

BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 1
8390 E. Crescent Pkwy., Suite 300
Greenwood Village, CO 80111
Tel: 303-779-5710 Fax: 303-779-0348

A copy of the agenda/meeting packet is available at the Beebe Draw Farms website at beebedrawfarmsauthority.colorado.gov

NOTICE OF SPECIAL MEETING AND AGENDA

DATE: May 10, 2023

TIME: 6:00 p.m.

LOCATION: Hybrid Meeting:
Pelican Lake Ranch Community Info and Sales Center
16502 Beebe Draw Farms Parkway
Platteville, CO 80641
Or via Microsoft Teams

You can attend the meetings in any of the following ways:

- ACCESS:**
1. To attend via Microsoft Teams Videoconference use the below link:
https://teams.microsoft.com/l/meetup-join/19%3ameeting_MzM4NWM5ZGMtNzExMS00YjBkLWI5MjEtMDc1Mzk5MDZkYjhm%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%225b9f6fa2-e9dd-42cc-bfd8-f7dd2ed196a6%22%7d
 2. To attend via telephone, dial 720-547-5281 and enter the following Conference ID: 330 392 842#

<u>Board of Directors</u>	<u>Office</u>	<u>Term Expires</u>
Brenda Lewis	Vice President	May 2025
Catrena Rosentreader	Secretary	May 2025
Sharon Dillon	Treasurer	May 2025
William Caldwell		May 2027
Cindy Billinger		May 2027

I. ADMINISTRATIVE MATTERS

- A. Present disclosures of potential conflicts of interest.
- B. Call to order, approval of agenda.
- C. Confirm quorum, location of meeting and posting of meeting notices.
- D. Discuss results of May 2, 2023 Election.

1. Consider election of officers:

- President: _____
- Vice President: _____
- Secretary: _____
- Treasurer: _____
- Assistant Secretary: _____

II. PUBLIC COMMENT

Members of the public may express their views to the Board on matters that affect the District that are otherwise not on the agenda. Comments will be limited to three (3) minutes per person.

III. CONSENT AGENDA

These items are considered to be routine and will be approved and/or ratified by one motion. There will be no separate discussion of these items unless a Board member requests; in which event, the item will be removed from the Consent Agenda and considered in the Regular Agenda.

- A. Review and consider approval of minutes from February 27, 2023 joint work session / special Board meeting and March 8, 2023 joint special Board meeting (enclosure).
- B. Ratify approval of payment of claims through the period ending May 3, 2023 totaling \$65,109.48 (enclosure)

IV. FINANCIAL MATTERS

- A. Review and consider acceptance of March 31, 2023 Unaudited Financial Statements (to be distributed).

V. LEGAL MATTERS

- A. Approve proposed amendment to Authority Establishment Agreement (enclosure).
- B. Approve terms of contract between Authority and Hilltop for grant services (to be distributed).

VI. OTHER MATTERS

VII. ADJOURNMENT

The next regular meeting is scheduled for June 14, 2023 at 6:00 p.m. at the Pelican Lake Ranch Community Info and Sales Center and via Microsoft Teams.

**MINUTES OF A JOINT WORK SESSION / SPECIAL MEETING OF
THE BOARDS OF DIRECTORS OF THE
BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 1 AND
BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 2
HELD
FEBRUARY 27, 2023**

A joint work session and special meeting of the Boards of Directors (referred to hereafter as the “Boards”) of the Beebe Draw Farms Metropolitan District No. 1 and Beebe Draw Farms Metropolitan District No. 2 (referred to hereafter as the “Districts”) was convened on Monday, the 27th day of February 2023, at 5:00 P.M. This meeting was a hybrid meeting held via Microsoft Teams and at the Sales & Info Center, 16502 Beebe Draw Farms Pkwy. Platteville, CO. The meeting was open to the public.

ATTENDANCE

Directors In Attendance for District No. 1 Were:

William Caldwell, President
Brenda Lewis, Vice President
Catrena Rosentreader, Secretary
Sharon Dillon, Treasurer
Eric Wernsman, Assistant Secretary

Directors In Attendance for District No. 2 Were:

Christine Hethcock, President
Diane Mead, Treasurer
Paul Joseph Knopinski, Assistant Secretary

The Directors in attendance confirmed their qualifications to serve.

