

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SKY RANCH METROPOLITAN DISTRICT NO. 3 HELD NOVEMBER 10, 2023

A regular meeting of the Board of Directors (referred to hereafter as the “**Board**”) of the Sky Ranch Metropolitan District No. 3 convened on November 10, 2023, at 8:30 a.m. at Pure Cycle Corporation, 34501 E. Quincy Ave., Bldg. 65, Suite A, Watkins, CO 80137. This Board meeting was also held virtually via Microsoft Teams video/ teleconference. The meeting was open to the public.

Directors in Attendance Were:

Mark Harding, President
Joe Knopinski, Assistant Secretary
Dirk Lashnits, Assistant Secretary
Scott Lehman, Secretary

Also in Attendance Were:

Lisa Johnson, Celeste Terrell, Alexander Clem, Cathee Sutton and Thuy Dam;
CliftonLarsonAllen LLP (“**CLA**”)
Suzanne Meintzer, Esq.; McGeady Becher P.C.
Stan Fowler; Independent District Engineering Services, LLC (“**IDES**”)
Cyrena Finnegan, Deb Saya, and Marc Spezialy; Pure Cycle Corporation
Adam Haskin; Member of the Board of Directors of Sky Ranch Metropolitan District
No. 1

**ADMINISTRATIVE
MATTERS**

The meeting was called to order.

Disclosure 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 of Directors and to the Secretary of State. Attorney Meintzer noted that Disclosure Statements were filed for all Directors. Attorney Meintzer requested members of the Board to disclose any potential conflicts of interest regarding 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. No additional conflicts were disclosed at the meeting.

Quorum, Location of Meeting, Posting of Meeting Notice and Agenda: The Board confirmed the presence of a quorum.

The Board reviewed a proposed agenda. Following discussion, upon a motion duly made by Director Lashnits, seconded by Director Knopinski and, upon vote unanimously carried, the Board approved the agenda.

The Board discussed the requirements of Section 32-1-903(1), C.R.S., concerning the location of the Board meeting. The Board determined that certain Board members and consultants would attend this meeting in person at the above-referenced location. However, certain other Board members and consultants would attend this meeting via video conference or teleconference. The Board further noted that the notice of the time,

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date, location, and video conference/teleconference information for the meeting was duly posted.

Board Resignation: The Board acknowledged the resignation of Kevin McNeill from the Board of Directors, effective July 20, 2023.

Board Appointment: The Board discussed the vacancy on the Board. It was noted that pursuant to Section 32-1-808(2)(a)(I), C.R.S., publication of a Notice of Vacancy on the Board was published in a newspaper having general circulation in the District and that no Letters of Interest from qualified eligible electors were received within ten (10) days of the date of such publication.

As such, eligible elector, Marc Spezialy, was nominated to serve on the Board. Following discussion, upon motion duly made by Director Harding, seconded by Director Lashnits and, upon vote unanimously carried, the Board appointed Marc Spezialy to fill the vacancy on the Board.

Appointment of Officers: Upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote unanimously carried, the Board appointed the following slate of officers.

<u>OFFICE</u>	<u>DIRECTOR</u>
President	<u>Mark Harding</u>
Treasurer	<u>Marc Spezialy</u>
Secretary	<u>Scott Lehman</u>
Assistant Secretary	<u>Joe Knopinski</u>
Assistant Secretary	<u>Dirk Lashnits</u>

Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices: The Board discussed the business to be conducted in 2024. Following discussion, upon motion duly made by Director Harding, seconded by Director Knopinski and, upon vote unanimously carried, the Board adopted Resolution No. 2023-11-01 Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices and determined to hold 2024 meetings on June 14th and November 8th at 8:30 a.m. at the office of Pure Cycle Corporation, 34501 E. Quincy Ave., Bldg. 65, Suite A, Watkins, CO 80137, and via video/teleconference.

Section 32-1-809, C.R.S. Requirements (Transparency Notice): The Board discussed the special district transparency requirements of Section 32-1-809, C.R.S. Following discussion, the Board directed CLA to post the special district transparency notice on the Special District Association website and the District website.

Section 32-1-306, C.R.S. Requirements (Annual Map Filing): The Board discussed the special district map filing requirements of Section 32-1-306, C.R.S. Following discussion, the Board directed CLA to prepare and file the annual map filing.

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2024 Insurance Renewal: Upon a motion duly made by Director Lehman, seconded by Director Lashnits and, upon vote, the Board approved 2024 insurance renewals as presented and discussed below.

Worker's Compensation Insurance Coverage for Uncompensated Members of the Board of Directors: Upon a motion duly made by Director Lehman, seconded by Director Lashnits and, upon vote, majority carried, the Board voted to bind worker's compensation coverage. Director Knopinski voted against binding worker's compensation coverage.

Cyber Security and Increased Crime Coverage: Following discussion, the Board determined not to increase cyber security or crime coverage.

