

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
PROSPER REGIONAL WATER & SANITATION SERVICE
METROPOLITAN DISTRICT
(THE "DISTRICT")
HELD
JULY 11, 2023

A special meeting of the Board of Directors of the Prosper Regional Water & Sanitation Service Metropolitan District (the "Board") was convened on Tuesday, July 11, 2023 at 4:00 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Maribeth D'Amico, President
Kari Wright, Secretary/Treasurer
Don Sullivan, Assistant Secretary
William Smith; Assistant Secretary

Also In Attendance Were:

Denise Denslow and Sandy Brandenburger; CliftonLarsonAllen LLP
MaryAnn McGeady, Esq. and Craig Sorensen; McGeady Becher P.C.
Brandon Collins, P.E.; Independent District Engineering Services, LLC ("IDES")
Jeff Vogel; Vogel & Associates

ADMINISTRATIVE MATTERS

Call to Order and Approval of Agenda: The meeting was called to order at 4:01 p.m. Upon a motion duly made by Director Wright, seconded by Director Sullivan and, upon vote, unanimously carried, the Board approved the agenda, as presented.

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State and to the Board. The members of the Board were requested to 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 statute. No new conflict disclosures were provided by the Directors. It was noted by Mr. Sorensen that disclosures of potential conflicts of interest were previously filed with the Secretary of State for all directors.

Quorum, Location of Meeting, Meeting Notices: Ms. Denslow confirmed the presence of a quorum. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the

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District's Board meeting.

Ms. Denslow 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 by taxpaying electors within the District's boundaries.

Results of Cancelled May 2, 2023 Directors' Election and appointment of officers: Mr. Sorensen provide the Board with the results of the cancelled May 2, 2023 Directors' Election. The Board determined the slate of officers would remain the same as follows:

President: Maribeth D'Amico
Secretary/Treasurer: Kari Wright
Assistant Secretary: Don Sullivan
Assistant Secretary: William Smith

Public Comment: There were no public comments.

CONSENT AGENDA

- **Approval of Minutes of November 14, 2022 Special Meeting**

Ms. Denslow reviewed the Consent Agenda item with the Board. Upon a motion duly made by Director Sullivan, seconded by Director Wright and upon vote unanimously carried, the Board approved, ratified approval of, or directed compliance with (as appropriate), the Consent Agenda items/actions listed above.

LEGAL MATTERS

Discuss and consider adoption of Resolution No. 2023-06-01, Resolution Calling a Special Election Within the District on November 7, 2023 to be Conducted as an Independent Mail Ballot Election, Submitting to the Eligible Electors of the District Questions Relating to the Issuance of Debt and Approving Other Matters in Connection Therewith: Attorney McGeady provided an update to the Board recommending a November election. Director D'Amico inquired to the estimated cost and Mr. Sorensen responded that he would review from the past organization election costs from the inactive districts and provide an estimate to the Board. Following discussion, upon a motion duly made by Director Sullivan, seconded by Director Smith and, upon vote, unanimously carried, the Board adopted Resolution No. 2023-06-01, Resolution Calling a Special Election Within the District on November 7, 2023 to be Conducted as an Independent Mail Ballot Election, Submitting to the Eligible Electors of the District Questions Relating to the Issuance of Debt and Approving Other Matters in Connection Therewith.

Discuss Senate Bill 23-108 (Allowing Temporary Reductions in Property Taxes Due) and potential impact on 2024 budget process and strategy: Attorney McGeady updated the Board and informed them that the Districts will not be affected.

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Discuss legislative changes that may impact the District / Annual Meeting requirement: Attorney McGeady updated the Board and informed them that the Districts will not be affected since there are no residents.

Discuss potential inclusion of wellhead into one of the Prosper Districts (relating to the Oil and Gas Lease between Prosper Coordinating MD and Crestone Peak Resources Operating, LLC): Mr. Sorensen stated that this was a carry over from the November meeting, and asked of any follow ups. Attorney McGeady provided an update noting that they are technically owners for a portion of the property but there is no drilling for that portion.

FINANCIAL MATTERS

Ratify approval, execution and filing of Application for Exemption from Audit for 2022: Ms. Denslow updated the Board noting the 2022 Audit Exemption was filed in March. Upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board ratified approval for the execution and filing of Application for Exemption from Audit for 2022.

CONSTRUCTION MATTERS

There were no Construction Matters discussed.

MANAGER MATTERS

There were no Manager Matters discussed.

OTHER BUSINESS

The Board determined to cancel the July 26, 2023 meeting.

ADJOURNMENT

There being no other business to come before the Board, Ms. Denslow adjourned the meeting at 4:34 p.m.

Respectfully submitted,

DocuSigned by:

kari wright

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Secretary for the Meeting