

RECORD OF PROCEEDINGS

**MINUTES OF THE BOARD OF DIRECTORS OF THE
CASTLE PINES COMMERCIAL METROPOLITAN DISTRICT No. 3**

11:00 a.m., January 7, 2022
Via Zoom

ATTENDEES

Directors present: Shawn Batterberry, Linda Batterberry and Kelly McCurley all attended via electronic device.

Others present: Charles Norton, Norton & Smith as District Counsel attended via electronic device.
Luis Tovar, Steve Wasiecko, Toby Austin & Kelly Conover, Mulhern MRE, Inc., District Management all attended via electronic device.

I. Call to Order

Director S. Batterberry called the meeting to order at 11:05 a.m.
Roll was taken and a quorum was present and confirmed.

II. Ratify Conflict of Interest Statements

Directors ratified their Conflict of Interest Statements on file with the Secretary of State.

III. Approval of Agenda

Upon motion duly made by Director McCurley, seconded by Director L. Batterberry, and upon vote, the Board approved the Agenda.

IV. Public Comment

There was no public present.

V. Approval of Previous Minutes

The Board reviewed the minutes provided for the previous meeting held December 3, 2021, continued to December 9, 2021. There being no changes to the minutes, upon motion duly made by Director L. Batterberry, seconded by Director S. Batterberry and upon vote, the Board unanimously approved the minutes.

VI. Administrative Matters

- a) Election Resolution – Kelly Conover reviewed the 2022 Election Resolution detailing the positions up for election, the paperwork required, deadlines for submission and designation of the election official. Directors L. Batterberry and McCurley’s positions are 3-year terms and the two vacant positions are 1-year and 3-year terms.

Following discussion, upon motion duly made by Director S. Batterberry, seconded by Director McCurley and upon vote the Board unanimously approved the 2022 Election Resolution.

VII. Financial Matters

Kelly Conover reviewed the check register provided in the Board packet for checks #1088 through 1091 with voided check #1089. Upon motion duly made by Director S. Batterberry, seconded by Director McCurley and upon vote, the Board unanimously approved the expenditures in the amount of \$5,042.54.

Toby Austin reviewed the financial statements and budget. Toby requested the Board ratify the changes to the mill levy based on assessed valuation. The certified mill levy for the General Fund at 12.150 and the Debt Service Fund at 21.360 for a combined levy of 33.510. Following discussion, upon motion

VIII. Legal Matters

Charles Norton had no legal matters for discussion in open session. His recommendation is to discuss legal matters in executive session.

IX. Executive Session

Upon motion duly made, seconded and upon vote, the Board unanimously moved into executive session at 11:42 a.m. pursuant to C.R.S. 24-6-402(4)(b) & (e) for conferences with the District counsel for the purposes of receiving legal advice on specific legal questions and determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations and instructing negotiators specifically related to legal matters pertaining to the Capital Pledge Agreement, an intergovernmental agreement between the Castle Pines Commercial Districts No. 1 and No. 3, consideration of the claim to the District from the Batterberry Land Group, LLC and direction to counsel on how to proceed.

Mr. Norton, legal counsel to the District, advised that the session not be recorded due to the discussion being attorney client privilege.

At 12:14 p.m., the Board moved out of executive session. There was no Board action.

X. Adjournment

There being no other business, the next meeting of the Board of Directors of the Castle Pines Commercial Metropolitan District No. 3 is scheduled for Friday, February 4, 2022 at 11:00am at the Castle Rock Chamber of Commerce, 420 Jerry Street, Castle Rock.

RECORD OF PROCEEDINGS

**MINUTES OF THE BOARD OF DIRECTORS OF THE
CASTLE PINES COMMERCIAL METROPOLITAN DISTRICT No. 3**

11:00 a.m., February 4, 2022
Via Zoom

ATTENDEES

Directors present: Shawn Batterberry, Linda Batterberry and Kelly McCurley all attended via electronic device.
Others present: Charles Norton, Norton & Smith as District Counsel attended via electronic device.
Luis Tovar, Steve Wasiecko, Toby Austin & Kelly Conover, Mulhern MRE, Inc., District Management all attended via electronic device.
Public Present: Mr. Randall Warren

I. Call to Order

Director S. Batterberry called the meeting to order at 11:10 a.m.
Roll was taken and a quorum was present and confirmed.

II. Ratify Conflict of Interest Statements

Directors ratified their Conflict of Interest Statements on file with the Secretary of State.

III. Approval of Agenda

Staff suggested that item VII – Consider Board Member Appointments, be moved to follow the District’s general business to allow time for another potential board member to call in as he is out of state now. Upon motion duly made by Director S. Batterberry, seconded by Director L. Batterberry, and upon vote, the Board approved the revision to the Agenda.

IV. Public Comment

There was no public comments.

V. Approval of Previous Minutes

The Board reviewed the minutes provided for the previous meeting held January 7, 2022. Staff noted that the date at the top of the minutes should reflect the meeting date of January 7, 2022. Upon motion duly made by Director McCurley, seconded by Director L. Batterberry and upon vote, the Board unanimously approved the minutes with the noted changes.

