

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
BROMLEY PARK METROPOLITAN DISTRICT NO. 2
HELD NOVEMBER 6, 2018

A special meeting of the Board of Directors (“Board”) of the Bromley Park Metropolitan District No. 2 (“District”) was held on Tuesday, November 6, 2018 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
Anthony Tucker

Also in attendance:

Pat Shannon and Paul Wilson; CliftonLarsonAllen LLP (“CLA”)
Megan Becher; McGeady Becher P.C.
Dennis Wolf, Resident
Jeff & Julie Crumpton, Resident
Tristan & Kylee Samuels, Resident
Leigh Tucker, Resident
Laura Vick, Resident

**Call to Order
And Quorum**

Director Farkas called the meeting to order at 6:04 p.m. There was a quorum of the Board present for the special meeting.

**Potential Conflict
Of Interest**

Attorney Becher 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 Becher that disclosures of potential conflicts of interest were filed with the Secretary of State for Directors Farkas, Hamilton and Serra.

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

The Board reviewed the proposed Agenda for the District’s special meeting. Mr. Shannon noted that item G should be changed to Fiscal Focus Partners.

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Following discussion, upon a motion duly made by Director Farkas, seconded by Director Serra and, upon vote, unanimously carried, the Agenda was approved, subject to changing item G from Barnes Griggs & Associates to Fiscal Focus Partners.

Minutes

Minutes of the May 24, 2018 Special Meeting

Following discussion, upon motion duly made by Director Hamilton, seconded by Director Serra and, upon vote, unanimously carried, the Board approved the minutes of the May 24, 2018 special meeting, as presented.

Public Comments

None.

Board Vacancy

Mr. Shannon noted that there is a vacancy on the Board. Mr. Tristan Samuels, from the audience, expressed interest in joining the Board. Any interested resident will provide a letter of interest to Mr. Shannon at CliftonLarsonAllen LLP.

Financial Matters

Review, Ratify and Approve Claims

Mr. Shannon reviewed the claims with the Board.

Following review, upon a motion duly made by Director Serra, seconded by Director Hamilton and, upon vote, unanimously carried, the Board ratified approval of claims, as presented.

Ratify Approval of HOA Invoices for 3rd Quarter of 2018

Mr. Shannon noted that this item was ratified in the previous motion.

Review and Accept September 30, 2018 Unaudited Financial Statements

Mr. Wilson presented the financial statements to the Board.

Following review, upon a motion duly made by Director Serra, seconded by Director Hamilton and, upon vote, unanimously carried, the Board accepted the September 30, 2018 Unaudited Financial Statements.

Ratify Approval of the 2017 Audit and Ratify Authorization of Execution of Representation Letter

Mr. Wilson reviewed the 2017 Audit with the Board.

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Following review, upon a motion duly made by Director Hamilton, seconded by Director Serra and, upon vote, unanimously carried, the Board ratified approval of the 2017 audit and ratified authorization of execution of the Representation Letter.

Conduct Public Hearing to Consider Amending the 2018 Budget. Consider Adoption of Resolution to Amend 2018 Budget, if necessary

Upon a motion duly made by Director Serra, the Board opened the public hearing at 6:27 p.m. to consider amending the 2018 budget and to consider adoption of the Resolution to amend the 2018 Budget.

No public comments were made at this time.

Upon a motion duly made by Director Serra, the Board closed the public hearing to consider amending the 2018 budget and to consider adoption of the Resolution to amend the 2018 Budget at 6:28 p.m.

Mr. Wilson reviewed the 2018 Budget amendment with the Board, requesting the Board to authorize total expenditures of \$253,000 in the general fund and \$47,000,000 in the debt service fund.

Upon a motion duly made by Director Hamilton, seconded by Director Farkas and, upon a vote, unanimously carried, the Board approved the 2018 amended budget and adoption of the Resolution to amend the 2018 budget.

