

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
BELFORD SOUTH METROPOLITAN DISTRICT
HELD
NOVEMBER 22, 2016**

A regular meeting of the Board of Directors of the Belford South Metropolitan District was held on Tuesday, November 22, 2016 at 11:30 a.m. at 8390 E. Crescent Parkway, Suite 500, Greenwood Village, CO 80111.

Attendance

In attendance were Directors:

Michael P. Vickers, President
Tom List, Secretary
Peter Elzi, Treasurer/Asst. Secretary

Also in attendance were:

Bob Blodgett, Stephanie Net and Janece Soendker;
CliftonLarsonAllen LLP
Kathy Kanda; McGeady Becher P.C.
David Strauss; Strauss Building Services
Rick Moore; Manhard Consulting

Call to Order

President Vickers called the meeting to order at 11:30 a.m.

Meeting Location

The Board entered into discussions regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. Following discussion, and upon motion duly made by Director Vickers, seconded by Director List and, upon vote, unanimously carried, the Board determined that because there is not a suitable or convenient location within its boundaries, it was determined to conduct the meeting at the above-stated date, time and location. The Board further noted that notice of this location was posted within the boundaries of the District and the Board had not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within the boundaries of the District.

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. Blodgett 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

Discussion ensued regarding current vacancies on the Board of Directors. No action was taken at this time.

CONSENT AGENDA

IV. The Board considered the following actions:

Approval of Minutes of the June 29, 2016 Organizational Meeting

V. Financial Items

- A. Approval of June – October Claims – Not yet available.
- B. Appointment of CliftonLarson Allen LLP (“CLA”) to Prepare and File the Application for Exemption from Audit for 2016
- C. Ratification of Appointment of CLA to Prepare the 2017 Budget

VI. Manager Items

- A. Information Items and Referrals

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 as submitted.

DISCUSSION AGENDA

VII. Construction Matters

- A. Status of Proposed Drainage Easement by and between the District and the Owners of Lot 1, Block 5 of the Grand View Estates Subdivision

Mr. Moore reported that this is no longer needed.

- B. Approval of Construction Contracts with Bemas Construction, Inc. for Demolition and Abatement Work:

1. 3471 Filbert Street – \$21,816.00

After discussion, upon a motion duly made by Director Elzi, seconded by Director List, and upon vote, unanimously carried, the Board approved the Construction Contract with Bemas Construction, Inc. for Demolition and Abatement Work for 3471 Filbert Street in the amount of \$21,816.00.

2. 3469 Filbert Street – \$25,351.00

Following discussion, upon a motion duly made by Director Elzi, seconded by Director List, and upon vote, unanimously carried, the Board approved the Construction Contract with Bemas Construction, Inc. for Demolition and Abatement Work for 3469 Filbert Street in the amount of \$25,351.00.

3. 3251 Filbert Street – \$34,204.66

After discussion, upon a motion duly made by Director Elzi, seconded by Director List, and upon vote, unanimously carried, the Board approved the Construction Contract with Bemas Construction, Inc. for Demolition and Abatement Work for 3251 Filbert Street in the amount of \$34,204.66.

4. Temporary Construction Easement related to the aforementioned Demolition and Abatement Work

Following discussion, Ms. Kanda was directed to work with Mr. Moore and Ms. Stenman regarding any necessary easements.

C. Engagement Letter with Tamarack Consulting LLC for Cost Verification Services

After discussion, upon a motion duly made by Director Vickers, seconded by Director List, and upon vote, unanimously carried, the Board approved the Engagement Letter with Tamarack Consulting LLC for Cost Verification Services on a Time and Expense basis.

D. Status of Construction of Public Improvements

Director Vickers advised the Board of \$14,500,000 in anticipated construction costs for Public Improvements he estimates will be incurred in 2017.

VIII. Financial Items

A. Status of Checking Account and Developer Advance

Ms. Soendker reported that the checking account has been established.

B. Public Hearing to Consider Amending 2016 Budget; Consider Adoption of Resolution to Amend 2016 Budget

Director Vickers opened the public hearing to consider the proposed 2016 Budget Amendment.

It was noted that Notice stating that the Board would consider amendment of the 2016 budget and the date, time and place of the public hearing was published pursuant to statute. No written objections were received prior to the public hearing.

No public comments were received and the public hearing was closed.

Ms. Soendker reviewed the 2016 Amended Budget noting that the Capital Project Fund needs to be amended to \$150,000. Following discussion, upon motion duly made by Director Vickers, seconded by Director List, and upon vote unanimously carried, the Board adopted Resolution No. 2016-11-01 Amending the 2016 Budget.

