

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF SOUTH BEEBE DRAW METROPOLITAN DISTRICT HELD AT 11:30 AM ON JUNE 27, 2023

1. **Location and Attendance:** Pursuant to § 32-1-903 C.R.S., as amended, this meeting was conducted as an audio conference on +1 669 900 6833 (Meeting ID: 889 8223 1669) and videoconference on <https://us06web.zoom.us/j/88982231669>. The meeting of the Board of Directors was called and held, as shown, in accordance with Colorado law. The following directors confirmed their qualification to serve on the Board:

Robert A. Lembke
Joshua Shipman
James A. Korpala
Ronald E. von Lembke

Absent was Director Andrew Damiano, whose absence was excused.

Also present was Michael Davis, Hilary Adams and Marisa Davis of the Law Office of Michael E. Davis, LLC; Kevin Collins; Misty Raup and Trish Witulski, CliftonLarsonAllen, LLP; Sheela Stack, NSW Law; and Debbie Genella, Front Range Metropolitan Maintenance & Administration.

2. Approval of Consent Agenda.

2.1. Mr. Davis noted that a quorum of the Board was present and the Directors confirmed their qualification to serve.

2.2. Mr. Davis then advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. The Board reviewed the agenda for the meeting, following which each Board member confirmed the contents of written disclosures 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 members present was necessary to obtain a quorum or otherwise enable the Board to act. Mr. Davis reported that the following written disclosures of the interests of all of the directors were filed with the Secretary of State prior to the meeting:

2.2.1. Director Robert A. Lembke disclosed his interest as an owner of real or personal property interests located within the District. He further disclosed his interest in 160th Avenue Holdings, LLC, 70 Ranch, LLC, 70 Ranch Equities, LLC, 70 Ranch Holdings, LLC, 70 Ranch Resource Development, LLC, BPK Commercial, LLC, Bromley District Water Providers, LLC, BPK Holdings, LLC, Bromley Equities, LLC, Bromley Mineral Holdings, LLC, Bromley Park Industrial Land Co., LLC, Campos Verdes, LLC, CAW Equities, LLC, Centennial Ranch, LLC, Chambers Reservoir Equities, LLC, Colorado Water Network, LLC, CORAD Holdings, LLC, District 5, LLC, Elkhorn Land Company, LLC, Elkhorn Ranch, LLC, Elkhorn Mineral Holdings, LLC, Frontage Equities, LLC, Flywheel Holdings, LLC, H & A Minerals Holdings, LLC, Highland Equities, LLC, Highland View Corporation, Kersey Ag Company, LLC, Northern Colorado High Plains Producers, LLC, RAL Equities, LLC, RAL Holdings, LLC, Red Tierra Equities, LLC, Red Tierra Silver Peaks, LLC, Rock Creek Minerals, LLC, S3L Holdings, LLC, Scout Investments, LLC, Sisyphian Investments, LLC, SP Lochbuie, LLC, SP Equities, LLC, South Weld Holdings, LLC, SPL Commercial, LLC, United Milliken Reservoir Enterprise, LLC, The Bromley Companies, LLC, Wen37 Holdings, LLC, WCD Corporation, Metropolitan Maintenance & Administration, LLC, Weld Kil 270 Equities, LLC, T5NR63W, LLC, Weld County Drainage, LLCCAW Investments, LLC; his direct or indirect financial interests in the entities previously named; and his financial interest in connection with official action as a Board member of Adams East Metropolitan District, Altamira Metropolitan District No. 5, Bromley Park Metropolitan District Nos. 3, 5, 6, Cottonwood Greens Metropolitan District No. 5, Elkhorn Ranch Metropolitan District No. 1, Platte River Metropolitan District, Platte River Water Development Authority, Silver Peaks Metropolitan District No. 5, South Beebe Draw Metropolitan District, The Highlands Metropolitan District Nos. 1-5, United Water & Sanitation District, Weld Adams Water Development Authority, and Front Range Infrastructure Authority.