Also In Attendance Were:

Lisa Johnson, Alex Clem and Terri Boroviak; CliftonLarsonAllen LLP
Ron Fano, Esq.; Spencer Fane P.C.
MaryAnn McGeady, Erica Montague and Suzanne Meintzer; McGeady Becher, P.C.
Eric Ryplewski; Hilltop Broadband
Tina Wernsman, Crystal Clark, Ed Farrell, Carol Satersmoen, Melanie Briggs, Kim Coleman, Mike Konkel, Kim Caldwell, Patty Caldwell, Kristinne Koisjher, Cindy Billinger, Ken Ross, Doug Martin, Susan Beard and Kelly Deitman;
Members of the Public

Ms. Johnson reviewed the guidelines for the meeting and reiterated that the Authority is not meeting, and therefore, no public comments should be made that are for the Authority.

WORK SESSION

The work session began at 5:04 p.m.

Finance Plan Related to Broadband Services: Attorney McGeady and Attorney Fano presented finance plan options to the Boards. The Boards discussed the information presented and reviewed the draft election questions. The Boards discussed engaging a grant writer to aide in the preparation of grants related to broadband. The Boards then discussed preparing a document outlining the factual information related to the broadband service, process, costs, etc. and in a way that makes it as easy to understand as possible.

ADMINISTRATIVE MATTERS

Disclosures of Potential Conflicts of Interest: The Boards 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 and to the Secretary of State.

Ms. Johnson 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 and have been filed.

Call to Order, Agenda: The meeting was called to order at 6:46 p.m. Following discussion, upon motion duly made by President Knopinski, seconded by Director Mead and, upon vote, unanimously carried, the District No. 2 Board approved the agenda as presented.

Following discussion, upon motion duly made by President Dillon, seconded by Director Caldwell and, upon vote, unanimously carried, the District No. 1 Board approved the agenda as presented.

Quorum, Location of Meeting and Posting of Meeting Notices: Ms. Johnson confirmed a quorum, adequate location of the meeting and noted meeting notices were posted as required.

PUBLIC COMMENT

Carol Satersmoen, member of the public, asked if the proposal from Hilltop includes the connection to the house. Mr. Ryplewski responded that the service does not include connection to the house. The estimated fee to connect to the house is between \$75 to \$150, charged one time.

Ed Farrell, member of the public, asked about the service plan that was approved in the 1980's and if that service plan be revised to add broadband. Attorney McGeady responded that the process to amend the service plan is included in the timeline that was presented earlier. He then asked what the risk is to not ask the funding question at the May election and wait until the November election. Mr. Ryplewski provided a response.

Crystal Clark, member of the public, asked if the ballot does not pass, can residents pay extra fees to get the service. Attorney McGeady provided a response. Ms. Clark then asked if residents will pay the costs advertised on the

Hilltop website, who will own the fiber optics lines and if residents could choose another provider at any time in the future. Mr. Ryplewski addressed her questions.

Director Caldwell asked that if you add more houses onto the line over time, will that have an impact on the service provided to current residents. Mr. Ryplewski responded.

LEGAL
MATTERS

Financing Plan to Fund the Extension of Broadband Services:

Possible use of Authority Funds on Hand to be Advanced to Provide the Matching Funds for a State Grant for the Extension of Broadband Services to Filing No. 1: The Boards discussed the option of using Beebe Draw Farms Authority funds and expressed comfort in doing so.

Following discussion, upon a motion duly made by Director Wernsman, seconded by Director Lewis and, upon vote, unanimously carried, the District No. 1 Board determined to add the ballot question to amend the Authority Establishment Agreement.

Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Hethcock and, upon vote, unanimously carried, the District No. 2 Board determined to add the ballot question to amend the Authority Establishment Agreement.

The Boards authorized staff to create a term sheet to amend the Authority Establishment Agreement and present it at the March 8, 2023 special meeting.

Possible Imposition of an Additional Operations and Maintenance Mill Levy by District No. 1 Over Time to Replenish Authority Funds Advanced to Fund the Extension of Broadband Services to Filing No. 1: The Boards discussed the mill levy options.

