

MINUTES OF A REGULAR MEETING OF THE  
BOARD OF DIRECTORS

OF

BRIGHTON CROSSING METROPOLITAN DISTRICT  
NO. 4

Held: Monday, September 11, 2017, at 5:00 p.m.  
At The Police Station Community Room, 3401 E.  
Bromley Lane, Brighton, Colorado.

**Attendance**

The meeting referenced above was called and held in accordance with the applicable statutes of the State of Colorado. The following Directors were in attendance:

Marc Savela  
Shannon Robbins  
Bryan Reid

*Ashley Tarufelli and Chris Petro were absent. All Directors' absences are deemed excused unless a contrary notation is recorded in these minutes.*

Also present were Kristen D. Bear, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law, District general counsel; Cameron Grant, Lyons Gaddis, special counsel on oil and gas matters; Jennie Heinze, Overlook Property Management, District manager; Diane Wheeler, Simmons & Wheeler, District accountant; Zach Bishop, D.A. Davidson & Co., District Underwriter; Kimberly Armitage and Sam Collins, YMCA, District activities coordinator and pool manager.

Members of the public in attendance at the meeting are reflected on the attached sign-in sheet.

**Call to Order/Declaration of  
Quorum**

Director Tarufelli noted that a quorum of the Board was present and therefore called the meeting to order.

**Director Disclosures**

Ms. Bear advised the Board that pursuant to Colorado law, certain disclosures by the Directors may be required prior to taking official action at the meeting. The Board reviewed the agenda for the meeting, following which each Director confirmed the contents of any written disclosure 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. Additionally, the Board determined that the participation of the Directors present were necessary to obtain a quorum or otherwise enable the Boards to act.

### **Approval of Agenda**

Ms. Bear presented the Board with the proposed agenda for the meeting. The Board requested to discuss the Oil and Gas Lease Proposal and the District Managers Report prior to the other agenda items. After consideration, a motion was duly made and seconded to approve the agenda as amended.

### **Oil and Gas Proposal**

Cameron Grant with Lyons Gaddis presented his engagement letter to serve as special counsel to the District on oil and gas matters. After discussion, a motion was duly made and seconded to approve the engagement letter as presented. The motion was unanimously approved.

Mr. Grant discussed the proposed oil and gas lease for the District. There are approximately 58 acres of real property under which the mineral rights have been severed. The approximate lease payment to the District would be \$173,494 plus a base royalty payment of 18.75% for mineral rights under the property. Mr. Grant noted that notwithstanding the lease, the mineral right holder would be legally entitled to access this area and that the lease may be the preferred mechanism in order to set certain restrictions and confirm the dollar amount to the District. The lease is for a three year term to permit the drilling with royalty payments due the district based on production until there is no further production from the property.

After further discussion by the Board, a motion was duly made and seconded to approve and authorize the lease based upon the recommendation and information from special counsel. The motion was unanimously approved.

### **Public Comment**

Concern was expressed as to speeds around the traffic circle at Royal Pine and Bristle Cove. Homeowners were advised to contact the County traffic department and police to advise of traffic violations. There was also discussion regarding the property being damaged by cars running over the corner edge.

Questions were noted regarding the proposed leases for oil

and gas in the area. Residents were directed to the information on the District website including agencies to call for further information.

Homeowners noted that the recreation center and dog park are great amenities for the community but questioned the status of the District monuments and surrounding landscaping. The District noted that the monuments are to be initiated this weekend, including irrigation at North Prairie Falcon with completion scheduled 2-3 weeks out.

A question was raised regarding permission for industrial sized trash bins within the community and was requested to coordinate with the District Manager.

A question was raised concerning the District budget process and the Board provided a summary of the process and confirmed that the public hearing was scheduled for December 11.

### **District Manager's Report**

Ms. Heinze provided the District Management report to the Board for review.

Ms. Heinze presented the Board with the check registers from June, 2017 through August, 2017, as well as the accounts receivable. Following review, upon motion duly made and seconded, the Board unanimously ratified the check registers and the accounts receivable.

