# RECORD OF PROCEEDINGS

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**MINUTES OF A REGULAR MEETING OF**
**THE BOARD OF DIRECTORS OF THE**
**BEEBE DRAW FARMS AUTHORITY**
**HELD**
**DECEMBER 10, 2013**

A regular meeting of the Board of Directors (referred to hereafter as the "Board") of the Beebe Draw Farms Authority (referred to hereafter as the "Authority") was convened on Tuesday, the 10th day of December, 2013, at 6:00 P.M., at the Pelican Lake Ranch Community Info and Sales Center, 16502 Beebe Draw Farms Parkway, Platteville, Colorado. The meeting was open to the public.

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**ATTENDANCE**

**Directors In Attendance Were**:
Paul "Joe" Knopinski; President (via speakerphone)
Douglas A. Tabor (via speakerphone)
Christine Hethcock (via speakerphone)
Angela Powell

**Also In Attendance Were**:
Lisa Johnson (for a portion of the meeting); Special District Management Services, Inc.

MaryAnn McGeady, Esq.; McGeady Sisneros, P.C. (via speakerphone)

Linda Cox, Glen Adkins and Michael Welch; Beebe Draw Farms Metropolitan District No. 1 Board members

Kelly Deitman; Halcyon Design, LLC

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**DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST**

**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.

Attorney McGeady noted that a quorum was present and requested members of the Board 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. It was noted that Directors Hethcock and Knopinski's Disclosure Statements have been filed.

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**ADMINISTRATIVE MATTERS**

**Agenda**: Ms. Johnson noted that District No. 1 Director Cox pointed out that the notice for this meeting had not been posted properly. The Board discussed proceeding with discussion and action on a limited number of items.

Following discussion, upon motion duly made by President Knopinski, seconded by Director Tabor and, upon vote, unanimously carried, the Board approved discussing a limited number of the agenda items.

**2014 Meeting Dates**: The Board reviewed the business to be conducted in 2014 to meet the statutory compliance requirements.

Following discussion, upon motion duly made by President Knopinski, seconded by Director Tabor and, upon vote, unanimously carried, the Board determined to meet on the second Tuesday of every month at 6:00 p.m., at the Pelican Lake Ranch Community Info and Sales Center, 16502 Beebe Draw Farms Parkway, Platteville, Colorado.

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**CONSENT AGENDA**

**Consent Agenda**: The Board considered the following actions:

- Review and approve the payment of claims through the period ending December 10, 2013, as follows:

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| General Fund: | $ | 24,436.46 |
| Infrastructure Fund | $ | -0- |
| Amenities Fund | $ | 855.00 |
| Total: | $ | **25,291.46** |

Following discussion, upon motion duly made by President Knopinski, seconded by Director Tabor and, upon vote, unanimously carried, the Board approved the consent agenda.

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**PUBLIC COMMENTS**

**Public Comment**: There were no public comments.

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**FINANCIAL MATTERS**

**Final Report from Tamarack Consulting, LLC ("Tamarack") regarding Assessed Valuation for Oil and Gas Production**: The Board discussed, at length, the report from Tamarack on the reduced assessed valuation from oil and gas production and noted concern about the determination of spacing units. The Board directed Attorney McGeady to contact the Weld County Assessor's office and to have a meeting scheduled to discuss the methodology for valuation

determination and to send the invitation to any Board members who would like to attend.

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**OPERATIONS AND MAINTENANCE**

**Proposal from Environmental Designs, Inc. and Service Agreement for 2014 Landscape Maintenance Services**: The Board reviewed the proposal from Environmental Designs, Inc. and considered the Service Agreement for 2014 Landscape Maintenance Services between the Authority and Environmental Designs, Inc. ("EDI").

