

**SKY RANCH METROPOLITAN DISTRICT NO. 5
("DISTRICT")**

370 Interlocken Boulevard, Suite 500

Broomfield, Colorado 80021

Tel: 303-466-8822

Fax: 303-466-9797

<https://SkyRanch.colorado.gov>

NOTICE OF SPECIAL MEETING AND AGENDA

DATE: June 9, 2023

TIME: 8:30 a.m.

LOCATION: Pure Cycle Corporation
34501 E. Quincy Avenue
Building 65, Suite A
Watkins, CO 80137

AT LEAST ONE INDIVIDUAL, INCLUDING CERTAIN BOARD MEMBERS AND CONSULTANTS OF THE CAB WILL BE PHYSICALLY PRESENT AND WILL ATTEND THIS MEETING IN PERSON AT THE ABOVE-REFERENCED LOCATION. HOWEVER, CERTAIN OTHER BOARD MEMBERS AND CONSULTANTS OF THE CAB MAY ATTEND THIS MEETING VIA TELECONFERENCE, OR WEB-ENABLED VIDEO CONFERENCE. MEMBERS OF THE PUBLIC WHO WISH TO ATTEND THIS MEETING MAY CHOOSE TO ATTEND VIA TELECONFERENCE OR WEB-ENABLED VIDEO CONFERENCE USING THE INFORMATION BELOW.

ACCESS: You can attend the meeting in any of the following ways:

1. To attend via Microsoft Teams video-conference use the below link:

https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZTQ4OGEzMGItODQzYS00NjVhLWFjMzItOGUyNzI2ZDE1NmI2%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%227e78628f-89cd-4e97-af6c-60df84b55ffe%22%7d

2. To attend via telephone, dial **720-547-5281** and enter the following additional information:

Phone Conference ID: **833 125 016#**

| <u>Board of Directors</u> | <u>Office</u> | <u>Term Expires</u> |
|---------------------------|---------------------|---------------------|
| Mark Harding | President | May 2027 |
| Kevin McNeill | Treasurer | May 2027 |
| Scott Lehman | Secretary | May 2027 |
| Dirk Lashnits | Assistant Secretary | May 2025 |
| Joe Knopinski | Assistant Secretary | May 2025 |

I. ADMINISTRATIVE MATTERS

- A. Present Disclosures of Potential Conflicts of Interest.
- B. Confirm quorum, location of the meeting and posting of meeting notices. Approve Agenda.
- C. Discuss the results of the May 3, 2022 Regular Director Election.
- D. Confirm filing of Oaths of Office.
- E. Discuss and consider appointment of officers:

| | |
|-----------------------|--|
| <u>Office:</u> | |
| President | |
| Treasurer | |
| Secretary | |
| Assistant Secretary | |
| Assistant Secretary | |

- F. Consider appointing District No. 5 Board member to the Board of Directors for the Sky Ranch Community Authority Board. Consider adoption of Resolution regarding same, if necessary.

II. CONSENT AGENDA

- A. Consider approval of the Minutes from the November 11, 2022 Regular Meeting (enclosure).

III. PUBLIC COMMENT

- A. 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.

IV. FINANCIAL MATTERS

V. LEGAL MATTERS

- A. Conduct public hearing on Petition for Exclusion of 1.0 acre of real property from the boundaries of Sky Ranch Metropolitan District No. 6 from PCY Holdings, LLC; Consider adoption of Resolution for Exclusion of Real Property (enclosure).
- B. Conduct public hearing on Petition for Exclusion of 1.0 acre of real property from the boundaries of Sky Ranch Metropolitan District No. 7 from PCY Holdings, LLC; Consider adoption of Resolution for Exclusion of Real Property (enclosure).
- C. Conduct public hearing on Petition for Exclusion of 1.0 acre of real property from the boundaries of Sky Ranch Metropolitan District No. 8 from PCY Holdings, LLC; Consider adoption of Resolution for Exclusion of Real Property (enclosure).

VI. OTHER BUSINESS

- A. Discuss next meeting date and confirm quorum – November 10, 2023.