- C. Public Hearing to Consider Adoption of 2017 Budget, Appropriate Expenditures and Certify Mill Levies; Consider Adoption of Resolution No. 2016-11-02; Resolution to Adopt Budget and Appropriate Expenditures and Resolution No. 2016-11-03; Resolution to Certify Mill Levies

Director Vickers opened the public hearing to consider the proposed 2017 Budget and to discuss related issues.

It was noted that Notice stating that the Board would consider adoption of the 2017 budget and the date, time and place of the public hearing was published pursuant to statute. No written objections were received prior to the public hearing.

No public comments were received and the public hearing was closed.

Ms. Soendker reviewed the proposed 2017 Budget with the Board. The Budget was revised to increase by \$14,500,000 as directed by Director Vickers.

Following discussion, upon motion duly made by Director Vickers, seconded by Director List, and upon vote unanimously carried, the Board adopted Resolution No. 2016-11-02 to Adopt the 2017 Budget and Appropriate Sums of Money and Resolution No. 2015-12-03 to Set Mill Levies and authorized execution of the Certification of Budget and Certification of Mill Levies, subject to final review by legal counsel and receipt of final Certification of Assessed Valuation from the County on or before December 10, 2016. The District Accountant was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners and the Division of Local Government not later than December 15, 2016. The District Accountant was authorized to transmit the Certification of Budget to the Division of Local Government no later than January 30, 2017.

- D. Other

None.

- IX. Manager's Items

- A. Resolution No. 2016-11-04; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting for 72-Hour and 24-Hour Notices (enclosed). Confirm Quarterly Meeting Schedule: 4th Tuesday of February, May, August, and November, 2017 at 11:00 a.m. at the offices of CliftonLarsonAllen LLP, 8390 E. Crescent Parkway, Suite 500, Greenwood Village, Colorado

After discussion, upon motion duly made by Director List, seconded by Director Elzi, and upon vote unanimously carried, the Board adopted Resolution No. 2016-11-04; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting for 72-Hour and 24-Hour Notices as amended.

- i. Confirm Posting Locations

After discussion, upon motion duly made by Director List, seconded by Director Elzi, and upon vote unanimously carried, the Board approved the following posting locations:

- Fence line at the intersection of 1st and Filbert
- Fence line at the end of 3rd and Filbert
- Fence line to the east of 3rd and Filbert

- B. Website Update

Mr. Blodgett reported the website is working and being updated. Director Vickers asked that it be linked to the Compark Business Campus Metropolitan District website.

- C. Dropbox Update

This is being utilized for board packets and other information.

- D. Insurance Renewal, Insurance Schedules, and Statutory Requirement for Position Schedule Bond

The Board approved continuation of current insurance coverages for 2017.

- X. Attorney's Items

- A. Operation Funding Agreement by and between the District and 470 Compark LLC

Following review, upon motion duly made by Director Vickers, seconded by Director List, and upon vote unanimously carried, the Board approved the Operation Funding Agreement by and between the District and 470 Compark LLC.

- B. System Access Fee and Development Agreement by and between the District and KB Home Colorado Inc.

Following discussion, upon motion duly made by Director Vickers, seconded by Director List, and upon vote unanimously carried, the Board authorized preparation of a System Access Fee and Development Agreement by and between the District and KB Home Colorado Inc. to be ratified at the February Board meeting.

- C. Assignment of Water and Wastewater Service SFE – Belford South 204 by and among Stonegate Village Metropolitan District, Compark Business Campus Metropolitan District and the District (“Assignment of Water and Wastewater Service SFE”)

Following discussion, upon motion duly made by Director Vickers, seconded by Director List, and upon vote unanimously carried, the Board approved the Assignment of Water and Wastewater Service SFE.

- D. Potential Service Plan Amendment
 - 1. Inclusion of Compark 190 Residential Property
 - 2. Financing of Public Improvements

Following discussion, upon motion duly made by Director Vickers, seconded by Director Elzi, and upon vote unanimously carried, the Board authorized Ms. Kanda to proceed with preparation of the proposed Service Plan Amendment.

XI. Director Items

- A. Status of Lincoln Park Metropolitan District SFE Option Agreement

Discussion of this matter was deferred.

- B. Status of Cost Sharing Agreement with 190 Compark

Discussion of this matter was deferred.

- C. Other

None.

XII. Other Items

- A. Quorum for February 28, 2017 Regular Meeting

A quorum was confirmed for the February 28, 2017 regular meeting at 11:00 a.m. at 8390 E. Crescent Parkway, Suite 500, Greenwood Village, CO 80111.

XIII. Adjournment

Upon a motion duly made by Director Vickers, seconded by Director List, and upon vote, unanimously carried, the Board adjourned the meeting at 12:30 p.m.

Respectfully submitted,



Secretary for the Meeting