

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE CONCORD METROPOLITAN DISTRICT HELD AUGUST 22, 2013

A special meeting of the Board of Directors of the Concord Metropolitan District was held on August 22, 2013, at 12:00 p.m. at the offices of CliftonLarsonAllen LLP, 8390 E. Crescent Parkway, Suite 500, Greenwood Village, CO 80111. The meeting was open to the public.

Attendance

In attendance were Directors:

Dan Bess; Chairman and President
Hank Vanderryst; Assistant Secretary
Jeff Dean; Assistant Secretary

Also in attendance were:

Bob Blodgett & Jason Carroll; CliftonLarsonAllen LLP
Russ Dykstra; Spencer Fane & Grimshaw
Joe Guerriero; ViaWest (via telephone)
Brittany Price; Kimley-Horn

Call to Order

Director Bess called the meeting to order at 12:20 p.m. The absence of Director Mott was excused by the Board.

Disclosure of Potential Conflicts Of Interest

Written conflict of interest disclosure statements were filed with the Secretary of State on behalf of the District 72 hours prior to this meeting.

Approval Of Minutes

Upon a motion duly made by Director Bess, seconded by Director Dean, and upon a vote, unanimously carried, the Board approved the May 7, 2013 Special Board Minutes as submitted.

Board Vacancy

Consider Appointment

The Board asked Mr. Blodgett to contact ViaWest to see if they have a candidate they would recommend for the vacancy.

Oath of Office

Deferred to the next Board meeting.

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Financial Items

Review and Accept June 30, 2013 Financial Statements and July 16, 2013 Updated Cash Position – Jason Carroll

Mr. Carroll reviewed with the Board. Upon a motion duly made by Director Bess, seconded by Director Dean, and upon a vote, unanimously carried, the Board accepted the June 30, 2013 Financial Statements and July 16, 2013 updated Cash Position.

Review and Ratify of June Claims Represented by Check Numbers 1605 Through 1612 Totaling \$23,644.86

Upon a motion duly made by Director Bess, seconded by Director Vanderryst, and upon a vote, unanimously carried, the Board ratified the June 2013 claims totaling \$23,644.89 represented by check numbers 1605 through 1612.

Review and Consider Approval of July Claims Represented by Check Numbers 1613 Through 1634 Totaling \$11,517.41

Upon a motion duly made by Director Bess, seconded by Director Vanderryst, and upon a vote, unanimously carried, the Board approved the July 2013 claims totaling \$11,517.41 represented by check numbers 1613 through 1634.

Manager Items

Landscape Maintenance Items

The Board indicated the monument sign looks good.

Ratify System Development Fee Schedule

Mr. Blodgett reviewed with the Board. Mr. Dykstra reported this is consistent with the District's 2000 System Development Fee Resolution regarding tap fee equivalents calculated for larger meter sizes. Director Bess expressed concern that there is no information in the resolution that clearly indicates what the fee schedule is and who to contact to discuss it. He asked that CliftonLarsonAllen contact information be included in the resolution in the future.

Ms. Price reported she was not aware of this fee; perhaps it was noted in due diligence by some other individuals at ViaWest.

After discussion, upon a motion duly made by Director Bess, seconded by Director Dean, and upon a vote, unanimously carried, the Board accepted the system development fee schedule effective May 1, 2013. Mr. Blodgett discussed the possibility of a website for placing this and other key

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information about the District for the convenience of property owners and the public.

2014 Budget Process

1. August 25 – Preliminary 2013 AV
2. October 15 – 2014 Draft Budget Filed
3. November 5 – Public Hearing to Review and Approve 2014 Budget

Mr. Blodgett reviewed with the Board. After discussion, the Board approved the process and called a public hearing for the November 5, 2013 regular meeting to review and approve the 2014 Budget.

Call Public Hearing for November 5, 2013 Regular Meeting to Review and Approve 2014 Budget

Previously discussed.

SDA Annual Conference – September 18-20, Keystone

Not discussed.

Discuss Architectural Control Committee Process

1. Clarify District Responsibilities
2. Other

Deferred to the next Board meeting.

Status of ViaWest Project

Ms. Price indicated groundbreaking on the project will be in mid September. She reported the water use system was redesigned to reduce the ACWWA tap fees from \$4 million to \$200,000. The Board congratulated Ms. Price on this redesign.

She also reported the first phase of the building will be 100,000 square feet. The second phase is also 100,000 square feet. She estimated the total value of the building at \$100,000,000, approximately half in the building and half in personal property for the data center equipment.

Mr. Guerriero and Ms. Price expressed concern about the ACWWA requirement that the property owner join the ACWWA Public Improvement District and incur its mill levy. Mr. Dykstra reported this is an issue between the property owner and ACWWA. The District is not a party to this agreement.

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The Board reported that to their knowledge no other property owners in the District have been required to join the PID prior to development. Mr. Guerriero indicated he is discussing this issue with ACWWA and their attorneys.

Attorney
Items

None.

Director
Items

Discuss IBC Holdings and ViaWest Request for Infrastructure Support, Lots 5 and 6, Filing 1 - \$295,000 (est.)

Director Bess indicated he has a conflict with considering this issue and will mostly likely abstain from a vote on it. He expressed concern that the estimated cost of \$295,000 for a main water line and street connections to the project are no different than what has been paid by other District properties in the past without District financial support. He views these streets as private drives rather than public streets.

Ms. Price reported Douglas County is requiring this as a part of the transportation network and street network in this area. In addition, other properties will tie to this main water line in the future. She indicated the north/south street may eventually be extended past Compark Boulevard to the south with a traffic signal.

The Board also noted the project will provide a tremendous increase in the assessed value of the District which would be beneficial in paying for this reimbursement and helping to retire the debt more quickly. If the project is \$100 million at market value, the assessed value will be \$29 million. The current assessed value of the entire District is \$17 million.

Director Bess stated the other property owners in the District should be aware of this request and be allowed to comment before the District votes on it.

After discussion, the Board decided to continue this meeting to Monday, September 9, at 9:00 a.m. at CliftonLarsonAllen located at 8390 E. Crescent Pkwy., Suite 500, Greenwood Village, CO 80111, to further discuss the reimbursement request. The Board will notify Mr. Blodgett regarding information to all property owners in the District about this meeting.

Confirm Next Regular Board Meeting: Tuesday, November 5, 2013 at 12:00 p.m. at CliftonLarsonAllen LLP located at 8390 E. Crescent Pkwy., Suite 500, Greenwood, Village 80111

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A quorum was confirmed.

Adjournment

With there being no further business before the Board, and upon a motion duly made by Director Bess, seconded by Director Dean, and upon a vote, unanimously carried, at 3:10 p.m. the Board continued the meeting to Monday, September 9, 2013 at 9:00 a.m. at CliftonLarsonAllen LLP, 8390 E. Crescent Pkwy., Suite 500, Greenwood Village, CO 80111.

Respectfully submitted,



Secretary for the Meeting