

## RECORD OF PROCEEDINGS

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### MINUTES OF THE CONSOLIDATED REGULAR MEETING OF THE BOARDS OF DIRECTORS OF THE BUCKHORN VALLEY METROPOLITAN DISTRICTS NOS. 1 & 2

Held: Tuesday, November 19, 2019 at 7:30 A.M., at 11 Bridger Drive, Gypsum, Colorado 81637.

Attendance:

The consolidated regular meeting of the Boards of Directors of Buckhorn Valley Metropolitan Districts Nos. 1 & 2 (the “Boards of Directors” or “Boards”) was called and held as shown in accordance with the statutes of the State of Colorado.

The following Directors were present:

John Hill (*via telephone conference line*)  
Scott Green (*via telephone conference line*)  
Anna Maria Ray (*via telephone conference line*)

The following Directors were absent (*absences excused*):

David Garton, Jr.  
Samantha Gale

Also present were: Jennifer L. Ivey, Icenogle Seaver Pogue, P.C. (*via telephone conference line*); Debra Sedgeley, CliftonLarsonAllen, LLP (*via telephone conference line*); and Kenny Slaughter.

Call to Order/ Declaration of Quorum:

Director Hill called to order the consolidated regular meeting of the Boards of Directors of the Buckhorn Valley Metropolitan Districts Nos. 1 & 2 at which time it was noted that the notice of this meeting was properly posted within the Districts. Director Hill noted that a quorum of each of the Boards were present.

Disclosure Matters:

The Boards of Directors reviewed the agenda for the meeting, following which each Board member confirmed the contents of written disclosures previously made, stating the fact and summary nature of any matters, as required under Colorado law, to permit official action to be taken at the meeting.

Director John Hill disclosed that he is a party to a contract to purchase taxable property located within the boundaries of the Districts and a beneficiary of a potential profits interest from entities which own taxable property located within the boundaries of the Districts. He also disclosed that he may perform consulting services for Colorado Land Management,

LLC, a role in which he carries out the execution of management and project development duties performed for the Districts by Colorado Land Management, LLC in its management contract with the Districts. He is employed on an at-will verbal consulting agreement, compensation for which varies from time to time and may be greater than \$100,000, and, in part, is derived from compensation for management services by and between Colorado Land Management, LLC and the Districts. In the performance of his duties, Director Hill may, from time to time, perform consulting services for parties which are investigating possible purchases, are purchasing or have purchased lands within the Districts. Such work is generally, but not always, performed on an at-will consulting basis, with compensation on a lump-sum, fixed fee or hourly basis, or may be based on a combination of these or some other basis as of yet undetermined. This disclosure is associated with approval of items on the agenda that may affect his interests.

Director Scott Green disclosed that he is a party to a contract to purchase taxable property located within the boundaries of the Districts. He further disclosed that he is the owner of Scott Green Excavating, Inc., a contractor which currently has contract(s) with the Districts to construct a roadway and ancillary improvements. These improvements are being paid for, in part, by the Districts, with funds from District No. 2's 2010 bond issue. Director Green also disclosed that the compensation to be paid in accordance with the contract(s) is in excess of \$600,000, and that he does not expect his position of Director to enhance his position or the position of Scott Green Excavating, Inc. either competitively or financially. This disclosure is associated with approval of items on the agenda that may affect his interests.

Director Anna Maria Ray reported that she had no conflicts of interest requiring disclosure.

Ms. Ivey advised that written disclosures of these interests were filed with the Secretary of State at least seventy-two hours prior to the meeting.

Approval of/Additions  
to/Deletions from the  
Agenda:

After review and discussion and upon motion of Director Hill and second of Director Ray the Boards of Directors voted unanimously to approve the agenda as presented.

Public Comment for Matters  
Not on the Agenda:

None.

Approval of Minutes: After review and discussion and upon motion of Director Hill and second of Director Ray the Boards of Directors voted unanimously to approve the November 20, 2018 regular consolidated meeting minutes.

RV Storage Lot Contract Discussion: After review and discussion and upon the motion of Director Hill and second of Director Ray, the Boards approved entering into a Contract for management of the RV Storage Lot.