Conduct Public Hearing to Consider Adoption of 2019 Budget, Appropriation of Funds for Expenditures and Certification of Mill Levies

1. Consider Adoption of Resolution No. 2018-11-01, Adopt the 2019 Budget and to appropriate Sums of Money and Resolution No. 2018-11-02, to Set Mill Levies

Upon a motion duly made by Director Tucker, the Board opened the public hearing at 6:44 p.m. to consider adoption of the 2019 budget, appropriate expenditures, to set the mill levy and to consider adoption of Resolution Nos. 2018-11-01 and 2018-11-02.

Upon a motion duly made by Director Serra, the Board closed the public hearing to consider adoption of 2019 budget, appropriate expenditures, to set the mill levy and to consider adoption of Resolution Nos. 2018-11-01 and 2018-11-02 at 6:46 p.m.

Mr. Wilson reviewed the 2019 budget with the Board, noting increases related to landscaping, due to increases from taking on HOA landscaping

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responsibilities. Director Farkas suggested that the District go out for landscaping bids.

Upon a motion duly made by Director Tucker, seconded by Director Hamilton and, upon a vote, unanimously carried, the Board approved adoption of Resolution Nos. 2018-11-01 to adopt the 2019 budget and 2018-11-02 to Set Mill Levies.

Consider Approval of the Engagement of Fiscal Focus Partners, LLC to Perform 2018 Audit

Following discussion, upon a motion duly made by Director Farkas, seconded by Director Serra and, upon a vote, unanimously carried, the board approved the engagement letter from Fiscal Focus Partners, LLC to perform the 2018 Audit.

Consider Authorizing the District Accountant to Prepare and Sign the DLG70 Mill Levy Certification Form for Certification to the Board of County Commissioners and Other Interested Parties

Following discussion, upon a motion duly made by Director Tucker, seconded by Director Hamilton and, upon a vote, unanimously carried, the Board authorized the district accountant to prepare and sign the DLG70 Mill Levy Certification Form for certification to the Board of County Commissioners and other interested parties.

Discuss Closing the District's Wells Fargo Checking Account and Moving Funds to 1st Bank

Following discussion, upon a motion duly made by Director Tucker, seconded by Director Serra and, upon a vote, unanimously carried, the Board approved closing the District's Wells Fargo checking account and moving funds to 1st Bank.

Discuss and Consider Approval of 3rd Quarter 2018 Continuing Disclosure Report

Mr. Wilson reviewed the 3rd Quarter 2018 Continuing Disclosure Report with the Board. The Board acknowledged the filing of the Report.

Other

None.

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Manager Items

Review and Consider Adoption of Resolution No. 2018-11-03, Establishing 2019 Regular Meeting Dates, Time and Location, and Designating Location for Posting for 72 Hour and 24 Hour Notices.

Following discussion, upon a motion duly made by Director Tucker, seconded by Director Hamilton and, upon a vote, unanimously carried, the board approved adoption of Resolution No. 2018-11-03, Establishing 2019 Regular Meeting Dates, Time and Location, and Designating Location for Posting for 72 Hour and 24 Hour Notices.

Discuss Insurance Renewal, Insurance Schedules, and renewal of Special District Association Membership. Confirm Position Schedule Bond is in place

Mr. Shannon discussed the insurance renewal, insurance schedules, renewal of special district association membership and confirmed a position schedule bond is in place with the Board.

Discuss Transparency Notice and Mode to Eligible Elector Notification for 2019 (Post on SDA Website)

Ms. Becher explained the transparency notice and mode to eligible elector notification for 2019 to the Board and noted that this will be posted on the SDA website.

Discuss and Consider Approval of Tree Replacements in Tract M

Mr. Shannon noted that this will be addressed in the HOA cost sharing agreement.

Other

None.

Attorney Items

Review and Consider Approval of First Amendment to Advance and Reimbursement Agreement between the District and Kings Co., LLC

Ms. Becher reviewed the First Amendment to the Advance and Reimbursement Agreement with the Board.

Upon a motion duly made by Director Hamilton, seconded by Director Serra and, upon vote, unanimously carried, the Board approved the First Amendment to the Advance and Reimbursement Agreement between the District and Kings Co., LLC.