VII. ADJOURNMENT

THE NEXT MEETING IS SCHEDULED FOR NOVEMBER 10, 2023

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SKY RANCH METROPOLITAN DISTRICT NO. 5 HELD NOVEMBER 11, 2022

A regular meeting of the Board of Directors (referred to hereafter as the “Board”) of The Sky Ranch Metropolitan District No. 5 convened on November 11, 2022 at 8:30 a.m. at Pure Cycle Corporation, 34501 E. Quincy Ave., Bldg. 65, Suite A, Watkins, CO 80137. 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
Kevin McNeill, Treasurer
Scott Lehman, Secretary
Dirk Lashnits, Assistant Secretary
Joe Knopinski, Assistant Secretary

Also in Attendance Were:

Lisa Johnson, Shauna D’Amato, Celeste Terrell and Cathee Sutton (for a portion of the meeting); CliftonLarsonAllen LLP (“CLA”)
Suzanne Meintzer, Esq.; McGeady Becher P.C.
Stan Fowler; Independent District Engineering Services, LLC (“IDES”) (for a portion of the meeting)
Cyrena Finnegan and Deb Saya; Pure Cycle Corporation

Members of the Public:

Katherine Funk

**ADMINISTRATIVE
MATTERS**

Ms. Johnson called the meeting 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. Ms. Johnson noted that all Directors’ Disclosure Statements were filed. 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: Ms. Johnson confirmed the presence of a quorum. The Board reviewed a proposed agenda for the District’s special meeting.

Following discussion, upon a motion duly made by Director Knopinski, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved the agenda, as presented.

The Board discussed the requirements of Section 32-1-903(1), C.R.S., concerning the

RECORD OF PROCEEDINGS

location of the District's Board meeting.

Upon a motion duly made by Director Knopinski, seconded by Director McNeill and, upon vote, unanimously carried, the Board determined that certain Board members and consultants of the District would attend this meeting in person at the above-referenced location. However, 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.

Resolution No. 2022-11-01 Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices: Ms. Johnson presented the Resolution to the Board. Following review and discussion, the Board approved to meet the second Friday of November, 2023, at 8:30 a.m. to be held both virtually and physically at the office of Pure Cycle Corporation, 34501 E. Quincy Avenue, Building 65, Suite A, Watkins, Colorado 80137. Upon a motion duly made by Director Lashnits, seconded by Director Harding and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-01 Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices.

Requirements of Section 32-1-809, C.R.S. (District Transparency Notice): The Board directed the staff at CLA to prepare and post the Transparency Notice on the Special District Association website and the District's website.

Requirements of Section 32-1-306, C.R.S. (Annual Map Filing): The Board directed the staff at CLA to prepare and file the Annual Map as required.

District Insurance and Special District Association ("SDA") Membership: Following discussion, the Board directed the staff of CLA to renew the District's insurance and SDA membership for 2023.

Exclusion of Uncompensated Public Officials Form and Resolution No. 2022-11-02: Upon a motion duly made by Director Knopinski, seconded by Director Lehman and, upon vote, unanimously carried, the Board approved the Exclusion of Uncompensated Public Officials form, adopted the associated Resolution No. 2022-11-02, and authorized its submittal.

CONSENT AGENDA The Board considered the following items under the Consent Agenda:

- **Minutes from the November 12, 2021 Special Meeting**
- **2021 Annual Report**

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

RECORD OF PROCEEDINGS

PUBLIC COMMENT There were no public comments.

FINANCIAL
MATTERS

Public Hearing on Amendment to the 2022 Budget: The public hearing was opened to consider an amendment to the 2022 Budget.

It was noted that publication of a Notice stating that the Board would consider an amendment of the 2022 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.

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

Ms. Sutton reported that an amendment to the 2022 Budget was not necessary.

Public Hearing on 2023 Budget: The public hearing was opened on the proposed 2023 Budget.

It was noted that Notice stating that the Board would consider adoption 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.

Ms. Sutton presented the proposed 2023 Budget to the Board. Following review and discussion, upon a motion duly made by Director McNeill, seconded by Director Knopinski and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-03 to Adopt the 2023 Budget and Appropriate Sums of Money, and Resolution No. 2022-11-04 to Set Mill Levies (66.869 mills in the General Fund and 55.417 in the Regional Improvements Fund, for a total mill levy of 122.286 mills). 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 not later than December 15, 2022, and further directed to transmit the Certification of Budget to the Division of Local Government no later than January 31, 2023.

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 and discussion, upon a motion duly made by Director Lashnits, seconded by Director McNeill and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-05 Authorizing Imposition of the Regional Improvements Mill Levy in Accordance with the Service Plan.