VI. Administrative Matters

There were no administrative matters for discussion.

VII. Financial Matters

Toby Austin reviewed the check register provided in the Board packet for checks #1092 and 1093. Upon motion duly made by Director L. Batterberry, seconded by Director S. Batterberry and upon vote, the Board unanimously approved the expenditures listed for \$2,217.20.

Toby Austin and Steve Wasiecko provided a presentation on the financial statements and the new format proposed. Upon motion duly made by Director S. Batterberry, seconded by Director L. Batterberry and upon vote, the Board unanimously ratified the new financial format to be used at subsequent meetings.

Steve also mentioned that staff is looking into third party online payments through a new billing service and the board would be provided details for ratification at each meeting. The Board was supportive of the efficiencies it could provide.

VIII. Consider Board Member Appointments

Charles Norton reviewed the requirements of filling the vacant board positions. Mr. Randall Warren and Mr. David Jensen have presented interest in the positions. Upon motion duly made by Director S. Batterberry, seconded by Director McCurley and upon vote, the Board approved the appointment of Mr. Randall Warren and Mr. David Jensen to the vacant positions subject to verification and proof of qualification. One position will be for one-year term, the other position for three-year term. Staff will get feedback from Mr. Warren and Mr. Jensen and their preference.

IX. Legal Matters

Charles recommends that the Board hold a special meeting in February with special counsel, Alan Pogue, following proof of qualification and swearing in of the new board members, for discussion of the Board position in consideration of the claim to the District from the Batterberry Land Group, LLC under executive session.

Further discussion of legal matters was held in executive session.

X. Executive Session

Upon motion duly made, seconded and upon vote, the Board unanimously moved into executive session at 11:42 a.m. pursuant to C.R.S. 24-6-402(4)(b) & (e) for conferences with the District counsel for the purposes of receiving legal advice on specific legal questions and determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations and instructing negotiators specifically related to legal matters pertaining to legal action filed against Castle Pines Commercial District No. 3 by Castle Pines Commercial District No. 1, consideration of the claim to the District from the Batterberry Land Group, LLC and direction to counsel on how to proceed.

Mr. Norton, legal counsel to the District, advised that the session not be recorded due to the discussion being attorney client privilege.

At 12:15 p.m., the Board moved out of executive session.

XI. Adjournment

There being no other business, the next meeting of the Board of Directors of the Castle Pines Commercial Metropolitan District No. 3 is scheduled for Friday, March 4, 2022 at 11:00am at the Castle Rock Chamber of Commerce, 420 Jerry Street, Castle Rock.

RECORD OF PROCEEDINGS

**MINUTES OF THE BOARD OF DIRECTORS OF THE
CASTLE PINES COMMERCIAL METROPOLITAN DISTRICT No. 3**

1:00 p.m., March 15, 2022

Via Zoom

ATTENDEES

Directors present: Shawn Batterberry, Linda Batterberry, Kelly McCurley, Dave Jensen, and Randy Warren all attended via electronic device.

Others present: Charles Norton, Norton & Smith as District Counsel attended via electronic device.
Luis Tovar, Steve Wasiecko, Toby Austin & Kelly Conover, Mulhern MRE, Inc., District Management all attended via electronic device.
Alan Pogue with Icenogle Seaver and Pogue as special counsel

I. Call to Order

Director S. Batterberry called the meeting to order at 1:05 p.m.
Roll was taken and a quorum was present and confirmed.

II. Ratify Conflict of Interest Statements

Directors ratified their Conflict of Interest Statements on file with the Secretary of State.

III. Approval of Agenda

The Board reviewed the agenda. Upon motion made by Director S. Batterberry, seconded by Director McCurley and upon vote, the Board approved the agenda.

IV. Manager's Report

The Board was provided a memo briefing regarding the financial position of the District with regards to funding the Batterberry Land Group reimbursement request.

V. Executive Session

Director S. Batterberry, Director L. Batterberry and Mr. Charles Norton excused themselves from the executive session proceeding and left the meeting.

Upon motion duly made by Director McCurley, seconded by Director Warren and upon vote, the Board unanimously moved into executive session at 1:11p.m. pursuant to C.R.S. 24-6-402(4)(b) & (e) for conferences with special counsel for the District for the purposes of receiving legal advice on specific legal questions and determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations and instructing negotiators specifically related to legal matters pertaining to legal action filed against Castle Pines Commercial District No. 3 by Castle Pines Commercial District No. 1, consideration of the claim to the District from the Batterberry Land Group, LLC and direction to special counsel on how to proceed.

Mr. Pogue, special counsel to the District, advised that the session not be recorded due to the discussion being attorney client privilege.

At 2:35 p.m., upon motion duly made by Director McCurley, seconded by Director Warren and upon vote, the Board moved out of executive session.

Directors S. Batterberry and L. Batterberry and Mr. Charles Norton returned to join the public meeting proceedings.

