

RECORD OF PROCEEDINGS

**MINUTES OF A SPECIAL
MEETING OF THE BOARD OF DIRECTORS OF
THE BLUE LAKE METROPOLITAN DISTRICT NO. 3
HELD
SEPTEMBER 19, 2019**

ATTENDANCE

A special meeting of the Board of Directors of the Blue Lake Metropolitan District No. 3 was called and held Thursday, September 19, 2019 at 10:00 a.m. at the Community Center at 7207 Ellingwood Ave., Frederick, CO, in accordance with Colorado law. The following directors were present and confirmed their qualifications to serve on the Board:

Joshua Rutzen
Jody Rowland (for a portion of the meeting)
Kevin Wolf

Also present was:

Michael Davis, Esq.; Miller & Associates Law Offices, LLC

Joel Meggers and Nancy Weiss via phone and Lisa Jacoby of Community Resource Services of Colorado, LLC

**ADMINISTRATIVE
ITEMS**

Call to Order and Declaration of Quorum: Ms. Jacoby noted that a quorum of the Board was present and confirmed the Director's continuing qualification to serve.

Disclosure of Potential Conflicts of Interest: Attorney Davis advised the Board that under Colorado law, certain disclosures are required before the Board can take official action at the meeting. The Board reviewed the agenda for the meeting and confirmed the contents of the written disclosures they had previously made, and stated the fact and summary nature of the individual interests that are set forth in the disclosures, as required under Colorado law, so that official action could be taken at the meeting.

Written disclosures of the interests of Directors were filed with the Secretary of State at least seventy-two (72) hours prior to the meeting.

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Agenda: Following discussion, upon motion duly made by Director Rutzen, seconded by Director Rowland and, upon vote, unanimously carried, the Agenda was approved as amended.

Resignation of Laura Price and Appointment of Officers: The Board acknowledged the resignation of Laura Price effective August 8, 2019.

The Board entered into discussion regarding the appointment of officers.

Following discussion, upon motion duly made by Director Rutzen seconded by Director Rowland and, upon vote, unanimously carried, the following slate of officers was appointed:

President	Joshua Rutzen
Treasurer	Jody Rowland
Secretary	Kevin Wolf

Minutes: The Board reviewed the Minutes from the November 14, 2018 Board Meeting. Upon motion duly made by Director Rutzen seconded by Director Rowland and, upon vote, unanimously carried, the Minutes from the November 14, 2018 Board Meeting were approved as presented.

2020 Annual Administrative Resolution and 2020 Meeting Dates: Ms. Jacoby reviewed the 2020 Annual Administrative Resolution with the Board.

Following discussion, upon motion duly made by Director Rutzen, seconded by Director Rowland, and upon vote, unanimously carried, the Board adopted the 2020 Annual Administrative Resolution and determined to schedule 2020 meetings on an as needed basis to be held at 7207 Ellingwood Ave., Frederick, Colorado.

Resolution Calling the May 5, 2020 Regular Election: The Board discussed the upcoming election and Resolution Calling the May 5, 2020 Election.

Following discussion, upon motion duly made by Director Rutzen, seconded by Director Rowland and, upon vote, unanimously carried, the Board adopted the Resolution Calling

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the May 5, 2020 Election and appointed Michael Davis as the Designated Election Official and authorized him to perform all tasks required for the May 5, 2020 Regular Election of the Board of Directors for the conduct of a polling place/mail ballot election. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

FINANCIAL ITEMS

2018 Budget Amendment Hearing: The President opened the public hearing to consider the Resolution to Amend the 2018 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2018 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No public comments were received and the public hearing was closed.

Following review and discussion, Director Rutzen moved to adopt the Resolution to Amend the 2018 Budget, Director Rowland seconded the motion and, upon vote, unanimously carried, the Board adopted the Resolution to Amend the 2018 Budget. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

2018 Audit Engagement Letter and Addendum: Following discussion, upon motion duly made by Director Rutzen, seconded by Director Rowland and, upon vote, unanimously carried, the Board ratified approval of the engagement letter and addendum between the District and Haynie & Company to perform the 2018 Audit, for an amount not to exceed \$4,500.

