

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CONCORD METROPOLITAN DISTRICT HELD AUGUST 7, 2018

A regular meeting of the Board of Directors of the Concord Metropolitan District was held on August 7, 2018 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
Brian Mott; Secretary/Treasurer
Hank Vanderryst; Assistant Secretary
Brian Heinze; Assistant Secretary
Mike Evans; Assistant Secretary

Also in attendance were:

Bob Blodgett, Geol Scheirman & Natasha Zeldin; CliftonLarsonAllen
LLP
Russ Dykstra; Spencer Fane LLP
Lisa Frizell; Douglas County Assessor Office (via telephone)

Call to Order Disclosure of Potential Conflicts Of Interest

Director Bess called the meeting to order at 12:00 p.m.

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

Minutes

A. Review and Approve Minutes of the May 22, 2018 Regular Board Meeting

Upon a motion duly made by Director Mott, seconded by Director Heinze, and upon vote, unanimously carried, the Board approved the May 22, 2018 Regular Board meeting minutes as submitted.

Financial

A. Review and Accept June 30, 2018 Financial Statements and Cash Position Report

Ms. Zeldin reviewed the June 30, 2018 Financial Statements with the Board. After discussion, upon a motion duly made by Director Evans, seconded by Director Heinze, and upon a vote, unanimously carried, the Board accepted the June 30, 2018 Financial Statements and Cash Position Report.

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- B. Ratify Approval of May and June 2018 Claims Totaling \$11,262.89 Represented by Check Numbers 1046 through 1052

Upon a motion duly made by Director Mott, seconded by Director Heinze, and upon a vote, unanimously carried, the Board ratified approval of the May and June 2018 claims totaling \$11,262.89 represented by check numbers 1046 through 1052.

- C. Review and Consider Approval of Current Claims Totaling \$4,726.34 and Director's Fees

Upon a motion duly made by Director Mott, seconded by Director Evans, and upon a vote, unanimously carried, the Board approved the current claims totaling \$4,726.34 and Director's Fees for \$494.10.

- D. Discuss Business Personal Property Assessed Value Projections – Lisa Frizell, Douglas County Assessor

Ms. Frizell joined the Board meeting by telephone. She discussed the four properties within the District which contain data centers; Via West, One Neck, Century Link and a private facility. She reported that the data center equipment can depreciate quickly in 3-5 years. However, changing technology requires companies to continue to invest in new data center equipment that is placed on the property tax rolls. Ms. Frizell reported that without new investment, existing data center equipment could be on the tax rolls out 7% of its original value after three years, then it goes to salvage value after four years. She reported that the personal property data center equipment is self-reported by the owner or lessor within the buildings. She stated that a cost approach instead of an income approach is typically used for the equipment value. The personal property is revalued every year by April 15.

She reported that the preliminary assessed value to be sent to the District on August 25 indicated personal property increase from approximately \$44,000,000 to approximately \$48,000,000, a 10% increase. This will be for collection in 2019.

The Board thanked Ms. Frizell for her very thorough and enlightening discussion regarding business personal property assessed values within the District.

- E. Other

None.

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Manager Items

A. Website Update

Mr. Blodgett reported the website is up-to-date.

B. Landscape Maintenance Updates

Mr. Blodgett reported ACWWA has contacted him regarding the annual backflow preventer test. DesignScapes will work with ACWWA to accomplish.

C. Referrals

None.

D. 2019 Budget Process

1. August 25 – Preliminary 2018 AV Received
2. October 15 – Draft Budget Filed
3. November 6, 2018 Board Meeting – Public Hearing to Review and Approve 2019 Budget

Mr. Blodgett and Ms. Zeldin reviewed the 2019 Budget schedule with the Board.

E. Call Public Hearing for November 6, 2018 Regular Board Meeting to Review and Approve 2019 Budget

Upon a motion duly made by Director Evans, seconded by Director Vanderryst, and upon a vote, unanimously carried, the Board called the public hearing for the November 6, 2018 Board meeting.

F. SDA Annual Conference – September 12-14, 2018, Keystone, CO

At this time, no Board members are attending.

Attorney Items

A. Approve Resolution Adopting the Protections for Consumer Data Privacy Policy

Mr. Dykstra explained this is a new statutory requirement approved by the 2018 legislature. It does not directly affect the District since we do not have any utility billing or any private information from property owners within the District.

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Upon a motion duly made by Director Evans, seconded by Director Vanderryst, and upon a vote, unanimously carried, the Board approved the Resolution Adopting the Protections for Consumer Data Privacy Policy.

B. Other

Mr. Dykstra recommended approval by the Board of the Cost Sharing Agreement with Concord Business Owners Association that was approved in concept at the May meeting. This provides that the District pays 18.93% of the cost of maintenance of the District road adjacent to Via West. Payment will be made by November 1st annually.

Upon a motion duly made by Director Evans, seconded by Director Heinze, and upon a vote, unanimously carried, the Board approved the resolution subject to final review by the Board. Mr. Dykstra or Mr. Blodgett's office will circulate the agreement for review by the Board.

Director Items

A. Development Activity Update

Director Heinze reported Building 4 is nearing completion. It has already been sold. The District will be built out other than the future expansion of One Neck that is allowed on the property west of the their building.

B. Discuss Estimates of Annual Expense Associated with Shared Lane Between Lots 5 & 6

Previously discussed.

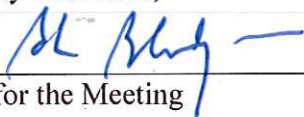
C. Confirm Next Regular Meeting: Tuesday November 6, 2018 at 12:00 p.m. at CliftonLarsonAllen LLP located at 8390 E. Crescent Pkwy., Ste. 250, Greenwood Village, CO 80111

The Board confirmed the next meeting Tuesday, November 6, 2018 at 12:00 p.m. at CliftonLarsonAllen LLP, 8390 E. Crescent Pkwy., Ste. 250, Greenwood Village, CO 80111.

Adjournment

With there being no further business before the Board, Director Bess adjourned the meeting at 1:15 p.m.

Respectfully submitted,


Secretary for the Meeting