DLG-70 Certification of Tax Levies: Upon a motion duly made by Director Knopinski, seconded by Director Lehman and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare the DLG-70 Certification of Tax

RECORD OF PROCEEDINGS

Levies for certification to the Board of County Commissioners and other interested parties.

Appointment of Board Member to Sign the DLG-70 Certification of Tax Levies:

Following discussion, upon a motion duly made by Director Harding, seconded by Director Lashnits and, upon vote, unanimously carried, the Board appointed Director McNeill to sign the DLG-70.

Preparation of 2024 Budget: Upon a motion duly made by Director Knopinski, seconded by Director Lashnits and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2024 Budget.

2022 Audit Exemption: Following review and discussion, upon a motion duly made by Director McNeill, seconded by Director Lehman and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2022 application for exemption from audit and authorized its submittal.

CliftonLarsonAllen LLP Statement(s) of Work for 2023 Accounting and Management Services: Following review and discussion, upon a motion duly made by Director Lashnits, seconded by Director McNeill and, upon vote, unanimously carried, the Board approved the Statements of Work for 2023 accounting and management services with CLA.

LEGAL MATTERS

Resolution No. 2022-11-06 Calling May 2, 2023 Election for Directors: Attorney Meintzer presented the Resolution to the Board. Following review and discussion, upon a motion duly made by Director Knopinski, seconded by Director McNeill and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-06 Calling May 2, 2023 Election for Directors, Appointing Lisa Jacoby as the Designated Election Official (“DEO”) and Authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

OTHER BUSINESS

Quorum for November 10, 2023 Meeting: The Board confirmed a quorum for the November 10, 2023 meeting.

ADJOURNMENT

There being no further business to come before the Board at this time, following a motion duly made by Director Knopinski, seconded by Director McNeill and, upon vote, unanimously carried, the Board adjourned the meeting at 10:00 a.m.

Respectfully submitted,

By: _____
Secretary for the Meeting

RESOLUTION NO. 2023-05-_____**RESOLUTION OF THE BOARD OF DIRECTORS OF
SKY RANCH METROPOLITAN DISTRICT NO. 5****RESOLUTION FOR EXCLUSION OF REAL PROPERTY**

A. PCY Holdings, LLC, a Colorado limited liability company (the “**Petitioners**”), the 100% fee owner of the Property (defined herein) has petitioned the Sky Ranch Metropolitan District No. 5 (the “**District**”) for the exclusion from the boundaries of said District of the real property hereinafter described on **Exhibit A** attached hereto and incorporated herein (the “**Property**”).

B. Public Notice has been published in accordance with Section 32-1-501(2), C.R.S., calling for a public hearing on the request for approval of said Petition.

C. No written objection was filed by any person in the District to the Petition.

D. The Board of Directors has taken into consideration all of the factors set forth in Section 32-1-501(3), C.R.S.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SKY RANCH METROPOLITAN DISTRICT NO. 5, ARAPAHOE COUNTY, COLORADO:

1. The Board of Directors finds that:

(a) exclusion of the Property is in the best interests of the Property to be excluded;

(b) exclusion of the Property is in the best interests of the District;

(c) exclusion of the Property is in the best interests of the county or counties in which the District is located;

(d) the relative costs to the Property to be excluded from the provision of the District’s services exceed the benefits of the Property remaining within the District’s boundaries;

(e) under its current service plan the District does not have the ability to provide economical and sufficient service to both the Property seeking exclusion and all of the properties located within the District boundaries;

(f) the District does not have the ability to provide services to the Property to be excluded at a reasonable cost compared with the cost which would be imposed by other entities in the surrounding area providing similar services;

(g) denying the petition may have a negative impact on employment and other economic conditions in the District and surrounding areas;

(h) denying the petition may have a negative economic impact on the region and on the District, surrounding area and State as a whole;

(i) an economically feasible alternative service may be available; and

(j) it should not be necessary for the District to levy any additional costs on other property within the District if the Petition for Exclusion is granted.

2. The Board of Directors of the District shall and hereby does, order that the Petition for Exclusion be granted, and the Property be excluded from the boundaries of the District subject to Petitioner paying the costs associated with processing the petition and requesting the court enter the Order for Exclusion, and recording thereof.

3. The Board of Directors of the District shall and hereby does further acknowledge and resolve that in accordance with Section 32-1-503, C.R.S., the Property described herein shall be obligated to the same extent as all other property within the District with respect to and shall be subject to the levy of taxes for the payment of that proportion of the outstanding indebtedness of the District and interest thereon existing immediately prior to the effective date of the Order for Exclusion (“**Outstanding Indebtedness**”).