Consider Approval of Management Contract Extension: Ms. Ivey reviewed with the Boards the extension for management services with Colorado Land Management, LLC noting that the fees for Colorado Land Management, LLC was remaining the same. After review and discussion and upon motion of Director Green and second of Director Ray, the Boards approved the extension of the agreement with Colorado Land Management, LLC, with Director Hill abstaining.

Consider Approval of General Counsel Engagement: After discussion and review and upon motion by Director Hill and second of Director Ray, the Boards of Directors unanimously approved the continued engagement of Icenogle Seaver Pogue, P.C. as general counsel to the Districts.

Consider Approval of Auditor Engagement: Ms. Sedgeley reviewed with the Boards the engagement letters for Fiscal Focus Partners, LLC, and reported that both Districts will need an audit for 2019. After review and discussion and upon motion of Director Hill and second of Director Ray, the Boards unanimously approved the engagement of Fiscal Focus Partners, LLC to perform the 2019 audits.

Adoption of 2020 Annual Resolutions and Election of Officers: Ms. Ivey presented the Boards of Directors with resolutions adopting administrative, operational, meeting, directors, officers and related items for the calendar year 2020. Following Ms. Ivey's presentation, after discussion and review, upon the motion of Director Hill and second of Director Ray the Boards of Directors voted unanimously to approve the 2020 Annual Resolutions including the election of the following officers for each Board of Directors:

President/Chairman: John V. Hill  
Secretary/Treasurer: Samantha Gale  
Assistant Secretary: David Garton, Jr.  
Assistant Secretary: Anna Maria Ray  
Assistant Secretary: Scott Green

Approval of 2020 Election Ms. Ivey presented the Boards of Directors with and reviewed

- Resolutions: Resolutions Concerning 2020 Elections. Following discussion and upon motion by Director Hill and second of Director Ray and unanimous vote the Boards of Directors adopted and approved the Resolutions Concerning 2020 Election.
- District Growth / Consider Authorizing Manager to Update Rate Study: After review and discussion and upon the motion of Director Hill and second of Director Ray, the Boards authorized Director Hill and Ms. Ivey to engage a consultant to update the previous rate studies.
- Ratify Acceptance and Filing of 2018 Audits: After review and discussion and upon the motion of Director Hill and second of Director Ray, the Boards unanimously accepted the audits of the 2018 financial statements and ratified filing of them with the State Auditor.
- Legal Matters – Delinquent Account Certification: Ms. Ivey reviewed with the Boards the accounts eligible for certification which have not paid. Following review and discussion, Director Hill moved that the Boards adopt Resolutions Certifying Delinquent Charges to the Eagle County Treasurer. The motion was seconded by Director Ray and approved unanimously by the Boards.
- Manager’s Report: The Manager’s Report was included in the materials distributed in advance of the meeting. No Board members had any questions on the Manager’s Report.
- Financial Matters – Public Hearings on Proposed 2020 Budgets: Director Hill opened public hearings on the proposed 2020 budgets for the Districts. Noting that no members of the public were in attendance the hearing was then closed.
- Financial Matters – Consider Approval of 2020 Budgets and Budget Resolutions: Ms. Sedgeley reviewed and discussed with the Boards the proposed 2020 budgets for the Districts and resolutions for approval and adoption of the 2020 budgets, appropriating funds therefore and certification of mill levies thereunder. After review and discussion of the proposed 2020 budgets for the Districts and upon motion of Director Hill and second of Director Ray, the Boards unanimously approved the resolutions adopting the year 2020 budgets, appropriating the expenditures therefore and certifying the mill levies thereunder, subject to final revisions of the 2020 budgets by the District’s accountant.
- Financial Matters – Financial Report/Payment of Claims: Ms. Sedgeley presented and reviewed with the Boards the financial report and statement of claims representing checks claims occurring since the last regular meeting of the Boards totaling \$390,283.74. After discussion and review, and upon motion of Director Green and second of Director Ray, the

Boards unanimously ratified and approved the claims listed above.

Other Business:

None.

Adjournment:

There being no further business to come before the Boards of Directors, upon motion of Director Hill and second of Director Green, the Boards voted unanimously to adjourn the meeting.

DocuSigned by:



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Secretary for the Districts