- 2.2.2. Director James A. Korpala disclosed his interest as an owner of real or personal property interests located within the District. He further disclosed his interest in BPK Holdings, LLC, BPK Commercial, LLC, Bromley Park Industrial Land Co., LLC; his direct or indirect financial interests in the entities previously named; and his financial interest in connection with official action as a Board member of Bromley Park Metropolitan District Nos. 1, 3, 4, 5 & 6, and Elkhorn Ranch Metropolitan District No. 1.
- 2.2.3. Director Ronald E. von Lembke disclosed his interest as an owner of real or personal property interests located within the District. He further disclosed his interest in T5NR63W, LLC, 70 Ranch Resource Development, LLC, Terminus South, LLC, Tribe of '75, LLC, Titan's Keep, LLC, Metropolitan Maintenance & Administration, LLC, Kersey Ag Company, LLC, Terminus North, LLC, Red Tierra Silver Peaks, LLC, Proscenium Arch, LLC, Northern Colorado High Plans Producers, LLC; his direct or indirect financial interests in the entities previously named; and his financial interest in connection with official action as a Board member of Adams East Metropolitan District, Altamira Metropolitan District No. 5, Bromley Park Metropolitan District Nos. 3, 5, 6, Cottonwood Greens Metropolitan District No. 5, Platte River Metropolitan District, Platte River Water Development Authority, Silver Peaks Metropolitan District No. 5, South Beebe Draw Metropolitan District, The Highlands Metropolitan District Nos. 1-5, United Water & Sanitation District, Weld Adams Water Development Authority, Front Range Infrastructure Authority, and Real Weld Metropolitan District.
- 2.2.4. Director Joshua Shipman disclosed his interest as an owner of real or personal property interests located within the District. He further disclosed his interest in 160th Avenue Holdings, LLC, Flywheel Holdings, LLC, S3L Holdings, LLC, The Bromley Companies, LLC, Lochbuie Land, LLC, Red Tierra Silver Peaks, LLC, SP Lochbuie, LLC, United Investments, LLC, Wen37 Holdings, LLC, Kersey Ag Company, LLC, TJS Equities, LLC, South Weld Holdings, LLC, SPL Commercial, LLC, Colorado Resource Development, LLC, Natural Produce, LLC, Frontage Equities, LLC, Summit Water Development, LLC, Highland Equities, LLC, 70 Ranch Resource Developments, LLC, Elkhorn Land Company, LLC, Highland View Corporation, LLC, North Star Equities, LLC, SP Equities, LLC, United District Water Providers, LLC, WeldKil 270, LLC, WCD Corporation, LLC, Northern Colorado High Plans Producers, LLC, TRS Equities, LLC, Baseline Ventures, LLC, Greenhouse Four, LLC, and Kalimera, LLC; his employment by the Bromley Companies, LLC, and his financial interest in connection with official action as a Board member of Adams East Metropolitan District, Altamira Metropolitan District No. 5, Bromley Park Metropolitan District No. 5, Cottonwood Greens Metropolitan District No. 5, Elkhorn Ranch Metropolitan District No. 1, Platte River Metropolitan District, Silver Peaks Metropolitan District No. 5, South Beebe Draw Metropolitan District, and The Highlands Metropolitan District Nos. 1-5.

- 2.3. **Approval of Agenda.** The Board reviewed the consent agenda including the April 25, 2023 meeting minutes. Upon motion by Director Shipman and second by Director Korpala, the consent agenda was approved unanimously.
3. **Consider Ratification and Approval of Payment of Claims.** The Board considered the ratification and approval of payment of claims from April 25, 2023, to June 22, 2023, totaling \$740,315.42. Upon motion by Director Shipman and second by Director Korpala, the claims were unanimously ratified.
 4. **Consider ratification and approval of a Temporary Construction Easement (Recreational Trail) and Recreational Trail Easement with the City of Brighton.** The Board considered the ratification and approval of a Temporary Construction Easement (Recreational Trail) and Recreational Trail Easement with the City of Brighton. Upon motion by Director Korpala, and second by Director von Lembke, the Temporary Construction Easement and Recreational Trail Easement were unanimously ratified and approved.
 5. **Consider approval of the District's 2022 Audit.** Mr. Collins reviewed the District's 2022 Audit. Upon motion by Director Korpala, and second by Director von Lembke, the Board approved the 2022 Audit, subject to review and revision as needed by legal. The Board also authorized Director Lembke to sign the management letter and directed the filing of the audit by the statutory deadline.
 6. **Consider adoption of a policy for the District's imposition of fees based on the impervious area of subject properties.** Mr. Collins explained the need for a policy regarding the time at which the District would commence imposing storm drainage fees based on the impervious area of new construction within the District's service area. Upon motion by Director Korpala and second by Director Shipman, the Board unanimously approved a policy to commence billing of annual storm drainage fees in the District's normal billing cycle following the earlier of either the issuance of a building permit, or the construction or installation of impervious improvements. The Board further determined that a committee was necessary to collect inputs from accounting, engineering, the developer and legal counsel related to billing matters, and propose a comprehensive policy regarding the process for billing all District fees. Upon motion by Director Korpala and second by Director Shipman, the Board unanimously approved the formation of a committee comprised of Michael Davis, Kevin Collins and a representative from the District's engineering team for the purpose of developing a policy proposal for fee billing.
 7. **Consider approval of a proposed Intergovernmental Agreement with Bromley Park Metropolitan District No. 3 Re: Capital Improvements.** The Board considered the approval of a proposed Intergovernmental Agreement with Bromley Park Metropolitan District No. 3 regarding the funding of certain Capital Improvements. Upon motion by Director Korpala, and second by Director Shipman, the agreement was unanimously approved.
 8. **Other Business.** There was no other business at this time.

9. **Adjournment.** There being no further business to come before the Board, upon motion and second, the Board unanimously adjourned the meeting. The next regular meeting of the Board is scheduled for July 25, 2023.

Respectfully submitted,

DocuSigned by:

Ronald von Lemke

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Secretary for the Meeting