VI. Adjournment

There being no other business, upon motion duly made by Director S. Batterberry, seconded by Director McCurley and upon vote, the Board moved to adjourn the meeting.

The next meeting of the Board of Directors of the Castle Pines Commercial Metropolitan District No. 3 is scheduled for Friday, April 1, 2022 at 11:00am at the Castle Rock Chamber of Commerce, 420 Jerry Street, Castle Rock.

RECORD OF PROCEEDINGS

**MINUTES OF THE BOARD OF DIRECTORS OF THE
CASTLE PINES COMMERCIAL METROPOLITAN DISTRICT No. 3**

11:00 a.m., April 8, 2022
Castle Rock Chamber of Commerce
420 Jerry Street
Castle Rock, CO 80104
Via Zoom

ATTENDEES

Directors present: Shawn Batterberry
Linda Batterberry, Kelly McCurley, Randall Warren and Dave Jensen
attended via electronic device.

Others present: Charles Norton, Norton & Smith as District Counsel.
Kelly Conover, Mulhern MRE, Inc.,
Steve Wasiecko and Toby Austin, Mulhern MRE, Inc attended via electronic
device.

Public Present: Ms. Kimberly Reed, Ballard Spahr LLP, Bond Counsel

I. Call to Order

Director S. Batterberry called the meeting to order.
Roll was taken and a quorum was present and confirmed.

II. Ratify Conflict of Interest Statements

Directors ratified their Conflict of Interest Statements on file with the Secretary of State.

III. Approval of Agenda

Upon motion duly made by Director S. Batterberry, seconded by Director McCurley, and upon vote, the Board approved the Agenda as presented.

IV. Public Comment

There was no public comments.

V. Approval of Previous Minutes

The Board reviewed the minutes provided for the previous meeting held March 15, 2022. Director Warren noted that the minutes from the February 4, 2022 meeting were not included in the Board packet for review. Staff will provide at the next meeting scheduled for May 6, 2022. Upon motion duly made by Director L. Batterberry, seconded by Director Jensen and upon vote, the Board unanimously approved the March 15, 2022 meeting minutes.

VI. Consider Approval of Resolution Authorizing 2022 Capital Pledge Agreement and Termination Agreement terminating prior pledge agreement

Charles Norton opened the floor for comments on the refinancing of the 2015 Bonds and the 2022 Capital Pledge Agreement. Kimberly Reed, Bond Counsel, addressed questions from the Board and staff.

Following the discussion, upon motion duly made by Director L. Batterberry, seconded by Director McCurley and upon vote, the Board unanimously approved the Resolution Refunding the Series 2015 Bonds.

Upon motion duly made by Director S. Batterberry, seconded by Director McCurley and upon vote, the Board unanimously approved the 2022 Capital Pledge Agreement and terminating the 2015 Capital Pledge Agreement.

VII. Administrative Matters

There were no administrative matters for discussion.

VIII. Financial Matters

Toby Austin reviewed the check register provided in the Board packet showing automatic payments to Payroll Specialists for February and March services and for checks #1094, 1095 and 1096. Upon motion duly made by Director L. Batterberry, seconded by Director Jensen and upon vote, the Board unanimously approved the expenditures listed for \$8,058.99.

Toby Austin and Steve Wasiecko provided a presentation on the financial statements. There was Board discussion regarding the fund balances and the District's ability to fund the 2015 Bond payment.

IX. Legal Matters

Charles Norton noted that with the refinancing of the 2015 Bonds, the current lawsuit from Castle Pines Commercial Metropolitan District No. 1 will be dismissed.

X. Executive Session

There was no executive session needed.

XI. Adjournment

There being no other business, upon motion duly made by Director L. Batterberry, seconded by Director McCurley, and upon vote, the Board unanimously adjourned at 11:59am. The next meeting of the Board of Directors of the Castle Pines Commercial Metropolitan District No. 3 is scheduled for Friday, May 6, 2022 at 11:00am at the Castle Rock Chamber of Commerce, 420 Jerry Street, Castle Rock.

RECORD OF PROCEEDINGS

**MINUTES OF THE BOARD OF DIRECTORS OF THE
CASTLE PINES COMMERCIAL METROPOLITAN DISTRICT No. 3**

3:00 p.m., July 21, 2022

Castle Rock Chamber of Commerce

420 Jerry Street

Castle Rock, CO 80104

Via Zoom

ATTENDEES

Directors present: Randall Warren attended in person
Shawn Batterberry, Linda Batterberry, and Kelly McCurley attended via
electronic device.

Others present: Charles Norton, Norton & Smith as District Counsel attended via
electronic device.

Kelly Conover, Mulhern MRE, Inc., attended in person.

Steve Wasiecko, Mulhern MRE, Inc attended via electronic device.

Mr. Dave Jensen was present from the public to express interest in the vacant
board position.

I. Call to Order

Director Warren called the meeting to order at 3:13pm.

Roll was taken and a quorum was present and confirmed.

II. Ratify Conflict of Interest Statements

Directors ratified their Conflict of Interest Statements on file with the Secretary of State.