Following discussion, upon a motion duly made by Director Wernsman, seconded by Director Dillon and, upon vote, unanimously carried, the District No. 1 Board approved the imposition of 3/300 mills in Filing No. 1.

Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Hethcock and, upon vote, unanimously carried, the District No. 2 Board approved the imposition of 3.300 mills in Filing No. 1.

Possible Imposition of a Broadband Expansion Fee to Fund Future Extensions of Broadband Services to Future Filings: The Boards discussed the imposition of a Broadband Expansion Fee.

Following discussion, upon a motion duly made by Director Dillon, seconded by Director Caldwell and, upon vote, unanimously carried, the District No. 1 Board approved the imposition of a Broadband Expansion Fee and directed staff to revise the ballot question, if possible, to clarify that this ballot question does not apply to Filing 1.

Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Hethcock and, upon vote, unanimously carried, the District No. 2 Board approved the imposition of a Broadband Expansion Fee and directed staff to revise the ballot question, if possible, to clarify that this ballot question does not apply to Filing 1.

Proceeding with Ballot Questions Required to Implement the Previously Discussed Financing Plan: The Boards discussed proceeding and took action to adopt the Resolution below.

Resolution Calling a Regular Directors Election on May 2, 2023, and Submitting to the Eligible Electors of the District Ballot Questions Relating to the Provision of Broadband Services and Facilities and Required to Implement the Previously Discussed Financing Plan: Following discussion, upon a motion duly made by Director Dillon, seconded by Director Lewis and, upon vote, unanimously carried, the District No. 1 Board adopted the Resolution Calling A Regular Directors Election on May 2, 2023, and Submitting to the Eligible Electors of the District Ballot Questions Relating to the Provision of Broadband Services and Facilities and Required to Implement the Previously Discussed Financing Plan.

Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Mead and, upon vote, unanimously carried, the District No. 2 Board adopted the Resolution Calling A Regular Directors Election on May 2, 2023, and Submitting to the Eligible Electors of the District Ballot Questions Relating to the Provision of Broadband Services and Facilities and Required to Implement the Previously Discussed Financing Plan.

OTHER MATTERS

Additional Work Session / Special Meetings: Following discussion, upon a motion duly made by Director Dillon, seconded by Director Caldwell and, upon vote, unanimously carried, the District No. 1 Board determined to convene a special meeting on March 8, 2023 at 5:00 p.m.

Following discussion, upon a motion duly made by Director Hethcock, seconded by Director Mead and, upon vote, unanimously carried, the District No. 2 Board determined to convene a special meeting on March 8, 2023 at 5:00 p.m.

ADJOURNMENT

There being no further business to come before the District No. 1 Board at this time, upon a motion duly made by Director Wernsman, seconded by Director Rosentreader, and upon vote, unanimously carried, the District No. 1 Board adjourned the meeting at 7:27 p.m.

There being no further business to come before the District No. 2 Board at this time, upon a motion duly made by Director Mead, seconded by Director Knopinski, and upon vote, unanimously carried, the District No. 2 Board adjourned the meeting at 7:27 p.m.

Respectfully submitted,

By _____
Secretary for the Meeting

**MINUTES OF A JOINT SPECIAL MEETING OF
THE BOARDS OF DIRECTORS OF THE
BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 1 AND
BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 2
HELD
MARCH 8, 2023**

A joint special meeting of the Boards of Directors (referred to hereafter as the “Boards”) of the Beebe Draw Farms Metropolitan District No. 1 and Beebe Draw Farms Metropolitan District No. 2 (referred to hereafter as the “Districts”) was convened on Wednesday, the 8th day of March 2023, at 5:00 P.M. This meeting was a hybrid meeting held via Microsoft Teams and at the Sales & Info Center, 16502 Beebe Draw Farms Pkwy. Platteville, CO. The meeting was open to the public.

ATTENDANCE

Directors In Attendance for District No. 1 Were:

William Caldwell, President
Brenda Lewis, Vice President
Catrena Rosentreader, Secretary
Sharon Dillon, Treasurer
Eric Wernsman, Assistant Secretary

Directors In Attendance for District No. 2 Were:

Christine Hethcock, President
Diane Mead, Treasurer
Paul Joseph Knopinski, Assistant Secretary

The Directors in attendance confirmed their qualifications to serve.

