

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3 (the “District”) HELD DECEMBER 6, 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, December 6, 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
Richard Merkel

Also In Attendance Were:

Peggy Ripko; Special District Management Services, Inc.

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

Thuy Dam; 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. Ripko 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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Agenda: Ms. Ripko 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, seconded by Director Merkel, and upon vote, unanimously carried, the Agenda was approved, as presented.

Minutes: The Board reviewed the minutes of the August 2, 2023 Special Meeting.

Following review, upon motion duly made by Director Tamblyn, seconded by Director Merkel, and upon vote, unanimously carried, the Board approved the minutes of the August 2, 2023 Special Meeting.

Resolution No. 2023-12-01; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices: The Board reviewed Resolution No. 2023-12-01; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices.

The Board determined to schedule regular meetings on April 3, August 7, and December 4, 2024 at 4:00 p.m., via Zoom video/telephone conference.

Following discussion, upon motion duly made by Director Tamblyn and seconded by Director Merkel, upon vote, unanimously carried, the Board adopted Resolution No. 2023-12-01; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices.

Section 32-1-809, C.R.S., Compliance for 2024 (Transparency Notice): Ms. Ripko discussed with the Board the requirements of Section 32-1-809, C.R.S., indicating that the required Transparency Notice will be posted on the District website and the Special District Association website.

Insurance Matters:

Cyber Security and increased Crime Coverage: Attorney Kanda discussed with the Board the District's current cyber security and crime coverage, and a potential increase to the limits of the crime coverage.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Merkel and, upon vote, unanimously carried, the Board authorized an increase of the District's crime coverage limit to \$250,000.

Insurance Committee: The Board discussed establishing an Insurance

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Committee to make final determinations regarding insurance. No action was taken.

District's Insurance and Special District Association Membership: The Board discussed the renewal of the District's Insurance and Special District Association ("SDA") membership for 2024.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Merkel and, upon vote, unanimously carried, the Board authorized the renewal of the District's insurance and SDA membership for 2024, with the previously authorized increase in the crime coverage limit.

PUBLIC COMMENT There was no public comment.

FINANCIAL MATTERS

Claims: The Board reviewed the payment of claims for the period of July 28, 2023 through December 1, 2023.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Merkel and, upon vote, unanimously carried, the Board ratified approval of the payment of claims for the period of July 28, 2023 through December 1, 2023 totaling \$696,252.81.

Unaudited Financial Statements: The Board reviewed the unaudited financial statements as of September 30, 2023.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Merkel and, upon vote, unanimously carried, the Board accepted the unaudited financial statements as of September 30, 2023.

2023 Audit: The Board reviewed the proposal from Wipfli LLP to perform the 2023 Audit.

Following discussion, upon motion duly made by Director Tamblyn and seconded by Director Merkel, upon vote, unanimously carried, the Board approved the engagement of Wipfli LLP to perform the 2023 Audit in the amount of \$6,500.

2023 Budget Amendment Hearing: The President opened the public hearing to consider an amendment to the 2023 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider an amendment to the 2023 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District.

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No written objections were received prior to or at this public hearing. No public comments were received, and the President closed the public hearing.

Following review and discussion, upon motion duly made by Director Tamblyn and seconded by Director Merkel, upon vote, unanimously carried, the Board adopted Resolution No. 2023-12-02 to Amend the 2023 Budget. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

2024 Budget Hearing: The President opened the public hearing to consider the proposed 2024 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2024 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. Dam reviewed with the Board the estimated 2023 expenditures and the proposed 2024 expenditures.

Following discussion, the Board considered the adoption of Resolution No. 2023-12-03 to Adopt the 2024 Budget and Appropriate Sums of Money, and Resolution No. 2023-12-04 to Set Mill Levies, (for the General Fund at 0 mills, for a total mill levy of 0 mills). Upon motion duly made by Director Tamblyn and seconded by Director Merkel, upon vote, unanimously carried, Resolution Nos. 2023-12-03 and 2023-12-04 were adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before January 3, 2024. The District Accountant was directed to transmit the Certification of Mill Levies to the Board of County Commissioners of Adams County not later than December January 10, 2024. The District Accountant was also directed to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2024. Copies of the adopted Resolutions are attached to these Minutes and incorporated herein by this reference.

DLG-70 Certification of Tax Levies Form (“Certification”): Following discussion, upon motion duly made by Director Tamblyn, and seconded by Director Merkel and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the Certification, and directed the District Accountant to file the Certification with the Board of County Commissioners and other interested parties.

CliftonLarsonAllen LLP 2024 Master Service Agreement and Statements of Work: The Board reviewed the Master Service Agreement and Statements

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of Work between the District and CliftonLarsonAllen for 2024 Accounting Services (the “2024 MSA/SOW”).