4. The Board of Directors of the District shall and hereby does further order that, in accordance with Section 32-1-503(1), C.R.S., upon the effective date of the Order excluding the Property, the Property shall not be subject to any property tax levied by the Board of Directors of the District for the operating costs of the District.

5. The Board of Directors of the District shall and hereby does further resolve that in its discretion it may establish, maintain, enforce and, from time to time, modify service charges, tap fees, and other rates, fees, tolls and charges, upon residents or users in the area of the District as it existed prior to the exclusion, including the Property, to supplement the proceeds of tax levies in the payment of the Outstanding Indebtedness and the interest thereon.

The name and address of the Petitioner and the legal description of said Property are as follows:

| | |
|------------------------------------|---|
| Petitioner: | PCY Holdings, LLC |
| Address of Petitioner: | 34501 E. Quincy Ave., Bldg. 34 Watkins, CO 80137 |
| Legal Description of the Property: | Approximately 1.0 acres of land legally described on <u>Exhibit A</u> and incorporated herein by this reference. |

APPROVED AND ADOPTED _____, 2023.

**SKY RANCH METROPOLITAN
DISTRICT NO. 5**

By: _____
President

Attest:

Secretary

EXHIBIT A

Legal Description

A PARCEL OF LAND BEING A PART OF THE SOUTHEAST QUARTER OF SECTION 10, TOWNSHIP 4 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ARAPAHOE, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 10, AND CONSIDERING THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 10, BEING MONUMENTED AT THE SOUTHEAST CORNER OF SAID SECTION 10 BY A FOUND NO. 6 REBAR WITH A 3-1/4" ALUMINUM CAP SET BY PLS 38058 AND AT THE EAST QUARTER CORNER OF SAID SECTION 10 BY A FOUND 2" BRASS CAP, SET BY PLS 4043, TO BEAR NORTH 00°00'23" WEST, A DISTANCE OF 2635.60 FEET, WITH ALL BEARINGS CONTAINED HEREIN BEING RELATIVE THERETO;

THENCE NORTH 74°22'36" WEST A DISTANCE OF 421.45 FEET, TO THE **POINT OF BEGINNING**;

THENCE SOUTH 88°49'14" WEST, A DISTANCE OF 96.16 FEET;

THENCE NORTH 01°10'46" WEST, A DISTANCE OF 453.00 FEET;

THENCE NORTH 88°49'14" EAST, A DISTANCE OF 96.16 FEET;

THENCE SOUTH 01°10'46" EAST, A DISTANCE OF 453.00 FEET, TO THE **POINT OF BEGINNING**.

SAID PARCEL CONTAINING A CALCULATED AREA OF 43,560 SQUARE FEET OR 1.000 ACRE, MORE OR LESS.

CERTIFICATION

The undersigned hereby certifies that the foregoing is a true and correct copy of Resolution No. 20____-____-____, Resolution of the Board of Directors of _____ Metropolitan District, Resolution for Exclusion of Real Property.

_____ **METROPOLITAN DISTRICT**

Date: _____

By: _____
Secretary

RESOLUTION NO. 2023-05-_____**RESOLUTION OF THE BOARD OF DIRECTORS OF
SKY RANCH METROPOLITAN DISTRICT NO. 5****RESOLUTION FOR EXCLUSION OF REAL PROPERTY**

A. PCY Holdings, LLC, a Colorado limited liability company (the “**Petitioners**”), the 100% fee owner of the Property (defined herein) has petitioned the Sky Ranch Metropolitan District No. 5 (the “**District**”) for the exclusion from the boundaries of said District of the real property hereinafter described on **Exhibit A** attached hereto and incorporated herein (the “**Property**”).

B. Public Notice has been published in accordance with Section 32-1-501(2), C.R.S., calling for a public hearing on the request for approval of said Petition.