Also In Attendance Were:

Lisa Johnson and Shauna D’Amato; CliftonLarsonAllen LLP
Ron Fano, Esq.; Spencer Fane LLP
MaryAnn McGeady, Erica Montague and Suzanne Meintzer; McGeady Becher, P.C.
Anna Wool; Icenogle Seaver Pogue P.C.
Tina Wernsman, Dave Miller, Jo Majors, Crystal Clark, Kim Coleman, Kelly Deitman, Ed Farrell, Ethan Peer, Patty Caldwell, Judy Tunis, Cindy Billinger, Denise and Sam Carlton, Kim Caldwell and other members of the public

ADMINISTRATIVE
MATTERS

Disclosures of Potential Conflicts of Interest: The Boards 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 and to the Secretary of State.

Ms. Johnson 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 and have been filed.

Call to Order, Agenda: The meeting was called to order at 5:03 p.m. Following discussion, upon motion duly made by Director Caldwell, seconded by Director Lewis and, upon vote, unanimously carried, the District No. 1 Board approved the agenda as presented.

Following discussion, upon motion duly made by Director Knopinski, seconded by Director Mead and, upon vote, unanimously carried, the District No. 2 Board approved the agenda as presented.

Quorum, Location of Meeting and Posting of Meeting Notices: Ms. Johnson confirmed a quorum, adequate location of the meeting and noted meeting notices were posted as required.

PUBLIC COMMENT

None.

**LEGAL
MATTERS**

Broadband Project:

Schedule and Action Items to Implement Broadband Project: Ed Farrell, member of the public, reported that earlier this week he had conversations with the State of Colorado regarding potential additional grant opportunities. One of the grant opportunities would allow the State to waive the Districts' contributions related to broadband services. Additionally, Hilltop met with other departments within the State on additional grant opportunities.

May 2023 Election Schedule: Attorney McGeady presented a draft election schedule to the Boards. The Boards directed their respective legal counsels to implement the schedule presented.

Direction to Staff Regarding Term Sheet for Second Amendment to the Authority Establishment Agreement: Attorney McGeady presented the term sheet to the Boards. The Board discussed and recommended revisions. The Boards directed their respective legal counsels to continue to work together on the term sheet (memorandum of intent) and specifically discussed desired terms for the payment of attorney's fees and costs related to the broadband project.

Direction to Staff Regarding 45 Day Notice to be Provided to Weld County of Intent to Proceed with Broadband Project (to be delivered if all of District 1 and District 2 Election Questions Pass): Attorney McGeady presented the 45 Day Notice to the Boards.

Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Mead and, upon vote, unanimously carried, the District No. 2 Board directed legal counsel to finalize the 45 Day Notice and transmit it to the Board of County Commissioners, if all the election questions pass.

Following discussion, upon a motion duly made by Director Dillon, seconded by Director Lewis and, upon vote, unanimously carried, the District No. 1 Board directed legal counsel to finalize the 45 Day Notice and transmit it to the Board of County Commissioners, if all the election questions pass.

Direction to Staff Regarding the Contract Terms with Hilltop for Broadband Extension to Filing 1: This item will be discussed in the Beebe Draw Farms Authority Board meeting immediately following.

OTHER MATTERS

Additional Work Session / Special Meetings: The Boards discussed scheduling the next meeting on May 10, 2023.

ADJOURNMENT

There being no further business to come before the District No. 1 Board at this time, upon a motion duly made by Director Caldwell, seconded by Director Dillon, and upon vote, unanimously carried, the District No. 1 Board adjourned the meeting at 6:00 p.m.

There being no further business to come before the District No. 2 Board at this time, upon a motion duly made by Director Knopinski, seconded by Director Mead, and upon vote, unanimously carried, the District No. 2 Board adjourned the meeting at 6:00 p.m.