Director Rowland left the meeting at this point.

2018 Audit: Mr. Meggers reviewed the 2018 draft Audited Financial Statements with the Board.

Following review and discussion, upon motion duly made by Director Rutzen, seconded by Director Wolf and, upon vote, unanimously carried, the Board approved the 2018 Audited Financial Statements and authorized execution of the Representations Letter.

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2019 Audit: The Board reviewed the engagement letter from Haynie & Company to perform the 2019 Audit.

Following discussion, upon motion duly made by Director Rutzen, seconded by Director Wolf and, upon vote, unanimously carried, the Board approved the engagement of Haynie & Company to perform the 2019 Audit, for an amount not to exceed \$4,800.

2019 Budget Amendment Hearing: The President opened the public hearing to consider the Resolution to Amend the 2019 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2019 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No public comments were received and the public hearing was closed.

Following review, it was determined that a 2019 Budget Amendment was unnecessary.

2020 Budget Hearing: The President opened the public hearing to consider the 2020 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2020 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No public comments were received and the public hearing was closed.

Ms. Jacoby reviewed the estimated 2019 expenditures and the proposed 2020 expenditures.

Following discussion, the Board considered the adoption of the Resolution to Adopt the 2020 Budget and Appropriate Sums of Money and Set Mill Levies (for the General Fund at 5.035 Mills and the Debt Service Fund at 55.659 Mills for a total Mill Levy of 60.694 Mills). Upon motion duly made by Director Rutzen, seconded by Director Wolf and, upon vote, unanimously carried, the Resolution was adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies

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was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2019. Ms. Jacoby was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of Weld County and the Division of Local Government, not later than December 15, 2019. Ms. Jacoby was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2020. Copies of the adopted Resolution is attached to these Minutes and incorporated herein by this reference.

Schedule of Cash Position and Financial Statements: – Ms. Jacoby reviewed the Schedule of Cash Position and unaudited Financial Statements for the period ending August 31, 2019 with the Board.

Claims: The Board considered ratifying the claims represented by check nos. 1051 - 1068, totaling \$27,594.34 and approving of the current claims represented by check nos. 1069 - 1073, totaling \$1,421.71.

Following discussion, upon motion duly made by Director Rutzen, seconded by Director Wolf and, upon vote, unanimously carried, the Board ratified and or approved the payment of claims as presented.

ATTORNEY ITEMS

Update on Development: The Board discussed the status of development. Discussion ensued regarding the possible need for an inclusion of property within the District boundaries.

Following discussion, the Board authorized Attorney Davis to research the District boundaries and determine if an inclusion of certain property was necessary.

Ratification of Improvement and Acceptance Notice for Underdrain System: Following discussion, upon motion duly made by Director Rutzen, seconded by Director Wolf and, upon vote, unanimously carried, the Board ratified the approval of the Improvement and Acceptance Notice for Underdrain System for an amount of \$91,502.

Ratification of Agreement for Water Level Measuring Services Between the District and Cesare, Inc.: Following discussion, upon motion duly made by Director Rutzen, seconded by Director Wolf and, upon vote, unanimously

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carried, the Board ratified the approval of the Agreement for Water Level Measuring Services between the District and Cesare, Inc. for an annual amount not to exceed \$1,800.

Intergovernmental Agreement Between Blue Lake Metropolitan District No. 1 and No. 3 in Connection with Storm Drainage Improvements: Attorney Davis discussed the proposed Intergovernmental Agreement.

Following discussion, the Board determined to appoint Director Rutzen and Director Wolf to a committee to review, negotiate and approve an Intergovernmental Agreement between Blue Lake Metropolitan District No. 1 and No. 3 in connection with storm drainage improvements as discussed.

OTHER ITEMS

November 13, 2019 Meeting Date: The Board determined to hold the November 13, 2019 Board Meeting if determined necessary, to consider an inclusion of property within the boundaries of the District.

ADJOURNMENT

There being no further business to come before the Board, upon unanimous vote the meeting for the District was adjourned.

Secretary for the Meeting

A handwritten signature in blue ink, appearing to read "Lisa Deary", is written over a horizontal line. The signature is fluid and cursive.