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Discuss Status of Advances under \$8,000,000 Third Subordinate General Obligation Limited Tax Bonds, Series 2018D

Ms. Becher reviewed the status of advances under \$8,000,000 Third Subordinate General Obligation Limited Tax Bonds, Series 2018D, with the Board. The 2018C bond was transferred to another bond holder and, as a part of that transaction, \$2.5 million was received, as an advance under the 2018D bond, thereby releasing all restrictions on the flow of pledged revenues. No action necessary.

Review and Consider Acceptance of Engineer's Report and Verification #1 from Martin/Martin, and Authorize Necessary Actions in Conjunction Therewith

Ms. Becher reviewed the Engineer's Report and Verification #1 -- Revision #1 ("Report") with the Board.

Upon a motion duly made by Director Tucker, seconded by Director Hamilton and, upon vote, unanimously carried, the Board accepted the Report and eligible costs in the amount of \$404,835.62 and authorized reimbursement to Kings Co, LLC. The Board further accepted and authorized the stated contingent amount of \$214,167.99, subject to receipt of the required information, and authorized the additional amounts relative to the Goodland Construction Contract subject to Martin/Martin's verification.

Consider Approval of Resolution No. 2018-11-04 of the Board of Directors of Bromley Park Metropolitan District No. 2 Regarding Continuing Disclosure Policies and Procedures

Upon a motion duly made by Director Tucker, seconded by Director Hamilton and, upon vote, unanimously carried, the Board approved the Resolution No. 2018-11-04 of the Board of Directors of Bromley Park Metropolitan District No. 2 Regarding Continuing Disclosure Policies and Procedures.

Ratify Approval of Service Agreement for Cost Verification Services between the District and Martin/Martin, Inc.

Upon a motion by Director Hamilton, seconded by Director Tucker and, upon vote, unanimously carried, the Board ratified approval of the Service Agreement for Cost Verification Services between the District and Martin/Martin, Inc.

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Review and Consider Approval of Cost Sharing and Reimbursement Agreement between the District and Parkside HOA

Ms. Becher reviewed the Cost Sharing and Reimbursement Agreement with the Board. Director Farkas stated that he would like language added to allow for the District to receive additional bids.

Upon a motion duly made by Director Hamilton, seconded by Director Tucker and, upon vote, unanimously carried the Board approved the Cost Sharing and Reimbursement Agreement between the District and Parkside HOA, as amended.

Consider and Authorize Necessary Action in Conjunction with Homestead II HOA for Approval or Cost Sharing and Reimbursement Agreement or District Acquisition of Tracts

Following discussion, upon a motion duly made by Director Hamilton, seconded by Director Tucker and, upon vote, unanimously carried, the Board authorized a cost sharing agreement or full acceptance of the tracts held by Homestead II HOA and authorized District Counsel to prepare necessary documentation

Other

None.

Construction Matters

Status of Construction of District Infrastructure

Mr. Farkas noted that Tract N Park has been completed, minus a few items for the contractor to complete. Mr. Farkas noted that once final acceptance occurs payment will be issued. He further stated that the median will be under construction shortly and hopefully finished before the end of 2018.

Mr. Farkas informed the Board that all permits have been received for both pads. An MOU with the City of Brighton for the BEF pad has been signed and drilling should begin soon. He noted that 8 wells have been drilled and completed in Homestead and another 8 wells will be drilled in Q1 of 2019.

Review and Consider Approval of Proposal from Goodland Construction, Inc. ("Goodland") for 168th Avenue Median Landscaping

The Board reviewed the proposal from Goodland.

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

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proposal from Goodland for 168th Avenue Median Landscaping, not to exceed \$300,000, subject to verification of costs by Martin/Martin.

Status of Development in the District

Mr. Farkas provided an update on development in the District to the Board.

Other

None.

Board Member

Other

None.

Other Business

Confirm Quorum for February 5, 2019 Regular Meeting

The Board confirmed a quorum for the February 5, 2019 Regular Meeting.

Adjournment

There being no further business to come before the Board, upon a motion duly made by Director Hamilton, seconded by Director Serra and, upon vote, unanimously carried, the meeting was adjourned at 7:20 p.m.

Respectfully submitted,


Secretary for the Meeting