C. No written objection was filed by any person in the District to the Petition.

D. The Board of Directors has taken into consideration all of the factors set forth in Section 32-1-501(3), C.R.S.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SKY RANCH METROPOLITAN DISTRICT NO. 5, ARAPAHOE COUNTY, COLORADO:

1. The Board of Directors finds that:

(a) exclusion of the Property is in the best interests of the Property to be excluded;

(b) exclusion of the Property is in the best interests of the District;

(c) exclusion of the Property is in the best interests of the county or counties in which the District is located;

(d) the relative costs to the Property to be excluded from the provision of the District’s services exceed the benefits of the Property remaining within the District’s boundaries;

(e) under its current service plan the District does not have the ability to provide economical and sufficient service to both the Property seeking exclusion and all of the properties located within the District boundaries;

(f) the District does not have the ability to provide services to the Property to be excluded at a reasonable cost compared with the cost which would be imposed by other entities in the surrounding area providing similar services;

(g) denying the petition may have a negative impact on employment and other economic conditions in the District and surrounding areas;

(h) denying the petition may have a negative economic impact on the region and on the District, surrounding area and State as a whole;

(i) an economically feasible alternative service may be available; and

(j) it should not be necessary for the District to levy any additional costs on other property within the District if the Petition for Exclusion is granted.

2. The Board of Directors of the District shall and hereby does, order that the Petition for Exclusion be granted, and the Property be excluded from the boundaries of the District subject to Petitioner paying the costs associated with processing the petition and requesting the court enter the Order for Exclusion, and recording thereof.

3. The Board of Directors of the District shall and hereby does further acknowledge and resolve that in accordance with Section 32-1-503, C.R.S., the Property described herein shall be obligated to the same extent as all other property within the District with respect to and shall be subject to the levy of taxes for the payment of that proportion of the outstanding indebtedness of the District and interest thereon existing immediately prior to the effective date of the Order for Exclusion (“**Outstanding Indebtedness**”).

4. The Board of Directors of the District shall and hereby does further order that, in accordance with Section 32-1-503(1), C.R.S., upon the effective date of the Order excluding the Property, the Property shall not be subject to any property tax levied by the Board of Directors of the District for the operating costs of the District.

5. The Board of Directors of the District shall and hereby does further resolve that in its discretion it may establish, maintain, enforce and, from time to time, modify service charges, tap fees, and other rates, fees, tolls and charges, upon residents or users in the area of the District as it existed prior to the exclusion, including the Property, to supplement the proceeds of tax levies in the payment of the Outstanding Indebtedness and the interest thereon.

The name and address of the Petitioner and the legal description of said Property are as follows:

| | |
|------------------------------------|---|
| Petitioner: | PCY Holdings, LLC |
| Address of Petitioner: | 34501 E. Quincy Ave., Bldg. 34 Watkins, CO 80137 |
| Legal Description of the Property: | Approximately 1.0 acres of land legally described on <u>Exhibit A</u> and incorporated herein by this reference. |

APPROVED AND ADOPTED _____, 2023.

**SKY RANCH METROPOLITAN
DISTRICT NO. 5**

By: _____
President

Attest:

Secretary

EXHIBIT A

Legal Description

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COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 10, AND CONSIDERING THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 10, BEING MONUMENTED AT THE SOUTHEAST CORNER OF SAID SECTION 10 BY A FOUND NO. 6 REBAR WITH A 3-1/4" ALUMINUM CAP SET BY PLS 38058 AND AT THE EAST QUARTER CORNER OF SAID SECTION 10 BY A FOUND 2" BRASS CAP, SET BY PLS 4043, TO BEAR NORTH 00°00'23" WEST, A DISTANCE OF 2635.60 FEET, WITH ALL BEARINGS CONTAINED HEREIN BEING RELATIVE THERETO;

THENCE NORTH 77°28'31" WEST A DISTANCE OF 514.26 FEET, TO THE **POINT OF BEGINNING**;

THENCE SOUTH 88°49'14" WEST, A DISTANCE OF 96.16 FEET;

THENCE NORTH 01°10'46" WEST, A DISTANCE OF 453.00 FEET;

THENCE NORTH 88°49'14" EAST, A DISTANCE OF 96.16 FEET;

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_____ **METROPOLITAN DISTRICT**

Date: _____

By: _____
Secretary

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B. Public Notice has been published in accordance with Section 32-1-501(2), C.R.S., calling for a public hearing on the request for approval of said Petition.