Respectfully submitted,

By _____
Secretary for the Meeting

**Beebe Draw Farms MD1
Claims Paid
11.4.22 - 5.3.23**

Process Date	Vendor	Invoice Number	Payment Method	Amount
11/04/22	CliftonLarsonAllen LLP	Multiple	BILL EFT	\$ 6,631.66
12/01/22	CliftonLarsonAllen LLP	3476109	BILL EFT	28.88
01/23/23	CliftonLarsonAllen LLP	Multiple	BILL EFT	2,582.49
01/23/23	Spencer Fane LLP	Multiple	Vendor Direct Virtual Card	8,553.91
01/30/23	CliftonLarsonAllen LLP	3513339	BILL EFT	1,394.93
03/07/23	CliftonLarsonAllen LLP	3545532	BILL EFT	1,132.95
03/07/23	Special District Association	2023 Dues	Vendor Direct Virtual Card	542.89
03/07/23	Spencer Fane LLP	Multiple	Vendor Direct Virtual Card	3,262.00
03/08/23	Brenda Lewis	111116	BILL Check	369.40
03/08/23	Catrena Rosentreader	111118	BILL Check	369.40
03/08/23	CliftonLarsonAllen LLP	Multiple	BILL EFT	4,898.78
03/08/23	Eric Wernsman	111114	BILL Check	461.75
03/08/23	Sharon Dillon	111117	BILL Check	369.40
03/08/23	Todd Sundeen	111119	BILL Check	92.35
03/09/23	William Caldwell	111115	BILL Check	461.75
04/11/23	CliftonLarsonAllen LLP	Multiple	BILL EFT	6,963.86
04/11/23	Spencer Fane LLP	1172952	Vendor Direct Virtual Card	11,676.12
05/02/23	Spencer Fane LLP	1180128	Vendor Direct Virtual Card	11,277.60
05/03/23	CliftonLarsonAllen LLP	Multiple	BILL EFT	4,039.36
Grand Total				\$ 65,109.48

SECOND AMENDMENT TO AUTHORITY ESTABLISHMENT AGREEMENT

This **SECOND AMENDMENT TO AUTHORITY ESTABLISHMENT AGREEMENT** (“**Second Amendment**”) is made and entered into this ____ day of _____, 2023, by and between **BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 1** (“**District No. 1**”), **BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 2** (“**District No. 2**” and, together with District No. 1, the “**Districts**”), both quasi-municipal corporations and political subdivisions of the State of Colorado, and **REI LIMITED LIABILITY COMPANY**, a Wyoming limited liability company (the “**Developer**”), and is acknowledged and consented to by **BEEBE DRAW FARMS AUTHORITY** (the “**Authority**”), a separate legal entity.

RECITALS

A. The Districts are governed by an Amended and Restated Consolidated Service Plan for the Districts approved by the Weld County Board of County Commissioners (the “**County**”) on March 16, 2011 (the “**Service Plan**”).

B. As contemplated by the Service Plan, the Districts previously entered into that certain Beebe Draw Farms Authority Establishment Agreement By and Between Beebe Draw Farms Metropolitan District No. 1 and Beebe Draw Farms Metropolitan District No. 2, effective April 12, 2011, whereby the Authority was established (the “**Establishment Agreement**”).

C. The Districts previously entered into that certain First Amendment to Authority Establishment Agreement, effective December 11, 2012.

D. At elections of the qualified electors of the Districts, duly called and held on May 2, 2023, in accordance with law and pursuant to due notice (the “**May 2023 Election**”), a majority of those qualified to vote and voting at such elections, voted as follows:

- a. Broadband Authorization Question. Electors in both Districts authorized their respective District to provide all services, and to provide, purchase, lease, construct, maintain, operate, and finance facilities permitted by Title 29, Article 27 of the Colorado Revised Statutes, described as “Advanced Services,” “Telecommunications Services,” and “Cable Television Services,” including any new and improved high bandwidth services (the “**Broadband Extension Services**”).
- b. Multiple Fiscal Year IGA Mill Levy Question. Electors in both Districts approved a further amendment to the Establishment Agreement to authorize the Authority to provide Broadband Extension Services.
- c. Broadband Services – Additional O&M Mill Levy Applicable to Filing No. 1 of the Corrected First Filing Plat, Weld County, Colorado Recorded in the Real

Property Records of Weld County on December 13, 1989 at Reception Number 02200074. District No. 1 electors voted in favor of imposing an additional operations and maintenance mill levy of 3.300 mills (the “**Additional O&M Mill Levy**”) only until Two Hundred Thousand Dollars (\$200,000) has been funded from the Additional O&M Mill Levy to replenish up to One Hundred Thousand Dollars (\$100,000) each to the Authority’s Amenities Fund and Infrastructure Fund used for the payment of all or any part of the costs to provide Broadband Extension Services to Filing No. 1 of the Corrected First Filing Plat, Weld County, Colorado Recorded in the Real Property Records of Weld County on December 13, 1989 at Reception Number 02200074 (“**Filing No. 1**”). As indicated herein, it is the intent of the Districts and the Authority to seek and secure grants to fund the Broadband Extension Services to Filing No. 1.

