment Removal from the Channel - \$TBD

Following discussion, upon a motion duly made by Director Vickers, seconded by Director List, and upon vote, unanimously carried, the Board approved the agreement with AUI not to exceed \$13,000 to remove the sediment from the Happy Canyon trail channel under the Chambers Road bridge.

G. Discuss Water and Wastewater SFE Schedule update

Mr. Burrows distributed copies of the updated schedule and reviewed it with the Board. He has incorporated the 204 SFEs assigned to the Belford South Metropolitan District in the report. It leaves an approximate 418 SFEs for use by Compark Business Campus Metropolitan District within the District or assignment to other districts. Director Vickers will review the report and separately meet with Mr. Burrows to ensure that all current and future properties and SFEs are accounted for.

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H. Status of Lennar Reimbursement for Compark Village Filing 6 Landscape Improvements

Mr. Burrows reviewed the punch list sent to Mr. Pekas at Lennar in the prior week. Lennar is working on this list.

Following discussion, upon a motion duly made by Director List, seconded by Director Vickers, and upon vote, unanimously carried, the Board authorized payment to Lennar of their retention amount after engineering review and certification of Lennar's punch list work by Mr. Burrows.

XI. Landscape Maintenance/ Construction Report

A. Maintenance Updates and proposals

No report.

B. Tree Care

No report.

C. Update on Irrigation System Damages Bill to ECS

Mr. Blodgett reported that he has not yet received a response to his February 14th revised bill to ECS. He will contact them for a status report.

D. Other

None.

XII. Financial Items

A. Review and Approve December 31, 2016 Financial Statements and Cash Position Report Updated as of February 24, 2017

Ms. Soendker reviewed the December 31, 2016 Financial Statements with the Board. After discussion, upon a motion duly made by Director List, seconded by Director Vickers, and upon vote, unanimously carried, the Board approved the December 31, 2016 Financial Statements.

Ms. Soendker reviewed the Cash Position Report updated as of February 24, 2017 with the Board. After discussion, upon a motion duly made by Director List, seconded by Director Vickers, and upon vote, unanimously carried, the Board approved the Cash Position Report updated as of February 24, 2017.

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B. Discuss Capital Project Fund Budget and Future Projects

Director Vickers reported the budget amount for the water rights sale cannot be completed. ACWWA has refused to assign the water service credits to the new owner. Director Vickers will continue to work on different options for selling the District's water rights.

There were no other updates on the Capital Project Fund Budget at this time.

C. Status of Offset Agreement Between CBCMD and Compark Properties LLC

Ms. Soendker reported that she will meet with Director Vickers and Ms. Newsom to complete this project.

D. Discuss Status of Bond Refunding

Director Vickers reported Mr. Matlosz of George K. Baum will do the necessary work to refund the District's bonds and get an additional extension by year end.

E. Status of 2016 Audit

Ms. Soendker reported that Mr. Geodecke will be out of office for medical work in the near future. The District may need to obtain a new auditor.

F. Other

None.

XIII. Manager's Items

A. Website Update

Mr. Blodgett reported that the website is up to date.

B. Other

None.

XIV. Attorney's Items

A. Other

None.

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XV. Director's Items

A. Discuss Status of Amendment to ACWWA Service Agreement

Director Vickers reported that this is not needed since ACWWA will not assign the service credits to the purchaser of the District's water rights.

B. Development Update

1. Discuss Future Growth

Director Vickers distributed copies of a development status map as of February 2017 and discussed future potential opportunities. He is negotiating with a group that may move forward with a Compark Media Campus, which would take all but two of the remaining lots in the District. If this occurs, construction probably would not start until 2018.

XVI. Other Items

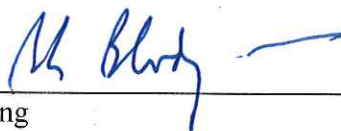
A. Confirm Quorum for May 23, 2017 Regular Meeting

Director List reported that he is not available on May 23. After discussion, upon a motion duly made by Director Vickers, seconded by Director Michalek, and upon vote, unanimously carried, the Board called a special meeting for Monday May 30th at 12:15 p.m. at CLA. The May 23rd meeting will be cancelled.

XVII. Adjournment

Upon a motion duly made by Director Vickers adjourned the meeting at 1:30 p.m.

Respectfully submitted,



Secretary for the Meeting