

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE SKY RANCH METROPOLITAN DISTRICT NO. 3 HELD FEBRUARY 12, 2021

A special meeting of the Board of Directors (referred to hereafter as the “Board”) of the Sky Ranch Metropolitan District No. 3 was convened on Friday, the 12th day of February, 2021, at 8:30 a.m. at Pure Cycle Corporation, 34501 E. Quincy Ave., Bldg. 34, Watkins, CO 80137. Due to the concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, this District Board meeting was also held virtually via Microsoft Teams and by conference call. The meeting was open to the public.

Directors In Attendance Were:

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

Also In Attendance Were:

Lisa Johnson, Celeste Terrell, Thuy Dam, and Cathee Sutton;
CliftonLarsonAllen LLP (“CLA”)
Suzanne Meintzer Esq. and MaryAnn McGeady Esq.; McGeady Becher P.C.
Rick Dinkel, Kevin McNeill, Deb Siya; Pure Cycle Corporation
Barrett Marrocco; Independent District Engineering Services, LLC (“IDES”)
Zach Curran; Resident

**ADMINISTRATIVE
MATTERS**

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 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. Attorney Meintzer noted that all Directors’ Disclosure Statements were filed. No additional conflicts were disclosed at the meeting.

Quorum, Location of Meeting, Posting of Meeting Notice and Agenda:

Attorney Meintzer confirmed the presence of a quorum. The Board reviewed a proposed Agenda for the District’s special meeting. Following discussion, upon a motion made by Director Harding, seconded by Director Lashnits and, upon

RECORD OF PROCEEDINGS

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 District's Board meeting.

Following discussion, upon a motion duly made by Director Harding, seconded by Director Lashnits and, upon vote, unanimously carried, the Board determined that due to the ongoing concerns regarding the spread of COVID-19 and the benefits to the control of the spread of the virus by limiting in-person contact, certain Board members and consultants of the Board would attend this meeting in person at the above-referenced location, and certain other Board members and consultants of the District would attend this meeting via video conference or teleconference. The Board further noted that the notice of the time, date, location, and video conference/teleconference information for the meeting was duly posted and that no objections to the means of hosting the meeting were received from taxpaying electors.

Designation of 24-Hour Posting Location: Following discussion, upon a motion duly made by Director Harding, seconded by Director Lashnits and, upon vote, unanimously carried, the Board determined that notices of meetings of the District Board Meetings required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted on the District website, or if the website is unavailable, within the boundaries of the District at least 24 hours prior to each meeting at the following location: northwest corner of the District's boundaries.

Return to active status and adoption of Resolution regarding Intent to Return to Active Status: Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved the District returning to active status and adopted the Resolution regarding the District's Intent to Return to Active Status and authorize necessary actions associated therewith.

Resolution Establishing Regular Meeting Dates, Times and Location for 2021, Establishing District Website and Designating Location for Posting of 24-Hour Notices: Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved regular meeting dates for 2021 and adopted the Resolution Establishing Regular Meeting Dates, Times and Location, Establishing District Website and Designating Location for Posting of 24-Hour Notices.

Insurance requirements and Resolution to obtain insurance coverage through the Colorado Special Districts Property and Liability Pool and membership in the Special District Association: Following discussion, upon

RECORD OF PROCEEDINGS

a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board adopted the Resolution to obtain insurance coverage through the Colorado Special Districts Property and Liability Pool and authorized the membership in the Special District Association.

Resolution Providing for Directors' Exclusion from Workers' Compensation Coverage: Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved the Resolution Providing for Directors' Exclusion from Workers' Compensation Coverage.

Agency Services Agreement between the District and T. Charles Wilson Insurance Service: Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits, and, upon vote, unanimously carried, the Board approved the Agency Services Agreement between the District and T. Charles Wilson Insurance Service.

Transparency Notice and mode of eligible elector: Following discussion, the Board directed staff to post the Transparency Notice on the SDA website and the District website.

Appointment of Officers: The Board discussed the slate of officers. Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved the slate of officers listed below:

President:	Mark Harding
Treasurer:	P. Joseph Knopinski
Secretary:	Scott Lehman
Assistant Secretary:	Dirk Lashnits
Assistant Secretary:	Vacant

Vacancy on the Board of Directors: Following discussion, the Board directed staff to publish a Notice of Vacancy to enable an appointment at the next meeting.

Engagement Letter with CliftonLarsonAllen LLP for Management Services: Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved engaging CliftonLarsonAllen LLP for Management Services.

RECORD OF PROCEEDINGS

McGeady Becher P.C. Document Retention Policy: Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved the update and directed a copy of the approved updated McGeady Becher P.C. Document Retention Policy be attached to the Minutes for this meeting. Accordingly, a copy of the updated McGeady Becher P.C. Document Retention Policy is attached hereto and incorporated herein by reference..

PUBLIC COMMENT There was no Public Comment.

CONSENT
AGENDA

The Board considered the following Consent Agenda Items:

- Approval of the Minutes from the July 17, 2021 Special Meeting.
- Ratification of adoption of Resolutions Calling May 2014, 2016, 2018 and 2020 Director Elections and November 2018 and 2020 Special Elections.
- Approval of Memorandum of Understanding by and among the District, Sky Ranch Metropolitan District No. 1, Sky Ranch Metropolitan District No. 4 and Sky Ranch Metropolitan District No. 5.
- Ratification of approval of preparation, execution and filing of 2021 Application for Exemption from Audit.
- Ratification of approval of Engagement Letter with CliftonLarsonAllen LLP for District Accounting Services.
- Ratification of appointment of the District Accountant to prepare the 2021 Budget.
- Ratification of approval of actions taken to facilitate approval of the District's Amended and Restated Service Plan.