Following discussion, upon motion duly made by Director Tabor, seconded by Director Powell and, upon vote, carried with Directors Tabor and Powell voting "Yes" and with the support of President Knopinski and Director Hethcock, the Board approved the proposal from EDI and corresponding Service Agreement for 2014 Landscape Maintenance Services between the Authority and EDI. The Board directed staff to notify CoCal Landscape Services Inc., the current landscape maintenance contractor, and EDI of the Authority's decision.

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**CAPITAL AMENITIES**

**SECOND READING**:

**Action Plan to Acquire Land for New Maintenance Facility, Purchase of Vacant Land and Lot 84**: The Board discussed the possible acquisition of Lot 84. Director Hethcock noted she would abstain from the discussion and voting on the Lot 84 acquisition contract and noted the purchase price for Lot 84 has been held at $60,000 for three years and if the Authority closes the contract shortly after the January Board meeting that the price would remain at $60,000. However, if the closing does not occur in that timeline, that the price will increase to $80,000. The Board asked Ms. Deitman to provide an update on the identification of a site for relocation of the maintenance facility. Ms. Deitman reported that the site identified to be acquired was in a good location to meet the needs of the Authority, as discussed. District No. 1 Director Adkins noted he wanted to proceed with the acquisition, stating it was time to stop discussing and approve this contract. District No. 1 Director Welch noted he was opposed because he felt the Authority was being pressured to go under contract for the lot. Director Tabor noted it was time to proceed because the community needed Lot 84 to take the next step towards expansion of the recreation facility. Director Powell noted she was concerned about being pressured to buy the lot now and expressed concern over spending money on an amenity when the revenues were dropping because of the oil and gas assessed valuation dropping. Director Tabor noted there was in excess of $1 million in the Amenities Fund and felt spending the $60,000 now would be a reasonable next step towards expansion of the recreation facility and stated that there was support in the community for moving

forward with expansion of the existing facility. Director Tabor also noted this was the first step of a process that would take several more years to complete. District No. 1 Director Cox noted she has been working on the expansion of the recreation facility for over 3 years and it is time to move forward.

Following discussion, upon motion duly made by Director Tabor, seconded by President Knopinski and, upon vote, carried with Director Tabor and President Knopinski voting "Yes" and Directors Hethcock and Powell abstaining, the Board approved the acquisition of Lot 84, with the closing to occur as soon as possible after the next meeting of the Board. The Board inquired to confirm the voting requirements. It was noted Director Hethcock had abstained due to conflicts of interest and so she did not count towards a quorum, and under Section 6.1 of the Authority Establishment Agreement a majority of the Board needed to vote on an expenditure on an Amenity, which would be 2 votes after Director Hethcock had abstained. President Knopinski and Director Tabor voted in favor of the acquisition of Lot 84.

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**INFRASTRUCTURE**

**Development of the Front 36 Lots and Associated Infrastructure and Design Engineering Services**: The Board entered into discussion regarding the development of the front 36 lots, associated infrastructure and status of design engineering services. Director Hethcock advised the Board that she was under construction on a first closing of a lot within 15 days of when the lots are complete to support pulling of a building permit from Weld County. She noted a spec home on the front 36 lots will start around May when the lots are complete and an REI spec home will start in March of 2014.

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**OTHER BUSINESS**

**Notice Posting**: The Board discussed the procedure for posting of notices. District No. 1 Director Welch noted he was busy and forgot a meeting was being held at this date and time and forgot to post. Attorney McGeady suggested going forward that whoever is responsible for posting the notices would send a confirmation back to the Authority Manager when they receive the notice and a second confirmation when the notice has been posted. Director Welch advised he would continue to post the notices and would send confirmations, as suggested.

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**ADJOURNMENT**

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

Respectfully submitted,

By _____
Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL DECEMBER 10, 2013 MINUTES OF BEEBE DRAW FARMS AUTHORITY BY THE BOARD OF DIRECTORS SIGNING BELOW:

_____
Paul "Joe" Knopinski

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Douglas A. Tabor

_____
Christine Hethcock

_____
Angela Powell