Ms. Heinze presented an update on the beach club. She noted that the hours would be revised to adjust for Labor Day. Ms. Heinze also presented the Board with the furniture contract for ratification. Following discussion, upon a motion duly made and seconded, the Board unanimously ratified the contract.

Ms. Heinze presented an update on the Tot Lot and the Royal Pine Playground. It was determined that the District will move forward with the improvements.

Ms. Heinze presented an update on the status of the Recreation Center. Ms. Heinze was instructed to coordinate phone service through Comcast. Ms. Heinze also presented the Board with the HVAR contract and Stratus Contract. Following discussion, upon a motion duly made and

seconded, the Board unanimously ratified the contracts.

Ms. Heinze presented an update on the Crossings Park and the Dog Park. It was noted that scanners at the dog park were not possible because of the height of the fence. The District will not proceed with the scanners.

Ms. Heinze presented the Board with an update on activation/deactivation of homeowner access to amenities. No action was necessary.

Ms. Heinze presented an update on Landscaping. The Board engaged in a discussion regarding utility bills. No action was taken.

Ms. Heinze presented the Board with the Fall Flower Contract for ratification. Following discussion, upon a motion duly made and seconded, the Board unanimously ratified the contract in the amount of \$13,142.

Ms. Heinze presented the Board with the 2018 Flower Proposal for consideration in the amount of \$38,440. The Board determined to discuss the proposal at budget hearing.

Ms. Heinze presented an update on District general operations and management. It was noted that signs have been installed in the alleyways in an attempt to enforce the no-parking rule. The District will coordinate with the City on fire access to the alleys. The District will post towing warning signs as well.

Ms. Heinze presented the Board with an update on Trash Services and will be confirming the scope with the entities that have bid services

Ms. Heinze presented the Board with an update on lawn trees and noted that the homebuilder was installing the same.

The Board engaged in a discussion regarding holiday lighting. The Board instructed the District Manager to handle the same within the budget.

Ms. Heinze noted that a home count and maintenance map was needed for the budget.

The Board engaged in a discussion regarding snow removal. It was determined that Keesen, the District's contractor, would remove snow at two inches.

Ms. Heinze presented the Board with an update on committees. The Board instructed the District Manager to work with the District's general counsel on authorizing resolutions for the next board meeting.

Ms. Heinze presented the Board with an update on fence damage caused by Thoutt and District fence maintenance. No action was taken.

Ms. Heinze presented the Board with an update on certain Homeowner Correspondence and the Fine Waiver request. The Board determined to defer the amounts through the end of the year. If the homeowner goes into noncompliance between today's date and the end of the year, the amounts deferred would become immediately due and owner. If not, the amounts would be waived in their entirety.

Ms. Heinze gave an update on the DRC and noted that a paint book has been established.

**Consent Agenda**

The following items on the consent agenda were considered routine or administrative. Following a summary by Ms. Bear, the items on the consent agenda were unanimously approved by motion duly made and seconded.

1. Minutes and ratification of actions from June 12, 2017 Regular Meeting

**Legal Matters**

Update on Organization of Districts  
5-8

Ms. Bear provided the Board with a general update on the organization of Brighton Crossing Metropolitan District Nos. 5-8. No action was taken.

Discussion of Exclusion of Property

The Board engaged in a general discussion regarding the exclusion of property anticipated in connection with the organization of Brighton Crossing Metropolitan District Nos. 5-8. No action was taken.

Consider Ratification of Quit Claim

Ms. Bear presented the Board with the Quit Claim Deed

Deed from the District to Brookfield Residential (Colorado) LLC of Tract L, Filing 2, 3<sup>rd</sup> Amendment

from the District to Brookfield Residential (Colorado) LLC of Tract L, Filing 2, 3<sup>rd</sup> Amendment for consideration. Following discussion, upon a motion was duly made and seconded, and the Board unanimously ratified the Deed.

**Financial Matters**

Payables/Financials

Ms. Wheeler presented the June 30, 2017 unaudited financial statements to the Board for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously accepted the financials.