Following discussion, upon a motion duly made by Director Harding, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved the Consent Agenda Items above.

FINANCIAL
MATTERS

Public Hearing on the Proposed 2021 Budget and Resolution to Adopt the 2021 Budget and to Appropriate Sums of Money: Ms. Johnson opened the public hearing to consider the proposed 2021 Budget and consider adoption of Resolution to Adopt the 2021 Budget and appropriate sums of money.

It was noted that publication of Notice stating that the Board would consider adopting the 2021 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 the public hearing.

Attorney McGeady presented the Draft Budget for 2021. The Budget is drafted as a \$0 Budget for purposes of meeting the statutory requirement to adopt a

RECORD OF PROCEEDINGS

Budget for 2021. The Board will consider an amendment to the Budget once frequency of activity is established.

There was no public comment and the public hearing was closed.

Following discussion, upon a motion duly made by Director Lashnits, seconded by Director Knopinski and, upon vote, unanimously carried, the Board approved the Proposed 2021 Budget and Adopted the Resolution to Adopt the 2021 Budget and to Appropriate Sums of Money.

Appointment of District Accountant to prepare 2022 Budget: Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved the District Accountant to prepare the 2022 Budget for the District.

LEGAL MATTERS

Proposed Amendment to Amended and Restated Community Authority Board Establishment Agreement by and between Sky Ranch Metropolitan District No. 1 and Sky Ranch Metropolitan District No. 5: Attorney Meintzer discussed engaging bond counsel to examine the prospect of amending the Community Authority Board Establishment Agreement to include Sky Ranch Metropolitan District No. 3.

Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board directed legal counsel to engage with bond counsel to discuss an amendment to the Community Authority Board Establishment Agreement to include Sky Ranch Metropolitan District No. 3.

Public hearing on inclusion of approximately 252.060 acres of property owned by PCY Holdings, LLC into the District and Resolution for Inclusion of Real Property: Ms. Johnson opened the public hearing. Attorney Meintzer presented the petition for inclusion of approximately 252.060 acres of property owned by PCY Holdings, LLC into the District and the Resolution for Inclusion of Real Property. Sky Ranch Metropolitan District No. 5 and Sky Ranch Metropolitan District No. 3 are supporting each other in this process. The intent is to exclude property from Sky Ranch Metropolitan District No. 5 and include that property into Sky Ranch Metropolitan District No. 3. Sky Ranch Metropolitan District No. 3 intends to become a member of the Sky Ranch Community Authority Board when able.

No public comment was received, and the public hearing was closed.

Following discussion, upon a motion duly made by Director Knopinski, seconded

RECORD OF PROCEEDINGS

by Director Lashnits and, upon vote, unanimously carried, the Board approved the inclusion of approximately 252.060 acres of property owned by PCY Holdings, LLC into the District and adopted the Resolution for Inclusion of Real Property, subject to court approval of exclusion from District No. 5.

Resolution Regarding Colorado Open Records Act Requests: Following discussion, upon a motion duly made by Director Harding, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved the Resolution Regarding Colorado Open Records Act Requests.

Resolution Regarding the Retention and Disposal of Public Records and Adopting a Public Records Retention Schedule: Following discussion, upon a motion duly made by Director Harding, seconded by Director Lashnits and, upon vote, unanimously carried, the Board approved the Resolution Regarding the Retention and Disposal of Public Records and Adopting a Public Records Retention Schedule.

OTHER BUSINESS None.

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

Respectfully submitted,

By: _____
Secretary for the Meeting

DocuSigned by:
Lisa Johnson
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Certificate Of Completion

Envelope Id: 9C314871C7DA4C3FB0044CDE8E241853	Status: Completed
Subject: Please DocuSign: Minutes - 02-12-2021 (SRMD 3)(final).pdf	
Client Name: Sky Ranch MD 3	
Client Number: 011-045658-OS09-2021	
Source Envelope:	
Document Pages: 6	Signatures: 1
Certificate Pages: 4	Initials: 0
AutoNav: Enabled	Envelope Originator:
Enveloped Stamping: Enabled	Cindy Jenkins
Time Zone: (UTC-06:00) Central Time (US & Canada)	220 South 6th Street
	Suite 300
	Minneapolis, MN 55402
	Cindy.Jenkins@claconnect.com
	IP Address: 73.169.83.196

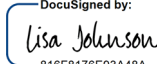
Record Tracking

Status: Original	Holder: Cindy Jenkins	Location: DocuSign
10/19/2021 5:59:41 PM	Cindy.Jenkins@claconnect.com	

Signer Events

Lisa Johnson
 Lisa.Johnson@claconnect.com
 District Manager
 Security Level: Email, Account Authentication (None)

Signature

DocuSigned by:

816F8176E93A48A...
 Signature Adoption: Pre-selected Style
 Using IP Address: 165.225.10.172

Timestamp

Sent: 10/19/2021 6:02:19 PM
 Viewed: 10/19/2021 6:10:31 PM
 Signed: 10/19/2021 6:10:40 PM

Electronic Record and Signature Disclosure:
 Accepted: 10/19/2021 6:10:31 PM
 ID: 45f81017-526b-47a7-91d8-58f10d558e99

In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
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Certified Delivered	Security Checked	10/19/2021 6:10:31 PM
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Completed	Security Checked	10/19/2021 6:10:40 PM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		

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