- d. Broadband Extension Fees Applicable to Any Filing in the Districts’ Service Area Other Than Filing No. 1 of the Corrected First Filing Plat, Weld County, Colorado Recorded in the Real Property Records of Weld County on December 13, 1989 at Reception Number 02200074. The electors of each District voted in favor of increasing their respective Districts’ taxes by the imposition of a broadband extension fee or fees imposed in the amount of \$650,000 annually, or by such lesser amount necessary, to pay for the Broadband Extension Services in all future filings after Filing No. 1 (“**Future Filings**”) (the “**Broadband Extension Fee**”).

E. The Districts provided a 45-day notice to the County regarding their intention to enter into this Second Amendment (the “**45-Day Notice**”). The County did not object within the 45-day deadline (*Or adopted a Resolution, this Recital will be revised to conform with action or inaction the County takes*).

F. The Districts desire to have one hundred percent (100%) of the cost for the Broadband Extension Services to Filing No. 1, which is estimated to be \$1,200,000, covered by grants and other contributions (the “**Outside Funds**”). District No. 1 and the Authority will continue to take all necessary actions in an effort to obtain such outside funding but, at this time there is no guarantee of what, if any, amount of Outside Funds will be able to be procured.

G. The current estimate for District No. 1’s contribution towards the cost to bring Broadband Extension Services to Filing No. 1 is approximately One Hundred Sixty-Seven Thousand Dollars (\$167,000); however, District No. 1 has been advised to budget a total amount not to exceed Two Hundred Thousand Dollars (\$200,000) to cover any contingencies (the “**Filing No. 1 Project Costs**”).

H. Unless and until such time as District No. 1 or the Authority procures the Outside Funds, it must find other means to pay for the Filing No. 1 Project Costs.

I. The Districts desire to have one hundred (100%) of the cost for the Broadband Extension Services to Future Filings covered by Outside Funds to the extent possible to reduce the amount of the Broadband Extension Fees to be paid by lot owners in Future Filings. District No. 2 and the Authority will continue to take all necessary actions in an effort to obtain such

outside funding but, at this time there is no guarantee of what, if any, amount of Outside Funds will be able to be procured in the future.

J. The Districts desire to further amend the Establishment Agreement to address the provision of Broadband Extension Services and the basis for possible methods for financing the same.

NOW, THEREFORE, in consideration of the foregoing and the respective agreements of the Districts contained herein, the Districts agree as follows:

COVENANTS AND AGREEMENTS

1. All terms which are not defined herein shall have the same meaning as set forth in the Establishment Agreement.

2. The Districts agree that the Authority is authorized to provide Broadband Extension Services pursuant to the May 2023 Election and 45-Day Notice.

3. Filing No. 1 Project Costs

(a) The Parties agree that the Authority and District No. 1 will pursue and attempt to secure all Outside Funds available to reduce the total amount of Filing No. 1 Project Costs to be paid from the Additional O&M Mill Levy. If 100% of the Filing No. 1 Project Costs can be funded from Outside Funds, the Additional O&M Mill Levy will not be imposed.

(b) To the extent 100% of the Filing No. 1 Project Costs cannot be funded from Outside Funds, the unfunded amount will be advanced as follows: fifty percent (50%) from the Authority Infrastructure Fund and fifty percent (50%) from the Authority Amenities Fund. Based on the current estimated Filing No. 1 Project Costs, One Hundred Thousand Dollars (\$100,000) shall be contributed from each fund. If Outside Funds are received by the Authority or District No. 1 thereby reducing the Filing No. 1 Project Costs, the amount to be contributed from the Authority Infrastructure Fund and the Authority Amenities Fund will also be reduced on a 50/50 basis.