Insurance Committee to Make Final Determinations Regarding Insurance, if necessary: Not needed.

Director Compensation for 2024: The Board discussed compensation. Following discussion, the Board determined to continue to waive compensation.

CONSENT AGENDA

The Board considered the following item under the Consent Agenda:

- Approval of the Minutes from the June 9, 2023 Regular Meeting.

Upon a motion duly made by Director Lehman, seconded by Director Harding and, upon vote unanimously carried, the Board approved the Consent Agenda.

PUBLIC COMMENT None.

FINANCIAL MATTERS

Public Hearing on Amendment to 2023 Budget: The Board opened the public hearing to consider amendment of the 2023 Budget.

It was noted that Notice stating that the Board would consider amendment of the 2023 budget and the date, time and place of the public hearing was published pursuant to statute. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

It was noted that an amendment to the 2023 Budget was not required.

Public Hearing on Proposed 2024 Budget and Resolution to Adopt 2024 Budget and Appropriate Sums of Money and Resolution to Set Mill Levies: The Board opened the public hearing to consider the proposed 2024 Budget.

It was noted that Notice stating that the Board would consider the adoption of the 2024 budget and the date, time and place of the public hearing was published pursuant to statute. No written objections were received prior to the public hearing.

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No public comments were received, and the public hearing was closed.

The Board reviewed the estimated 2023 expenditures and the proposed 2024 expenditures.

Upon motion duly made by Director Knopinski, seconded by Director Harding, and upon vote unanimously carried, the Board approved the 2024 Budget, as discussed, and considered adoption of Resolution No. 2023-11-02 to Adopt the 2024 Budget and Appropriate Sums of Money and Resolution No. 2023-11-03 to Set Mill Levies (12.523 mills in the General Fund, 62.622 mills in the Debt Service Fund, and 53.525 in the Regional Improvements Fund for a total mill levy of 128.670 mills) (the “Resolutions”).

Following discussion, upon vote unanimously carried, the Board adopted the Resolutions and authorized execution of the Certification of Budget. The District Accountant was directed to transmit the Certification of Tax Levies to the Board of County Commissioners of Arapahoe County, subject to receipt of final assessed valuation from the County. CLA was directed to transmit the Certification of Budget to the Division of Local Government no later than January 31, 2024.

Resolution Authorizing Imposition of the Regional Improvements Mill Levy in Accordance with the Service Plan: Attorney Meintzer presented the Resolution to the Board. Following review, upon a motion duly made by Director Knopinski, seconded by Director Harding and, upon vote unanimously carried, the Board adopted Resolution No. 2023-11-04 Authorizing Imposition of Regional Improvements Mill Levy in Accordance with the Service Plan, as presented.

Resolution Authorizing Adjustment of District Mill Levy in Accordance with the Service Plan: Attorney Meintzer presented Resolution No. 2023-11-04 Authorizing Adjustment of District Mill Levy in Accordance with the Service Plan to the Board. Following review, upon a motion duly made by Director Knopinski, seconded by Director Harding and, upon vote unanimously carried, the Board adopted Resolution No. 2023-11-04 Authorizing Adjustment of District Mill Levy in Accordance with the Service Plan.

2023 Audit Preparation: Upon a motion duly made by Director Harding, seconded by Director Lashnits and, upon vote unanimously carried, the Board approved the engagement with Haynie & Co. to prepare the 2023 Audit.

CliftonLarsonAllen LLP Master Services Agreement and Statement(s) of Work for 2024 Accounting, Management, Community Management, and Billing Services:

Ms. Johnson presented the MSA and Statement(s) of Work for 2024 Accounting, Management, Community Management, and Billing Services to the Board. Following discussion, upon a motion duly made by Director Harding, seconded by Director Lashnits and, upon vote majority carried, the Board approved the MSA and Statement(s) of Work for 2024 Accounting, Management, Community Management, and Billing Services, subject to final legal review and authorized the President to execute the agreement once complete. Director Knopinski voted against these two items.

Certificate Of Completion

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Subject: Complete with DocuSign: Sky Ranch CAB & Sky Ranch MD 3 - MINUTES for Signing	
Client Name: Sky Ranch CAB	
Client Number: A206873	
Source Envelope:	
Document Pages: 13	Signatures: 2
Certificate Pages: 5	Initials: 0
AutoNav: Enabled	Envelope Originator:
Enveloped Stamping: Enabled	Cindy Jenkins
Time Zone: (UTC-06:00) Central Time (US & Canada)	220 S 6th St Ste 300
	Minneapolis, MN 55402-1418
	Cindy.Jenkins@claconnect.com
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Scott E Lehman
 selehman@purecycwater.com
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Signature

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Envelope Sent	Hashed/Encrypted	6/18/2024 4:48:52 PM
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Signing Complete	Security Checked	6/18/2024 5:20:52 PM
Completed	Security Checked	6/18/2024 5:20:52 PM

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