III. Approval of Agenda

Director Warren requested a revision to the agenda to reflect the Executive Session follow the financial
discussion. Upon motion duly made by Director Warren, seconded by Director L. Batterberry, and upon
vote, the Board approved the Agenda as revised.

IV. Public Comment

There was no public comment.

V. Approval of Previous Minutes

The Board reviewed the minutes provided for the previous meetings held February 4th and April 8th 2022.
Upon motion duly made by Director McCurley, seconded by Director S. Batterberry and upon vote, the
Board unanimously approved the meeting minutes as presented.

VI. Administrative Matters

- a. Consider Board Member Appointment – Mr. Jensen expressed interest in the vacant position. There
was Board discussion and upon motion duly made by Director Warren, seconded by Director S.
Batterberry and upon vote, the Board unanimously appointed Mr. Jensen to the vacant position. Mr.
Jensen executed his Oath of Office for submittal to the County Clerk and Recorder via email.

- b. Consider Nomination of Board Officers – Following Board discussion, the Board ratified the current Board officer positions with Director S. Batterberry as President and Director L. Batterberry as Vice President. Director S. Batterberry nominated Director Warren for the position of Secretary/Treasurer. Director Warren accepted the nomination, and upon vote, unanimously approved by the Board. Staff from Mulhern MRE will be the Recording Secretary and will provide assistance to the Secretary/Treasurer.

VII. Financial Matters

- a. Ratification of Audit Engagement Letter – A letter of engagement was presented for 2021 Financial Audit services with Dazzio & Associates, PC. for a fee not to exceed \$4,800. Upon motion duly made by Director Warren, seconded by Director S. Batterberry and upon vote, the Board unanimously approved the engagement of Dazzio & Associates, PC.
- b. Check Registers – The Board was provided check registers detailing checks #1097-1098 from April 8 – May 16 for ratification. Upon motion duly made by Director Warren, seconded by Director S. Batterberry and upon vote, the Board unanimously ratified the expenditures.

The Board also considered a second check register detailing checks #1099-1102 and electronic payments to the Castle Pines District #1 and Payroll Specialists from May 17 – July 20. Upon motion duly made by Director Warren, seconded by Director S. Batterberry and upon vote the Board unanimously approved the expenditures.

- c. Financial Statements – The Board was provided financial statements through May 2022. There was Board discussion. There was no Board action.

VIII. Legal Matters

Legal matters were addressed under executive session.

IX. Executive Session

Prior to the executive session Director S. Batterberry addressed the Board regarding the status of the request from Batterberry Land Group, LLC. He voiced his frustration with the length of time and requested the decision be expedited. He also requested the Board consider changing the District meetings to be held quarterly on Tuesday mornings.

Director S. Batterberry, Director L. Batterberry and Mr. Charles Norton excused themselves from the executive session proceeding and left the meeting.

Upon motion duly made by Director Warren, seconded by Director McCurley and upon vote the Board moved into executive session at 3:48 pm. Pursuant to C.R.S. 24-6-402(4)(b)&(e) for conferences with the special counsel to the District for the purposes of receiving legal advice on specific legal questions and determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations and instructing negotiators specifically related to legal matters pertaining to consideration of the reimbursement claim to the District from the Batterberry Land Group, LLC and direction to counsel on how to proceed.

At 4:15pm, the Board moved out of executive session. Director S. Batterberry rejoined the regular session. There was no further Board discussion.

X. Adjournment

There being no other business, upon motion duly made by Director McCurley, seconded by Director Warren, and upon vote, the Board unanimously adjourned at 4:15pm. The next meeting of the Board of Directors of the Castle Pines Commercial Metropolitan District No. 3 is scheduled for Friday, August 5, 2022 at 11:00am at the Castle Rock Chamber of Commerce, 420 Jerry Street, Castle Rock.

RECORD OF PROCEEDINGS

**MINUTES OF THE BOARD OF DIRECTORS OF THE
CASTLE PINES COMMERCIAL METROPOLITAN DISTRICT No. 3**

1:15 p.m., August 29, 2022

Via Zoom

Meeting ID: 832 9548 6519

Passcode: 061392

ATTENDEES

Directors present: Shawn Batterberry, David Jensen, and Kelly McCurley attended via electronic device.
Directors Linda Batterberry and Randall Warren were excused.

Others present: Charles Norton, Norton & Smith as District Counsel attended via electronic device.
Kelly Conover, Mulhern MRE, Inc. attended via electronic device.
Mr. Alan Pogue with Icenogle Seaver and Pogue attended as special counsel to the District.

I. Call to Order

The meeting was called to order at 1:35pm.
Roll was taken and a quorum was present and confirmed.

II. Ratify Conflict of Interest Statements

Directors ratified their Conflict of Interest Statements on file with the Secretary of State.

III. Approval of Agenda

The agenda was adopted as presented.

IV. Public Comment

There was no public present.

V. Consider Notice of Public Hearing

The Board discussed the draft notice of public hearing provided by Charles Norton regarding reimbursement to Batterberry Land Group LLC. There were no changes to the language, meeting date will be determined.

