

RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE PRAIRIE CENTER
METROPOLITAN DISTRICT NO. 3 (the “District”)
HELD
APRIL 5, 2023**

A regular meeting of the Board of Directors of the Prairie Center Metropolitan District No. 3 (referred to hereafter as “Board”) was convened on Wednesday, the 5th day of April, 2023 at 4:00 P.M. This District Board meeting was held and properly noticed to be held via Zoom video/telephone conference. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Michael Tamblyn

Also In Attendance Were:

Ann E. Finn; Special District Management Services, Inc.

Kathy Kanda, Esq.; McGeady Becher P.C.

Cecilia Wang; CliftonLarsonAllen LLP

**ADMINISTRATIVE
MATTERS**

Disclosures of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board and to the Secretary of State. Attorney Kanda requested members of the Board disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. It was further noted by Attorney Kanda that all Directors’ Disclosure Statements have been filed and no additional conflicts were disclosed.

Quorum / Meeting Location / Posting of Meeting Notices: Attorney Kanda noted that a quorum was present. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District’s board meeting. The Board determined that the meeting would be held via Zoom video/telephone conference without any individuals (neither District Representatives nor the General Public) attending in person. Ms. Finn reported that notice was duly posted and that no objections to the video/telephonic manner of the meeting or any requests that the video/telephonic manner of the meeting be changed have been received from any taxpaying electors within the District boundaries.

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Designation of 24-Hour Posting Location: Following discussion, upon motion duly made by Director Tamblyn, seconded, and upon vote unanimously carried, the Board determined that notices of meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted at least 24 hours prior to each meeting on the District's website at: <https://prairiecentermd.colorado.gov> or if posting on the website is unavailable, notice will be posted at the following physical location within the District's boundaries: on a post within the boundaries of the District.

Agenda: Ms. Finn distributed for the Board's review and approval a proposed Agenda for the District's regular meeting.

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

Results of Cancelled May 2, 2023 Regular Directors' Election (the "Election"): Ms. Finn informed the Board that the Election was cancelled, as permitted by statute, as there were not more candidates than positions available. There were no candidates for the open positions and the four existing vacancies on the Board were confirmed.

Consent Agenda: The Board considered the following actions:

- Approve Minutes of the December 7, 2022 Regular Meeting.
- Ratify approval of payment of claims for the period beginning December 1, 2022 through February 28, 2023 totaling \$648,427.31.
- Ratify approval of Service Agreement for Landscape Maintenance Services between the District and Vargas Property Services, Inc.
- Ratify approval of Change Order No. 1 to the Service Agreement for Property Maintenance for Park on Peregrine between the District and Vargas Property Services, Inc.
- Ratify approval of Service Agreement for Snow Removal and Street Sweeping Services between the District and Snow Pros, Inc., d/b/a Site Source CAM.
- Ratify approval of Service Agreement for Exterior Light Inspection between the District and Colorado Lighting, Inc.
- Ratify approval of Service Agreement for Water Feature Maintenance Services between the District and Pinnacle Landscape & Xeriscape Incorporated.
- Ratify approval of Service Agreement for Detention Pond Maintenance between the District and Snow Pros, Inc., d/b/a Site Source CAM.

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Following review, upon motion duly made by Director Tamblyn, and, upon vote, unanimously carried, the Board approved and/or ratified approval of, as appropriate, the above actions.

PUBLIC COMMENT There was no public comment.

FINANCIAL MATTERS

2022 Audit: Ms. Wang reviewed the 2022 Audit with the Board.

Following review, upon motion duly made by Director Tamblyn, and, upon vote unanimously carried, the Board approved the 2022 Audit and authorized execution of the Representations Letter, subject to review by the District President and counsel, and receipt of an unmodified opinion letter from the auditor.

LEGAL MATTERS

Resolution No. 2023-04-01, Resolution Adopting Rules and Regulations for Construction Activity: The Board reviewed Resolution No. 2023-04-01, Resolution Adopting Rules and Regulations for Construction Activity.

Following review, upon motion duly made by Director Tamblyn, and, upon vote unanimously carried, the Board adopted Resolution No. 2023-04-01, Resolution Adopting Rules and Regulations for Construction Activity.

Lease Agreement with Civitas Inc.: The Board entered into discussion regarding actions taken in response to an offer from Civitas as parent company of Extraction Oil & Gas, Inc. (“Operator”) regarding unleased mineral acres owned by the District.

Following review, upon motion duly made by Director Tamblyn, and, upon vote unanimously carried, the Board approved a lease agreement between the District and the Operator, subject to counsel review, and authorized Director Tamblyn to execute the lease agreement.

Formation of New Prairie Center Districts: The Board deferred this matter. No action was taken.

Master Service Agreement for District Engineering Services between the District and Independent District Engineering Services, LLC (“IDES”): Attorney Kanda reviewed with the Board the Master Service Agreement for District Engineering Services between the District and IDES.

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Following review, upon motion duly made by Director Tamblyn, and, upon vote unanimously carried, the Board approved the Master Service Agreement for District Engineering Services between the District and IDES, and also approved and authorized the preparation of Task Order No. 1 to the Master Service Agreement, for cost allocation of Retail 2 Public Road Extensions.

Termination of District No. 1 Pledge Agreement: Following discussion, upon motion duly made by Director Tamblyn, and, upon vote unanimously carried, the Board approved the Termination of District No. 1 Pledge Agreement, by and between the District, Prairie Center Metropolitan District No. 1, and UMB Bank, n.a.

CAPITAL IMPROVEMENTS

Public Road Extension Projects for Prairie Center Retail Two and Prairie Center Retail Three: Director Tamblyn reported to the Board that design work is ongoing. The City of Brighton is expected to approve the project in April 2023 and construction to begin in May 2023 and is expected to be completed in 120 days.

Allocation of Costs of Public Road Extension Projects for Prairie Center Retail Two and Prairie Center Retail Three: Following discussion, upon motion duly made by Director Tamblyn, and, upon vote unanimously carried, the Board authorized the Project Manager to prepare, and the District President to execute, a Task Order to the Master Service Agreement for District Engineering Services between the District and Redland Consulting Group, Inc. for the allocation of costs.

Prairie Center Village V Park – Phase 2 Project: Director Tamblyn reported to the Board that the design work has been completed, but that construction may be delayed, depending on the status of residential development in Prairie Center Metropolitan District No. 5.

Interim Lutz Stormwater Detention Ponds Improvements Project: Director Tamblyn reported to the Board the work is almost complete and he is expecting the final pay application in May 2023. It was noted the cost will need to be certified by the City of Brighton and the improvements will be conveyed to the City of Brighton.

Subgrade Investigation and Pavement Design – Retail 2 Project: Director Tamblyn reported to the Board that the project is completed. It was noted that the report has been submitted to the City of Brighton for review.

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OPERATIONS

Construction Activity Permit: The Board reviewed the form Construction Activity Permit.

Following review, upon motion duly made by Director Tamblyn, and, upon vote unanimously carried, the Board approved the form Construction Activity Permit, and authorized the Project Manager or District Manager as the Designated Representative under the Construction Activity Rules and Regulations, with the authority to execute Construction Activity Permits.


OTHER BUSINESS

There was no other business.

ADJOURNMENT

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

Respectfully submitted,

By  _____
Secretary for the Meeting