(c) The final Filing No. 1 Project Costs advanced by the Authority, if any, shall be repaid with proceeds from the Additional O&M Mill Levy until such time as all Filing No. 1 Project Costs have been replenished to the Authority's Infrastructure Fund and the Authority's Amenities Fund. One hundred percent (100%) of the amounts contributed from the Authority Infrastructure Fund will be replenished first; after which all amounts contributed from the Authority Amenities Fund will be replenished.

(d) The Parties agree that the sole purpose of the Additional O&M Mill Levy shall be to provide Broadband Extension Services to Filing No. 1 and to replenish the associated Filing No. 1 Project Costs to the Authority Infrastructure Fund and the Authority Amenities Fund for advances made for the Filing No. 1 Project Costs and the Legal Fees, defined below.

(e) The Additional O&M Mill Levy shall be set at 3.300 mills until the last year of imposition, at which time it will be reduced to only the number of mills required to pay

the remaining amount due. The current projection is the Additional O&M Mill Levy will be imposed no longer than seven (7) years to fund the reimbursement of the advances from the Authority Infrastructure Fund and the Authority Amenities Fund. Depending upon the total amount of Outside Funds received and the annual property tax revenue received from the 3.300 mills, the total number of years for reimbursement may be reduced.

(f) No property tax revenue from the Additional O&M Mill Levy will be used to pay for Broadband Extension Services in Future Filings or for any other purpose other than the Filing No. 1 Project Costs and the Legal Fees, defined below.

4. Future Filings

(a) The Broadband Extension Fee will be determined as each additional phase of the Broadband Extension Services is to be constructed in any Future Filings.

(b) Once any property is included into District No. 1, any Broadband Extension Fee charged to such property will be reduced by any future amounts due to be paid towards the Additional O&M Mill Levy so that no homeowner shall be required to pay the amounts due under both the Additional O&M Mill Levy and the Broadband Extension Fee. If any property is included into District No. 1 after the last year of imposition of the Additional O&M Mill Levy, no amounts shall be due towards the Additional O&M Mill Levy.

(c) No homeowner or lot owner in Filing No. 1 will pay any Broadband Extension Fees.

5. Legal Fees. The Parties agree that any legal fees incurred by the Parties in connection with this Second Amendment, and in connection with instituting the results of the May 2023 Election (the “**Legal Fees**”), shall be paid as follows:

(a) first, from the Authority’s Operating Fund in 2023 to the extent such funds are available;

(b) second, from advances from the Authority’s Amenities Fund; and

(c) to the extent 100% of the Filing No. 1 Project Costs are not funded by Outside Funds, the advances from the Authority’s Amenities Fund will be reimbursed from the Additional O&M Mill Levy after the Infrastructure Fund has been fully reimbursed for amounts advanced from the Infrastructure Fund for the Filing No. 1 Project Costs.

6. Section 14.1 Certification and Ratification of Addendum with Regard to Employment of Illegal Aliens shall be deleted in its entirety based on state statutory changes.

7. Counterparts. This Second Amendment may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

8. Except as expressly set forth in this Second Amendment, all provisions of the Agreement remain unchanged and in full force and effect, valid and binding on the parties thereto.

SIGNATURE PAGE FOLLOWS

**SIGNATURE PAGE TO SECOND AMENDMENT TO AUTHORITY
ESTABLISHMENT AGREEMENT**

IN WITNESS WHEREOF, the Parties have executed this Second Amendment as of the day and year first set forth above.

**BEEBE DRAW FARMS METROPOLITAN
DISTRICT NO. 1**, a quasi-municipal
corporation and political subdivision of the State
of Colorado

By: _____
President

Attest:

Secretary

**BEEBE DRAW FARMS METROPOLITAN
DISTRICT NO. 2**, a quasi-municipal
corporation and political subdivision of the State
of Colorado

By: _____
President

Attest:

Secretary

REI LIMITED LIABILITY COMPANY, a
Wyoming limited liability company

By: _____
Its:

Acknowledged and consented to as of the date and year first written above.

BEEBE DRAW FARMS AUTHORITY, a
quasi-municipal corporation and political
subdivision of the State of Colorado

By: _____
President

Attest:

Secretary