VI. Consider Letter to Tax Payers Regarding Hearing

The Board discussed the draft letter to District tax payers provided by Charles Norton regarding reimbursement to Batterberry Land Group LLC. There were no changes to the language, meeting date will be determined.

VII. Consider September Meeting Date

The Board discussed the next board meeting date to schedule the public hearing noted in the above items. Following discussion, the Board designated the next meeting date of Wednesday, September 14, 2022 at 9:00am via Zoom meeting. Staff will update the Public Hearing notice for publication in the Douglas

County News Press and the letter to property tax payers for distribution. The letter is to be mailed out August 30th, September 6th and September 9th.

VIII. Adjournment

There being no other business, upon motion duly made, seconded, and upon vote, the Board unanimously adjourned at 1:53pm. The next meeting of the Board of Directors of the Castle Pines Commercial Metropolitan District No. 3 is scheduled for Wednesday, September 14, 2022 at 9:00am via Zoom Meeting.

RECORD OF PROCEEDINGS

**MINUTES OF THE BOARD OF DIRECTORS OF THE
CASTLE PINES COMMERCIAL METROPOLITAN DISTRICT No. 3**

9:00 a.m., September 14, 2022

Via Zoom

Meeting ID: 851 7983 3601

Passcode: 259074

ATTENDEES

Directors present: Shawn Batterberry, Linda Batterberry, David Jensen, Randall Warren and Kelly McCurley attended via electronic device.

Others present: Charles Norton; Norton & Smith as District Counsel attended via electronic device.
Kelly Conover, Steve Wasiecko and Luis Tovar; Mulhern MRE, Inc. attended via electronic device.
Mr. Alan Pogue; Icenogle Seaver and Pogue attended as special counsel to the District.
Ms. Patricia Weatherall and Mr. Chad Seitz; Craig Realty Group at the Outlets of Castle Rock.

I. Call to Order

The meeting was called to order at 9:05 a.m.

Roll was taken and a quorum was present and confirmed.

II. Ratify Conflict of Interest Statements

Directors ratified their Conflict of Interest Statements on file with the Secretary of State.

III. Approval of Agenda

Upon motion duly made by Director Warren, seconded by Director McCurley, the agenda was adopted as presented.

IV. Public Comment

There was no public comment at this time.

V. Consider Acceptance of 2021 DRAFT Financial Statements

Steve Wasiecko addressed the board regarding the 2021 Draft Financial Statements. Following his review, he found no issues or comments regarding the statements. He opened the floor for comments or questions from the Board. Director Warren commented on footnote 1; description of the entity is prior to the Capital Pledge Agreement and it doesn't reflect that the 2015 Capital Pledge Agreement is no longer in effect. Staff will review the footnote and coordinate the revision language with Director Warren and request the revision with the Auditor.

Director Warren presented a motion to approve the 2021 Draft Financial Statements subject to the changes discussed and upon approval by the Auditor. Director McCurley seconded the motion and upon

vote, the Board unanimously approved the 2021 Financial Statements with noted changes and staff was directed to submit the document to the Office of the State Auditor as required by statute.

VI. Executive Session Pursuant to C.R.S. 24-6-402(4)(b) & (e)

The non-conflicted board members related to the reimbursement request from Batterberry Land Group LLC, Directors McCurley, Warren and Jensen agreed, there was no additional clarification or discussion needed, therefore no executive session was held.

VII. Public Hearing Regarding Reimbursement for Batterberry Land Group LLC

Upon motion by Director S. Batterberry, the Board opened the public hearing regarding reimbursement for Batterberry Land Group LLC. Director Batterberry opened the floor for public comment. Ms. Patricia Weatherall with Craig Realty Group from the Outlets at Castle Rock asked for a high-level overview of the legal case, Castle Pines Commercial Metro Dist. No 1 v. Castle Pines Commercial Metro Dist. No 3 that resulted in the reimbursement request. Mr. Charles Norton provided an overview of the case. The total reimbursement amount requested by Batterberry Land Group LLC includes \$318,384.66 in legal fees incurred and \$221,833.00 in property taxes paid to District #3 for a total request of \$540,217.66. The request is to reimburse Batterberry Land Group LLC with current available cash from the settlement and a promissory note for the remaining balance funded through an additional 2mill levy.

Ms. Weatherall noted the change in property taxes paid to the District as a result of the ruling. A portion of the Craig Realty Group property falls within the boundaries of the District #3 and the reduction in mill levy is appreciated. She requested the Board consider tabling the discussion and vote for a week in order for her to discuss with her ownership, as she had just found out about the meeting and hearing one day ago. Mr. Norton addressed her concern that it was up to the Board on how to proceed.

Mr. Chad Seitz had no comments.

Director Jensen addressed Ms. Weatherall's concerns, he appreciates her attendance and comments and the Board will note her request for more time.

There being no further public comments, the Public Hearing was closed.

