

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
BROMLEY PARK METROPOLITAN DISTRICT NO. 2
HELD OCTOBER 3, 2019

A special meeting of the Board of Directors ("Board") of the Bromley Park Metropolitan District No. 2 ("District") was held on Thursday, October 3, 2019 at 6:00 p.m. at the Main Street Café, 161 N. Main Street, Brighton, CO 80601.

Attendance

In attendance were Directors:

Joel Farkas
Toni Serra
Douglas G. Hamilton

Also in attendance:

Matt Urkoski & Paul Wilson; CliftonLarsonAllen LLP ("CLA")
Drew Rippey, Esq.; McGeady Becher P.C.

**Call to Order
And Quorum**

Director Farkas called the meeting to order at 6:01 p.m. There was a quorum of the Board present for the special meeting.

**Potential Conflict
Of Interest**

Attorney Rippey discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board to the Secretary of State. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. It was noted by Attorney Rippey that disclosures of potential conflicts of interest were filed with the Secretary of State by the statutory deadline for Directors Farkas, Serra and Hamilton.

**Agenda/Meeting
Location/Posting
of Meeting Notices**

The Board reviewed the proposed Agenda for the District's special meeting.

Following discussion, upon a motion duly made by Director Farkas, seconded by Director Hamilton and, upon vote, unanimously carried, the agenda was approved, as amended. The Board excused the absence of Director Tucker.

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The Board entered into a discussion 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 Farkas seconded by Director Hamilton and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within its boundaries to conduct this meeting, 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 duly posted and that it had not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within its boundaries.

**Review and
Approve
Minutes**

Minutes of the June 28, 2019 Special Meeting

Following review, upon a motion duly made by Director Serra, seconded by Director Farkas and, upon vote, unanimously carried, the Board approved the June 28, 2019 special meeting minutes, as presented.

Public Comments

None.

Financial Matters

Review, Ratify and Approval of Claims

Following review, upon a motion duly made by Director Hamilton, seconded by Director Farkas and, upon vote, unanimously carried, the Board approved the claims in the amount of \$23,042.95.

Review and Consider Approval of August 31, 2019 Unaudited Financial Statements

Mr. Wilson reviewed the August 31, 2019 unaudited financial statements with the Board. The Board and team discussed the community impact fee funds and the requirements and restrictions the City of Brighton ("City") has placed on them before they can be released.

Following discussion, upon a motion duly made by Director Serra, seconded by Director Hamilton and, upon vote, unanimously carried, the Board accepted the August 31, 2019 unaudited financial statements, as presented.

Review and Consider Approval of 2018 Audit

Mr. Wilson reviewed the 2018 Audit with the Board.

Following review, upon a motion duly made by Director Serra, seconded by Director Hamilton and, upon vote, unanimously carried the Board

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approved the 2018 audit, subject to final legal review and an unmodified opinion by the auditor.

Discuss 2020 Budget and Set Budget Hearing for November 5, 2019

Mr. Wilson reviewed the draft 2020 budget with the Board. Extensive discussion regarding the preliminary assessed valuation. The Board set the 2020 budget hearing for November 5, 2019 at 6:00 p.m.

Manager Items

Update on 168th Avenue Landscape Improvements

Mr. Urkoski provided an update on the 168th Avenue landscape improvements to the Board, reporting that the Tracts F and G improvements were recently completed.

Discuss Services needed for 2020

Mr. Urkoski reported that the District will need to directly maintain the recently improved F & G Tracts as Parkside HOA was not interested in taking over maintenance by way of cost sharing. Mr. Urkoski recommended the District consider engaging BrightView Landscaping Services, Inc. for 2019 sprinkler blowout, 2020 maintenance of the improved tracts and the existing detention ponds, and for snow removal services.

Following discussion, upon a motion duly made by Director Farkas, seconded by Director Hamilton and, upon vote, unanimously carried, the Board approved the engagement for 2020 landscape services with BrightView Landscaping Services, Inc., subject to legal form of contract and adding in maintenance of medians adjacent to tracts F & G on 168th Avenue.

Attorney Items

Consider adoption of First Amendment to Resolution No. 2018-11-04 Establishing Regular Meeting Dates, Time and Location and Designating 24-Hour and 72-Hour Posting Locations

Attorney Rippey reviewed the First Amendment to Resolution No. 2018-11-04 with Board.

Following review, upon a motion duly made by Director Farkas, seconded by Director Serra and, upon vote, unanimously carried, the Board approved the First Amendment to Resolution No. 2018-11-04, Establishing Regular Meeting dates, Time and Location and Designating 24-Hour and 72-Hour Posting Locations.

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Review and consider approval of Escrow Agreement (Homestead Phase II and Phase III Public Improvements Surety) between the District, City of Brighton and Fidelity National Title Company, National Commercial Services

Following review, upon a motion duly made by Director Farkas, seconded by Director Serra and, upon vote, unanimously carried, the Board approved the Escrow Agreement between the District, City of Brighton and Fidelity National Title Company, National Commercial Services, subject to final legal review.

