

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE BNC METROPOLITAN DISTRICT NO. 3 HELD MAY 10, 2023

A Special Meeting of the Board of Directors of the BNC Metropolitan District No. 3 (referred to hereafter as "Board") was convened on Wednesday, the 10th day of May 2023, at 1:00 p.m. The District Board meeting was held via Zoom video/telephone conference. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Janis L. Emanuel
Robert J. Bol

Following discussion, upon motion duly made by Director Emanuel seconded by Director Bol and, upon vote, unanimously carried, the absence of Director Theodore Antenucci was excused.

Also In Attendance Were:

Ann E. Finn and Larry Loften; Special District Management Services, Inc.

Paula Williams, Esq. and Craig Sorensen; McGeady Becher P.C.

Alyssa Ferreira and Jason Carroll; CliftonLarsonAllen LLP

Michael Kuykendall; Catellus Development Corp. (for a portion of the meeting)

ADMINISTRATIVE MATTERS

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.

Mr. Loften noted that a quorum was present and requested members of the Board 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 the statute. Attorney Williams noted that all Directors' Disclosure Statements have been filed, and that no new conflicts were disclosed at the meeting.

Agenda: Mr. Loften distributed, for the Board's review and approval, a proposed Agenda for the District's Special Meeting.

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Following discussion, upon motion duly made by Director Emanuel seconded by Director Bol and, upon vote, unanimously carried, the Agenda was approved, as presented.

Location of Meeting and Posting of Notices: 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. The Board determined that the meeting would be held by video/telephonic means, and encouraged public participation via video or telephone. The Board further noted that notice of the time, date and location of the meeting was duly posted and that the District had not received any objections to the video/telephonic manner of the meeting, or any requests that the video/telephonic manner of the meeting be changed by taxing electors within the District boundaries.

Designation of 24-Hour Posting Location: Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol, and upon vote, unanimously carried, the Board determined that notices of meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S. at least 24-hours prior to each meeting shall be posted on the District website. If the website is unavailable, physical notice shall be posted at the following location: on the street light pole located on the southwest corner of E. 104th Avenue and Peoria Street.

Resignation and Appointment of District Secretary: The Board discussed the resignation of Ann Finn as District Secretary and considered the appointment of Larry Loftan as District Secretary.

Following discussion, upon motion duly made by Director Emmanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board acknowledged the resignation of Ann Finn as District Secretary and appointed Larry Loftan as District Secretary.

Minutes: The Board reviewed the minutes of the December 5, 2022 and December 21, 2022 Special Meetings.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board approved the minutes of the December 5, 2022 and December 21, 2022 Special Meetings.

Appointment of Officers: The Board entered into discussion regarding the appointment of officers.

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Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the following slate of officers was appointed:

President	Janis L. Emanuel
Treasurer	Robert J. Bol
Secretary	Larry Loften
Assistant Secretary	Theodore Antenucci

PUBLIC COMMENT There was no public comment.

FINANCIAL MATTERS

Claims: The Board considered ratifying the approval of the payment of claims as follows:

Fund	Period ending Dec. 31, 2022	Period ending Jan. 31, 2023	Period Ending February 28, 2023	Period Ending Mar. 31, 2023
General	\$ 5,691.95	\$ 16,600.56	\$ 6,339.91	\$ 33,369.89
Debt	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital	\$ -0-	\$ -0-	\$ -0-	\$ 1,897.50
Total	\$ 5,691.95	\$ 16,600.56	\$ 6,339.91	\$ 33,369.89

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board ratified approval of the payment of the claims, as presented.

LEGAL MATTERS

Engineer's Report and Certification: The Board reviewed "Engineer's Report and Certification – BNC Metropolitan District Nos. 1, 2, & 3" dated March 30, 2023 and prepared by Ranger Engineering, LLC, certifying eligible costs for Public Improvements in the total amount of \$2,248,767.37 ("Report No. 7"). Ms. Ferreira recommended that Report No. 7 be approved subject to final review by the District Accountant.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board approved Report No. 7 (subject to final review by the District Accountant), and accepted verified costs for Public Improvements in the amount of \$2,043,075.53 per the allocation in Report No. 7.

Covenants, Conditions & Restrictions Disclosure Document: Mr. Kuykendall updated the Board on the Covenants, Conditions & Restrictions Disclosure Document. Mr. Kuykendall noted the documents are in progress and should be available in the coming weeks.

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BNC Metropolitan District No. 1, 2, and 3 Cost Sharing Intergovernmental Agreement and First Amendment to Cost Sharing Intergovernmental IGA (collectively, the “Cost Sharing IGA”): Attorney Williams informed those present that it was public information that a complaint has been filed by BNC Metropolitan District No. 1 and 2 in Adams County District Court relating to the Cost Sharing IGA, and that the Board should adjourn to Executive Session to discuss the engagement of special counsel in connection therewith.

Mr. Kuykendall left the meeting at this point.

The Board notified those present that it would need to convene in Executive Session for the purpose of receiving legal advice on specific legal questions regarding matters relating to the engagement of special counsel on matters concerning the disagreement with BNC Metropolitan District Nos. 1 and 2 relating to the Cost Sharing Agreement.

Pursuant to Section 24-6-402(4)(b), C.R.S., and upon a motion made by Director Emanuel, seconded by Director Bol, and upon vote unanimously carried, the Board convened in Executive Session at 1:14 p.m. for the purpose of receiving legal advice on specific legal questions relating to the engagement of special counsel on matters concerning the disagreement with BNC Metropolitan District Nos. 1 and 2 relating to the Cost Sharing Agreement. The public was excused for the Executive Session.

Pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., no record will be kept of those portions of the Executive Session that, in the opinion of the Board’s attorney(s), constitute privileged attorney-client communication pursuant to Section 24-6-402(4), C.R.S.

The Board reconvened in public session at 1:28 p.m.

Engagement of Wheeler Trigg O’Donnell LLP as Special Counsel: Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board approved the engagement of Wheeler Trigg O’Donnell LLP as special counsel on matters concerning the disagreement with BNC Metropolitan District Nos. 1 and 2 relating to the Cost Sharing Agreement.

CAPITAL MATTERS

There were no capital matters.

OPERATIONS AND MAINTENANCE

There were no operations and maintenance matters.

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OTHER BUSINESS

There was no other business.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Emanuel, seconded by Director Bol, and upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By: 
Secretary for the Meeting