A motion was presented for reimbursement to the Batterberry Land Group LLC for the full amount requested of \$540,217.66. Director McCurley accepted the motion, Director Warren seconded. Upon vote, the board approved reimbursement in full to the Batterberry Land Group LLC. Directors S. Batterberry and L. Batterberry abstained from the vote due to a conflict of interest and left the meeting.

Ms. Weatherall and Mr. Seitz also left the meeting.

The Board discussed options for the way in which the reimbursement would occur. Following Board discussion and staff input, the Board amended the above motion as follows; The reimbursement to Batterberry Land Group LLC will be the full requested amount with an initial payment in the coming days of \$400,000. Staff will present an amount at the October meeting to pay down a portion of the balance by year end with a promissory note for the remaining to be reimbursed over a 3-year period. Upon motion duly made by Director Warren, the motion was seconded by Director McCurley. Director Warren called for a vote: Director Jensen, aye; Director McCurley, aye; Director Warren, aye. Upon vote, the Board unanimously amended the original motion.

VIII. Consider October Meeting Date

The next regular meeting of the Board is scheduled for October 7, 2022 at 11:00am. Staff will coordinate Board attendance.

IX. Adjournment

There being no other business, upon motion duly made, seconded, and upon vote, the Board unanimously adjourned at 10:27am. The next meeting of the Board of Directors of the Castle Pines Commercial Metropolitan District No. 3 is scheduled for Friday, October 7, 2022 at 11:00am via Zoom Meeting.

RECORD OF PROCEEDINGS

**MINUTES OF THE BOARD OF DIRECTORS OF THE
CASTLE PINES COMMERCIAL METROPOLITAN DISTRICT No. 3**

11:00 a.m., October 7, 2022

Via Zoom

Meeting ID: 859 7335 5764

Passcode: **049907**

ATTENDEES

Directors present: Shawn Batterberry, Linda Batterberry, and Kelly McCurley attended via electronic device.

David Jensen and Randall Warren were excused.

Others present: Charles Norton; Norton & Smith as District Counsel attended via electronic device.

Kelly Conover, Lucas Stafford and Steve Wasiecko; Mulhern MRE, Inc. attended via electronic device.

I. Call to Order

The meeting was called to order at 11:30 a.m.

Roll was taken and a quorum was present.

II. Ratify Conflict of Interest Statements

Directors ratified their Conflict of Interest Statements on file with the Secretary of State.

III. Approval of Agenda

There were no changes to the agenda.

IV. Public Comment

There was no public comment at this time.

V. Review and Approval of Minutes of Prior Meeting

The Board reviewed the minutes of the July 21, 2022 meeting. Staff will correct the language used in the July 21, 2022 minutes, as requested via email by Director Warren, from 'automatic payment' to 'electronic payment' in the financial section of the minutes. Upon motion duly made by Director S. Batterberry, seconded by Director L. Batterberry and upon vote, the minutes of the July 21, August 29 and September 14th meetings were approved subject to the correction noted above.

VI. Administrative Matters

The Board requested that staff coordinate a public hearing date for November 7, 8, or 9th to consider and approve the 2023 budget.

VII. Financial Matters

Director S. Batterberry reviewed the payables list dated September 20, 2022 through October 5, 2022 for a total expenditure in the amount of \$409,148.09. Upon motion duly made by Director L. Batterberry, seconded by Director McCurley and upon vote, the Board approved the expenditures.

VIII. Legal Matters

Mr. Charles Norton had no legal matters to discuss.

IX. 2023 DRAFT Budget Review

Steve Wasiecko provided a draft budget for 2023 and reviewed the District's current financial position with the Board. He reviewed the payment plan for the Batterberry Land Group LLC. Mr. Wasiecko anticipates an additional payment at year end of 2022 for \$30,000 with mill levy adjustments in subsequent years, with planned payoff being in 2025. There was discussion of additional mills for the purpose of refunding the remainder of the balance in 2023. A revised finalized budget will be presented at the November meeting.

X. Adjournment

There being no other business, upon motion duly made, seconded, and upon vote, the Board unanimously adjourned at 11:48am. The next meeting of the Board of Directors of the Castle Pines Commercial Metropolitan District No. 3 is to be rescheduled for early November 7, 8 or 9th and will be held via Zoom Meeting.

RECORD OF PROCEEDINGS

**MINUTES OF THE BOARD OF DIRECTORS OF THE
CASTLE PINES COMMERCIAL METROPOLITAN DISTRICT No. 3**

9:00 a.m., November 7, 2022

Via Zoom

Meeting ID: 892 3649 2773

Passcode: **891695**

ATTENDEES

Directors present: Shawn Batterberry, Linda Batterberry, Randall Warren and Kelly McCurley attended via electronic device.

David Jensen was excused.

Others present: Charles Norton; Norton & Smith as District Counsel attended via electronic device.

Kelly Conover, Lucas Stafford and Steve Wasiecko; Mulhern MRE, Inc. attended via electronic device.

I. Call to Order

The meeting was called to order at 9:07 a.m.

Roll was taken and a quorum was present.

II. Ratify Conflict of Interest Statements

Directors ratified their Conflict of Interest Statements on file with the Secretary of State.