Consider approval of transfer of \$874,000 in Escrow Funds to Fidelity National Title Company to be held in escrow for payment of the construction of the Homestead Phase II Tract E Park pursuant to the Escrow Agreement and payment of \$1,000 to Fidelity National Title in compensation for services as Escrow Agent pursuant to Escrow Agreement

Following discussion, upon a motion duly made by Director Farkas, seconded by Director Hamilton and, upon vote, unanimously carried, the Board approved the transfer of \$874,000 in escrow funds to Fidelity National Title Company, subject to confirmation of receipt of Kings Co, LLC advance, and approved the payment of \$1,000 to Fidelity National Title for Escrow Agent Services.

Review and consider approval of Amended and Restated Agreement Regarding Construction of Homestead Phase II and Phase III Improvements between the District and Kings Co, LLC

This item was deferred.

Acknowledge receipt of Developer Advance from Kings Co, LLC pursuant to the terms of the Advance and Reimbursement Agreement between the District and Kings Co, LLC, as amended

This item was deferred.

Ratify approval of Consulting Agreement with Graves & Co. Consulting LLC in the estimated amount of \$30,000 regarding analyzing status and information related to oil and gas well completion, well testing, production and any possible future drilling and/or well workover programs on property within the District

Attorney Rippey reviewed the Consulting Agreement with Graves & Co. Consulting LLC with the Board.

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Following review, upon a motion duly made by Director Serra, seconded by Director Hamilton and, upon vote, unanimously carried, the Board ratified approval of the Consulting Agreement with Graves & Co. Consulting LLC., as presented.

Ratify approval of transfer of \$10,000 retainer to Graves & Co. Consulting LLC pursuant to the Consulting Agreement

Attorney Rippey reviewed the retainer to Graves & Co. Consulting LLC pursuant to the Consulting Agreement with the Board.

Following review, upon a motion duly made by Director Farkas, seconded by Director Hamilton and, upon vote, unanimously carried, the Board approved the transfer of \$10,000 retainer to Graves & Co. Consulting LLC.

Update on status of conveyance of Brighton East Farms Filing No. 3, Amendment No. 1 Tracts B, I, J, K and L (the "Tracts") to the District

Attorney Rippey provided an update to the Board, noting that legal has a draft of the deed and it is currently under review and in process. This item will be on the November agenda.

Review and consider approval of Facilities Maintenance Agreement for Drainage Facilities Located on Private Property among the District, Kings Co, LLC and the City (Brighton East Farms Filing No. 3)

Attorney Rippey reviewed the Facilities Maintenance Agreement with the Board. Discussion ensued.

Following discussion, the Board directed legal to revise the agreement as to timing of maintenance responsibilities, to be considered at the November Board meeting.

Discuss status of: Acquisition of Property via Eminent Domain - Right of Way for Construction of North 60th Avenue and Sanitary Sewer Easement, Real Estate Appraisal Proposal with Clayton and Company, Inc., Notice of Intent to Acquire; acquisition and/or easement documents and consider approval of necessary document and/or actions in connection therewith

No update.

Discuss Reimbursement of Costs for Public Improvement Construction in Homestead and in Brighton East Farms

This item was deferred.

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Construction
Matters

Status of Oil and Gas Well Drilling for BEF and Homestead Well Pads

Director Farkas provided an update on oil and gas well drilling in the District, noting six new wells have been completed and will be producing as soon as the recently approved line is completed in the next three to four months. Production should increase the assessed valuations by 2020 reassessment.

Acknowledge Termination of Service Agreement for District Engineering and Cost Verification Services with Martin/Martin Consulting Engineers

The Board acknowledged the Termination of the Service Agreement for District Engineering and Cost Verification Services with Martin/Martin Consulting Engineers.

Review and consider approval of Service Agreement for District Engineering and Cost Verification Services with Independent District Engineering Services, LLC

Following review, upon a motion duly made by Director Farkas, seconded by Director Hamilton and, upon vote, unanimously carried, the Board approved the Service Agreement for District Engineering and Cost Verification Services with Independent District Engineering Services, LLC.

Ratify approval of publication of Notice of Final Payment to Goodland Construction—Baseline Road Median. Discuss status of Final Payment

Upon a motion duly made by Director Farkas, seconded by Director Hamilton and, upon vote, unanimously carried, the Board ratified approval of publication of Notice of Final Payment to Goodland Construction - Baseline Road Median.

Ratify approval of publication of Notice of Final Payment to Goodland Construction—Tract N Park. Discuss status of Final Payment

Upon a motion duly made by Director Farkas, seconded by Director Hamilton and, upon vote, unanimously carried, the Board ratified approval of publication of Notice of Final Payment to Goodland Construction – Tract N Park.

Board Member
Items

Other

Director Serra reported that there will be a new HOA management company for the Homestead community.

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Other Business

Confirm Quorum for November 5, 2019 Regular Meeting – 2020 Budget Hearing

The Board confirmed a quorum for the November 5, 2019 regular meeting.

Adjournment

There being no further business to come before the Board, the meeting adjourned at 6:56 p.m.

Respectfully submitted,



Secretary for the Meeting