C. No written objection was filed by any person in the District to the Petition.

D. The Board of Directors has taken into consideration all of the factors set forth in Section 32-1-501(3), C.R.S.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SKY RANCH METROPOLITAN DISTRICT NO. 5, ARAPAHOE COUNTY, COLORADO:

1. The Board of Directors finds that:

(a) exclusion of the Property is in the best interests of the Property to be excluded;

(b) exclusion of the Property is in the best interests of the District;

(c) exclusion of the Property is in the best interests of the county or counties in which the District is located;

(d) the relative costs to the Property to be excluded from the provision of the District’s services exceed the benefits of the Property remaining within the District’s boundaries;

(e) under its current service plan the District does not have the ability to provide economical and sufficient service to both the Property seeking exclusion and all of the properties located within the District boundaries;

(f) the District does not have the ability to provide services to the Property to be excluded at a reasonable cost compared with the cost which would be imposed by other entities in the surrounding area providing similar services;

(g) denying the petition may have a negative impact on employment and other economic conditions in the District and surrounding areas;

(h) denying the petition may have a negative economic impact on the region and on the District, surrounding area and State as a whole;

(i) an economically feasible alternative service may be available; and

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2. The Board of Directors of the District shall and hereby does, order that the Petition for Exclusion be granted, and the Property be excluded from the boundaries of the District subject to Petitioner paying the costs associated with processing the petition and requesting the court enter the Order for Exclusion, and recording thereof.

3. The Board of Directors of the District shall and hereby does further acknowledge and resolve that in accordance with Section 32-1-503, C.R.S., the Property described herein shall be obligated to the same extent as all other property within the District with respect to and shall be subject to the levy of taxes for the payment of that proportion of the outstanding indebtedness of the District and interest thereon existing immediately prior to the effective date of the Order for Exclusion (“**Outstanding Indebtedness**”).

4. The Board of Directors of the District shall and hereby does further order that, in accordance with Section 32-1-503(1), C.R.S., upon the effective date of the Order excluding the Property, the Property shall not be subject to any property tax levied by the Board of Directors of the District for the operating costs of the District.

5. The Board of Directors of the District shall and hereby does further resolve that in its discretion it may establish, maintain, enforce and, from time to time, modify service charges, tap fees, and other rates, fees, tolls and charges, upon residents or users in the area of the District as it existed prior to the exclusion, including the Property, to supplement the proceeds of tax levies in the payment of the Outstanding Indebtedness and the interest thereon.

The name and address of the Petitioner and the legal description of said Property are as follows:

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| Petitioner: | PCY Holdings, LLC |
| Address of Petitioner: | 34501 E. Quincy Ave., Bldg. 34 Watkins, CO 80137 |
| Legal Description of the Property: | Approximately 1.0 acres of land legally described on <u>Exhibit A</u> and incorporated herein by this reference. |

APPROVED AND ADOPTED _____, 2023.

**SKY RANCH METROPOLITAN
DISTRICT NO. 5**

By: _____
President

Attest:

Secretary

EXHIBIT A

Legal Description

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COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 10, AND CONSIDERING THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 10, BEING MONUMENTED AT THE SOUTHEAST CORNER OF SAID SECTION 10 BY A FOUND NO. 6 REBAR WITH A 3-1/4" ALUMINUM CAP SET BY PLS 38058 AND AT THE EAST QUARTER CORNER OF SAID SECTION 10 BY A FOUND 2" BRASS CAP, SET BY PLS 4043, TO BEAR NORTH 00°00'23" WEST, A DISTANCE OF 2635.60 FEET, WITH ALL BEARINGS CONTAINED HEREIN BEING RELATIVE THERETO;

THENCE NORTH 79°37'10" WEST A DISTANCE OF 608.11 FEET, TO THE **POINT OF BEGINNING**;

THENCE SOUTH 88°49'14" WEST, A DISTANCE OF 96.16 FEET;

THENCE NORTH 01°10'46" WEST, A DISTANCE OF 453.00 FEET;

THENCE NORTH 88°49'14" EAST, A DISTANCE OF 96.16 FEET;

THENCE SOUTH 01°10'46" EAST, A DISTANCE OF 453.00 FEET, TO THE **POINT OF BEGINNING**.

SAID PARCEL CONTAINING A CALCULATED AREA OF 43,560 SQUARE FEET OR 1.000 ACRE, MORE OR LESS.

CERTIFICATION

The undersigned hereby certifies that the foregoing is a true and correct copy of Resolution No. 20____-____-____, Resolution of the Board of Directors of _____ Metropolitan District, Resolution for Exclusion of Real Property.

_____ **METROPOLITAN DISTRICT**

Date: _____

By: _____
Secretary