III. Approval of Agenda

Director S. Batterberry proposed amending the agenda for a discussion of meeting dates and time, a discussion regarding the bill payment method if meetings are moved to quarterly, and he also inquired about the current mills for Craig Realty property which could be addressed under the Budget discussion.

Upon motion duly made by Director S. Batterberry, seconded by Director McCurley and upon vote, the Board unanimously approved the agenda as amended.

IV. Public Comment

There was no public comment at this time.

V. Review and Approval of Minutes of Prior Meeting

The Board reviewed the minutes of the October 7, 2022 meeting. Upon motion duly made by Director S. Batterberry, seconded by Director L. Batterberry and upon vote, the minutes of the October 7, 2022 meeting were approved as presented.

VI. Administrative Matters

Staff requested the Board consider ratification of the 2022 Management Contract with Mulhern MRE, Inc. Mr. Wasiecko discussed the 2022 contract amount that was based on time and materials not to exceed \$30,000 annually. Upon motion by Director S. Batterberry, seconded by Director L. Batterberry and upon vote, the Board unanimously ratified the 2022 Management Contract with Mulhern MRE, Inc.

Staff requested the Board consider approval of the 2023 Management Contract with Mulhern MRE, Inc. Mr. Wasiecko discussed the 2023 contract amount changing to a fixed fee of \$1,200 monthly for management and accounting services. Upon motion duly made by Director S. Batterberry, seconded by Director McCurley, and upon vote, the Board unanimously approved the 2023 Management contract with Mulhern MRE, Inc.

Staff provided a review of designated meeting posting locations and meeting dates and times for 2023. Director Batterberry suggested meetings be held quarterly, the first Friday of the following months; Feb 3, May 5, Aug 4 and Nov 3. Director Warren asked if the October 15th deadline for providing a preliminary budget to the Board would impact the meeting dates. The draft budget can be circulated via email to meet that deadline. The Board preferred meeting at 9:00am on the dates listed above. The meeting location is to be by Zoom Meeting. If the public would like to attend in person, they would be invited to the Mulhern MRE Office location. Upon motion duly made by Director L. Batterberry, seconded by Director S. Batterberry and upon vote, the Board unanimously approved the designated posting location, dates and times of meetings for 2023. Staff was directed to prepare the Annual 2023 Administrative Matters Resolution and provide to Mr. Charles Norton for review.

VII. Public Hearing 2023 Budget

Upon motion duly made, seconded and upon vote, the Board opened a public hearing on the 2023 Budget. Director Warren asked about the calculation of the reimbursement amount to the Castle Pines Commercial Metro District #4 according to the Settlement Agreement, the reimbursement to Batterberry Land Group and the tax rebate to Primrose School, all funded through property taxes collected.

Following Board discussion, the Public Hearing was continued to the December 2, 2022 meeting for staff to provide changes discussed and update the 2023 Budget calculations.

VIII. Consider Resolution to Adopt 2023 Budget, Appropriate Sums of Money and Certification of the Tax Levy

The Board will consider the Resolution at the December 2, 2022 meeting.

IX. Financial Matters

Director S. Batterberry reviewed the payables list dated October 6, 2022 through November 1, 2022 for a total expenditure in the amount of \$6,366.90. Upon motion duly made by Director Warren, seconded by Director S. Batterberry and upon vote, the Board approved the expenditures.

Director S. Batterberry asked about having quarterly meetings and approving vendor checks. Mr. Wasiecko asked Mr. Norton if the Board would be able to authorize management staff to sign checks with approval via email and ratification at the meeting. Mr. Norton will supplement the 2023 Administrative Matters Resolution with details on monthly vendor payments and Board approval and ratification process.

The financial statements were provided for review and reflect budget numbers previously discussed.

X. Legal Matters

Mr. Charles Norton had no legal matters to discuss. Mr. Norton did ask staff to add to the December 2, 2022 meeting agenda, Consideration of a Promissory Note for repayment of funds to the Batterberry Land Group.

XI. Adjournment

There being no other business, upon motion duly made, seconded, and upon vote, the Board unanimously adjourned at 10:26 am. The next meeting of the Board of Directors of the Castle Pines Commercial Metropolitan District No. 3 is Friday, December 2, 2022 at 9:00 a.m. and will be held via Zoom Meeting.

RECORD OF PROCEEDINGS

**MINUTES OF THE BOARD OF DIRECTORS OF THE
CASTLE PINES COMMERCIAL METROPOLITAN DISTRICT No. 3**

9:00 a.m., December 2, 2022

Via Zoom

Meeting ID: 859 7335 5764

Passcode: **049907**

ATTENDEES

Directors present: Shawn Batterberry, Linda Batterberry, Randall Warren, David Jensen and Kelly McCurley attended via electronic device.

Others present: Charles Norton; Norton & Smith as District Counsel attended via electronic device.
Kelly Conover, Lucas Stafford and Steve Wasiecko; Mulhern MRE, Inc. attended via electronic device.

I. Call to Order

The meeting was called to order at 9:02 a.m.
Roll was taken and a quorum was present.