Ms. Wheeler presented the Board with the claims payable. Following discussion, upon a motion duly made and seconded, the Board unanimously ratified the claims in the amount of \$2,790,807.48.

*Discuss Potential 2017 Financing*

Mr. Bishop engaged in a general discussion with the Board as to the proposed structure for the 2017 Financing and the overall schedule. No action was necessary on this matter.

Consider DA Davidson Engagement Letter (District Underwriter)

The Board considered the DA Davidson Engagement Letter for district underwriting services. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the engagement.

Consider Kutak Rock Engagement Letter (District Bond Counsel)

The Board considered the Kutak Rock Engagement Letter for district bond counsel services. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the engagement subject to final review of the Secretary/Treasurer.

Consider Sherman and Howard Engagement Letter (District Disclosure Counsel)

The Board considered the Sherman and Howard Engagement Letter for district disclosure counsel services. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the engagement.

Consider White, Bear, Ankele, Tanaka and Waldron Supplemental Engagement Letter (District General Counsel)

The Board considered the White, Bear, Ankele, Tanaka and Waldron Supplemental Engagement Letter for district general counsel services. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the engagement.

Consider Metro Study Engagement

The Board discussed the Metro Study Engagement for Market Study and Report and after motion duly made and

for Market Study and Report

seconded, the Board Secretary/Treasurer was authorized to sign the Engagement.

### **Construction Matters**

Approval and Ratification of Outstanding Construction Matters

The following contract change orders were approved/ratified by a motion duly made and seconded.

1. CO1 BrightView Landscape Development (-\$800.89)
2. CO2 BrightView Landscape Development (\$8,746.00)
3. CO7 BrightView Landscape Development (\$1,565.23)
4. CO8 BrightView Landscape Development (\$4,080.00)
5. CO12 BrightView Landscape Development (\$2,230.00)
6. CO14 BrightView Landscape Development (\$1,304.00)
7. CO5 Martin Marietta Materials (\$76,795.00)
8. CO6 Martin Marietta Materials (-\$501,489.70)
9. CO7 Martin Marietta Materials (-\$578,773.15)
10. CO8 Martin Marietta Materials (\$67,627.02)
11. CO1 Split Rail Fence (\$20,788.00)
12. CO2 WL Contractors (\$2,000.00)
13. CO3 WL Contractors (\$5,935.00)
14. CO1 Wyoco (\$17,028.50)
15. CO2 Wyoco (\$910.00)
16. CO3 Wyoco (\$18,666.25)
17. CO4 Wyoco (\$4,770.00)

The following change orders for were recommended for approval and deferred to the next meeting for ratification.

1. CO3 BrightView Landscape Development (-\$523,866.68)
2. CO9 BrightView Landscape Development (\$792.96)
3. CO10 BrightView Landscape Development (\$163.65)
4. CO2 Split Rail Fence (\$17,960.00)
5. CO2 Thoutt Brothers Concrete (\$3,520.00)
6. CO3 Thoutt Brothers Concrete (\$1,655.00)
7. CO4 WL Contractors (\$7,485.50)
8. CO1 Wyoco (\$17,028.50)
9. CO2 Wyoco (\$910.00)
10. CO3 Wyoco (\$18,666.25)
11. CO4 Wyoco (\$4,770.00)
12. CO5 Wyoco (\$13,803.75)
13. CO6 Wyoco (\$16,797.50)

The following work order and task orders were deferred to

the next meeting.

1. WO 10 – AAA Barricade Inc. (\$62,000.00)
2. TO 5 – IDES (\$50,000.00)
3. WO 3 – Thoutt Brothers Concrete (\$3,116.00)

Update on Improvement  
Certifications and Acceptance

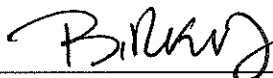
A general update was provided to the Board. It was noted that a further infrastructure certification was planned for Winter 2017, prior to the 2017 Bond issue.

**Other Business**

Adjourn

There being no further business to come before the Board and upon motion duly made, seconded, and unanimously carried, the meeting was adjourned.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.



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Secretary for the Meeting

The foregoing minutes were approved on the 30th day of November, 2017.