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Merkel and, upon vote, unanimously carried, the Board approved the terms of the 2024 MSA/SOW, subject to review by District Counsel.

2025 Budget Preparation: The Board discussed the preparation of the 2025 Budget.

Following discussion, upon motion duly made by Director Tamblyn and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2025 Budget. The Board determined to hold the public hearing to consider adoption of the 2025 Budget on Wednesday, December 4, 2024, at 4:00 p.m., via Zoom video/telephone conference.

LEGAL MATTERS

Resolution No. 2023-12-05, Resolution Amending Policy on Colorado Open Records Act Requests: The Board reviewed Resolution No. 2023-12-05, Resolution Amending Policy on Colorado Open Records Act Requests.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Merkel and, upon vote, unanimously carried, the Board adopted Resolution No. 2023-12-05, Resolution Amending Policy on Colorado Open Records Act Requests.

Bond Issuance:

Series 2023 Revenue Bonds: The Board discussed the status of issuance of the Series 2023 Revenue Bonds. No action was taken.

CAPITAL IMPROVEMENTS

Letter of Final Acceptance of Prairie Center Village I Subdivision Phase 3: The Board reviewed the Letter of Final Acceptance of Prairie Center Village I Subdivision Phase 3. No action was taken.

Work Order No. 9 to the Master Service Agreement for District Engineering Services between the District and Redland Consulting Group, Inc: Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Merkel and, upon vote, unanimously carried, the Board ratified approval of Work Order No. 9 to the Master Service Agreement for District Engineering Services between the District and Redland Consulting Group, Inc., for Prairie Center Retail 3/4 Exterior Lighting and Photometric Analysis, in the amount of \$2,700.00.

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Discuss status of:

Village V Park – Phase 2: The Board noted the Village V Park – Phase 2 is delayed until the summer of 2024.

Interim Lutz Stormwater Detention Ponds Improvement Project and possible amendment to Comprehensive Agreement: The Board discussed the Interim Lutz Stormwater Detention Ponds Improvement Project and a possible amendment to the Comprehensive Agreement. No action was taken.

Expenditure Verification for Prairie Center Retail 2 – Roads, Utilities and Off-Site Drainage Project: The Board discussed the expenditure verification for Prairie Center Retail 2 – Roads, Utilities and Off-Site Drainage Project. The Board noted reconciliation is needed once the project is completed.

Retail 3/4 – Roads and Utilities Construction Project: The Board discussed the expenditure verification for Prairie Center Retail 2 – Roads, Utilities and Off-Site Drainage Project.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Merkel and, upon vote, unanimously carried, the Board authorized the Project Manager to proceed with bidding and authorized the District President to award the contract for the project, in an amount not to exceed by more than 10% the engineer's cost estimate of \$1,600,000.

OPERATIONS

Proposal from Colorado Lighting, Inc. (d/b/a CLI Services) for Site Lighting Inspection Services: The Board reviewed the proposal from Colorado Lighting, Inc. (d/b/a CLI Services) for Site Lighting Inspection Services.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Merkel and, upon vote, unanimously carried, the Board approved the proposal from Colorado Lighting, Inc. (d/b/a CLI Services) for Site Lighting Inspection Services, and authorized preparation of a Service Agreement or Change Order, as appropriate.

Change Order No. 1 to the Service Agreement for Landscape Maintenance Services between the District and Vargas Property Services, Inc.: Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Merkel and, upon vote, unanimously carried, the Board ratified approval of Change Order No. 1 to the Service Agreement for Landscape Maintenance Services between the District and Vargas Property Services, Inc., for detention pond drainage cleanout services, in the amount of \$5,410.00.

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Proposal from Vargas Property Services, Inc., to extend by Change Order the Service Agreement for Landscape Maintenance Services between the District and Vargas Property Services, Inc.: The Board reviewed the proposal from Vargas Property Services, Inc., to extend by Change Order the Service Agreement for Landscape Maintenance Services between the District and Vargas Property Services, Inc., through 2024 and a rate increase of 9.5%. Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Merkel and, upon vote, unanimously carried, the Board approved the proposal from Vargas Property Services, Inc., to extend by Change Order the Service Agreement for Landscape Maintenance Services between the District and Vargas Property Services, Inc., through 2024 and a rate increase of 9.5%.

Service Agreement for 2023-2026 Snow Removal between the District and Alliance Commercial Services, Inc.: Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Merkel and, upon vote, unanimously carried, the Board ratified approval of the Service Agreement for 2023-2026 Snow Removal between the District and Alliance Commercial Services, Inc.

OTHER MATTERS

There were no other matters.

ADJOURNMENT

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

Respectfully submitted,

By  _____
Secretary for the Meeting