II. Ratify Conflict of Interest Statements

Directors ratified their Conflict of Interest Statements on file with the Secretary of State.
Regarding items XI and XII, Directors L. Batterberry and S. Batterberry will abstain from discussion and participation in the meeting due to their conflict of interest in the matter. Director Warren will be interim chairman until such time discussion and Board action is complete regarding items XI and XII.

III. Approval of Agenda

Following Board discussion, the agenda is to be amended, moving discussion of item XIII Financial Matters prior to items XI and XII. Upon motion duly made by Director L. Batterberry, seconded by Director S. Batterberry and upon vote, the Board unanimously approved the agenda as amended.

IV. Public Comment

There was no public present.

V. Review and Approval of Minutes of Prior Meeting

The Board reviewed the minutes of the November 7, 2022 meeting. Director Warren noted a grammatical correction. Upon motion duly made by Director McCurley, seconded by Director L. Batterberry and upon vote, the minutes of the November 7, 2022 meeting were approved with the grammatical correction noted.

VI. Administrative Matters

The Board considered the 2023 Administrative Matters Resolution. Staff reviewed the intent of the Resolution and addressed Board questions. Upon motion duly made by Director S. Batterberry, seconded by Director McCurley and upon vote, the Board unanimously approved the 2023 Administrative Matters Resolution.

The Board considered approval of the 2022 Financial Audit Engagement Letter with Dazzio & Associates. Steve Wasiecko reviewed the engagement letter with the Board. He recommends continuing with the company for another year. Upon motion duly made by Director Warren, seconded by Director Jensen and upon vote, the Board unanimously approved the 2022 Financial Audit Engagement Letter with Dazzio & Associates.

VII. Public Hearing 2022 Budget Amendment

The Board opened a public hearing on the 2022 Budget Amendment discussion. There was no public present. The public comment portion of the hearing was closed. Steve Wasiecko reviewed the Amendment and recommended approval.

VIII. Consider Resolution Approving the 2022 Budget Amendment

Upon motion duly made by Director L. Batterberry, seconded by Director Jensen and upon vote, the Board unanimously approved the Resolution Approving the 2022 Budget Amendment.

IX. Continued Public Hearing 2023 Budget

Upon motion duly made, seconded and upon vote, the Board opened a public hearing on the 2023 Budget. There was no public present. The public comment portion of the hearing was closed. Steve Wasiecko reviewed the proposed 2023 Budget as provided in the Board packet.

X. Consider Resolution to Adopt 2023 Budget, Appropriate Sums of Money and Certification of the Tax Levy

The Board considered the Resolution to Adopt 2023 Budget, Appropriate Sums of Money and Certification of the Tax Levy. Upon motion duly made by Director S. Batterberry, seconded by Director L. Batterberry and upon vote the Board unanimously approved the Resolution.

XI. Financial Matters

Steve Wasiecko reviewed the payables list dated December 1, 2022 for a total expenditure in the amount of \$54,782.29. Upon motion duly made by Director Warren, seconded by Director McCurley and upon vote, the Board unanimously approved the expenditures.

The financial statements were provided for review and reflect budget numbers previously discussed.

XII. Consider Resolution Regarding Reimbursement to Batterberry Land Group, LLC

Charles Norton discussed the Resolution Regarding Reimbursement to Batterberry Land Group, LLC to ratify the action from the November 7, 2022 Board meeting approving reimbursement to the Batterberry Land Group, LLC in the amount of \$540,217.66

Upon motion duly made by Director McCurley, seconded by Director Jensen, and upon vote the Board approved the Resolution by a vote of 3-0-0. Directors S. Batterberry and L. Batterberry abstained from participation and discussion on the above matter.

XIII. Consider Resolution Authorizing Promissory Note to Batterberry Land Group, LLC

Charles Norton reviewed the Promissory Note to Batterberry Land Group, LLC for \$110,217.66 that was provided to the Board in the meeting packet. Charles noted that the balance of the reimbursement is payable within the year. If the District is able to complete payment in less than a year, it does not require a vote under Tabor or statutory limitations. \$110,217.66

Upon motion duly made by Director Jensen, seconded by Director McCurley, and upon vote, the Board approved the Resolution by a vote of 3-0-0. Directors S. Batterberry and L. Batterberry abstained from participation and discussion on the above matter.

XIV. Legal Matters

Mr. Charles Norton had no legal matters to discuss.

Prior to adjournment, Charles Norton did inquire as to the status of payments to the Directors for their voluntary participation on the Board of Directors in the amount of \$100 per meeting. Director Warren noted that these payments should be included on the check register for ratification at the following meeting. Staff will review payments and reconcile any amounts due and provide detail for consideration at the February 3, 2023 board meeting.

XV. Adjournment

There being no other business, upon motion duly made, seconded, and upon vote, the Board unanimously adjourned at 9:41 am. The next meeting of the Board of Directors of the Castle Pines Commercial Metropolitan District No. 3 is Friday, February 3, 2022 at 9:00 a.m. and will be held via Zoom Meeting.