

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE BNC METROPOLITAN DISTRICT NO. 3 HELD NOVEMBER 18, 2021

A Special Meeting of the Board of Directors of the BNC Metropolitan District No. 3 (referred to hereafter as "Board") was convened on Thursday, the 18th day of November 2021, at 10:00 a.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 R. Antenucci was excused.

Also In Attendance Were:

Ann E. Finn; Special District Management Services, Inc.

Paula Williams, Esq.; McGeady Becher P.C.

Jason Carroll; CliftonLarsonAllen LLP

Michael Kuykendall; Catellus Development Corp.

DISCLOSURE 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. Ms. Finn 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 no additional conflicts were disclosed at the meeting.

ADMINISTRATIVE MATTERS

Agenda: Ms. Finn 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 amended.

Meeting Location/Manner and Posting of Meeting Notice: 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 noted that the District Board meeting was held by Zoom video/telephone conference. Ms. Finn reported that notice was duly posted and that no objections to the video/telephonic manner of the meeting or any requests that the video/telephonic manner of the meeting be changed by taxpaying electors within the District boundaries have been received.

Minutes: The Board reviewed Minutes of the June 15, 2021 Special Meeting.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Minutes of the June 15, 2021 Special Meeting were approved, as presented.

Resolution No. 2021-11-01; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices: Ms. Finn discussed with the Board Resolution No. 2021-11-01; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices.

The Board determined to meet at 2:00 p.m. on October 18, 2022 via Zoom video/telephone conference.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board adopted Resolution No. 2021-11-01; Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices.

§32-1-809, C.R.S. Reporting Requirements, Mode of Eligible Elector Notification for 2022: The Board discussed §32-1-809, C.R.S. reporting requirements and mode of eligible elector notification for 2022. The Board authorized to post the required transparency notice information on the Special District Association's website.

District Website: Ms. Finn discussed with the Board the status of District's website.

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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 June 30, 2021	Period ending July 31, 2021	Period Ending August 31, 2021	Period Ending Sept. 30, 2021
General	\$ 1,198.53	\$ 4,743.79	\$ 5,329.90	\$ 2,721.61
Debt	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total	\$ 1,198.53	\$ 4,743.79	\$ 5,329.90	\$ 2,721.61

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.

Unaudited Financial Statements: Mr. Carroll reviewed with the Board the unaudited financial statements of the District setting forth the cash deposits, investments, budget analysis, and accounts payable vouchers for the period ending September 30, 2021, the updated cash position statement updated November 9, 2021 and the property tax reconciliation.

Following discussion, upon motion duly made by Director Emanuel and seconded by Director Bol and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending September 30, 2021, the updated cash position statement updated November 9, 2021 and the property tax reconciliation, as presented.

2021 Audit / Audit Exemption: The Board reviewed the proposal from Haynie & Company for preparation of the 2021 Audit. Following review of the statutory requirements for audits, the Board determined an audit for 2021 is not required, and appointed the District Accountant to prepare an Application for Exemption from Audit for 2021.

2021 Budget Amendment Hearing: The President opened the public hearing to consider amendment of the 2021 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider amendment of the 2021 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to or at this public hearing. No public comments were received, and the President closed the public hearing.

The Board determined that an amendment to the 2021 Budget was not necessary.

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2022 Budget Hearing: The President opened the public hearing to consider the proposed 2022 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2022 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No public comments were received, and the public hearing was closed.

Mr. Carroll reviewed the estimated 2021 expenditures and the proposed 2022 expenditures.

Following discussion, the Board considered the adoption of Resolution No. 2021-11-02 to Adopt the 2022 Budget and Appropriate Sums of Money and Resolution No. 2021-11-03 Set Mill Levies (for the General Fund at 70.135 mills for a total mill levy of 70.135 mills). Upon motion duly made by Director Emanuel and seconded by Director Bol and, upon vote, unanimously carried, the Resolutions were adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2021. Ms. Finn was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of Adams County and the Division of Local Government, not later than December 15, 2021. Ms. Finn was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2022. Copies of the adopted Resolutions are attached to these minutes and incorporated herein by this reference.

Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Service Plan: The Board reviewed Resolution No. 2021-11-04, Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Service Plan.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board adopted Resolution No. 2021-11-04, Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Service Plan. A copy of the adopted Resolution is attached to these minutes and incorporated herein by this reference.

DLG-70 Mill Levy Certification: Ms. Finn discussed with the Board the DLG-70 Mill Levy Certification form.

Following discussion, upon motion duly made by Director Emanuel and seconded by Director Bol and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 mill levy

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certification form, for certification to the Board of County Commissioners and other interested parties.

Preparation of the 2022 Budget: The Board discussed preparation of the 2022 Budget.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol, and upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2022 Budget, and set the date for the Budget Hearing on October 18, 2022 at 2:00 p.m.

Master Service Agreement with CliftonLarsonAllen LLP: Mr. Carroll reviewed with the Board the Master Service Agreement with CliftonLarsonAllen LLP.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol, and upon vote, unanimously carried, the Board approved the Master Service Agreement with CliftonLarsonAllen LLP.

LEGAL MATTERS

Resolution No. 2021-11-05 Resolution Calling a Regular Election for Directors on May 3, 2022: The Board discussed the May 3, 2022 Regular Election for Directors.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol, and upon vote, unanimously carried, the Board adopted Resolution No. 2021-11-05, Resolution Calling a Regular Election for Directors on May 3, 2022, appointed Ms. Finn as the Designated Election Official, and authorized her to perform all tasks required for the May 5, 2020 Regular Election of the Board of Directors for the conduct of a mail ballot election. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

Reimbursement Agreement by and among the District, Catellus CC Note, LLC and AMH Development, LLC: Attorney Williams reviewed with the Board the Reimbursement Agreement by and among the District, Catellus CC Note, LLC and AMH Development, LLC.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board ratified approval of the Reimbursement Agreement by and among the District, Catellus CC Note, LLC and AMH Development, LLC.

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Reimbursement Agreement by and among the District, Catellus CC Note, LLC and Century Land Holdings, LLC: Attorney Williams reviewed with the Board the Reimbursement Agreement by and among the District, Catellus CC Note, LLC and Century Land Holdings, LLC.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board ratified approval of the Reimbursement Agreement by and among the District, Catellus CC Note, LLC and Century Land Holdings, LLC.

Discussions with BNC Metropolitan District No. 2 Concerning Recreational Use and Cost Sharing of Maintenance Expenses for Recreational Facilities:
The Board deferred discussion.

First Amendment to 2019-2021 Operation Funding Agreement between the District and Catellus CC Note, LLC: The Board reviewed the First Amendment to 2019-2021 Operation Funding Agreement between the District and Catellus CC Note, LLC.

Following discussion, upon motion duly made by Director Emanuel, seconded by Director Bol and, upon vote, unanimously carried, the Board approved the First Amendment to 2019-2021 Operation Funding Agreement between the District and Catellus CC Note, LLC.

CAPITAL MATTERS **Current Development within the District:** Mr. Kuykendall reported to the Board that development is underway.

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: *Ann Finn*
Secretary for the Meeting