

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
PROSPER COORDINATING METROPOLITAN DISTRICT
(THE "DISTRICT")
HELD
JULY 11, 2023

A special meeting of the Board of Directors of the Prosper Coordinating 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 District's Board meeting.

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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**
- **Ratify approval of No Surface Occupancy Oil and Gas Lease between Prosper Coordinating Metropolitan district and Crestone Peak Resources Operating, LLC, Memorandum of Oil & Gas Lease, and Order of Payment**

Ms. Denslow reviewed the Consent Agenda items 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.

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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.

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.

Discuss issues relating to right-of-way and construction of an extension to Colfax Ave., related easements, and potential cost sharing agreement between Prosper Coordinating MD and JL Group, LLC for design and construction of such extension. Authorize any necessary actions in connection therewith: Director D'Amico inquired about the construction and requested an update by Mr. Vogel. Mr. Vogel informed the Board that the District would have to dedicate part of the right-of-way and pay for half of the road in exchange for the right-of-way addition the District is wanting on the east side to connect to Watkins farm. The JL Group, LLC has been communicated with, but he has yet to receive any response.

Director D'Amico requested the Board's authorization to handle any necessary actions in connection therewith if needed. Following discussion, upon a motion duly made by Director Wright, seconded by Director Smith and, upon vote, unanimously carried, the Board authorized Director D'Amico to handle any actions in connection therewith relating to the issues of the right-of-way and construction and related easements.

FINANCIAL MATTERS

Claims: Ms. Denslow reviewed the claims list with the Board. Following review and discussion, upon a motion duly made by Director Sullivan, seconded by Director Wright and, upon vote, unanimously carried, the Board ratified the approval of paid claims in the amount of \$229,173.37.

April 30, 2023 Financial Statements and June 2023 Schedule of Cash Position: Ms. Denslow reviewed the April 30, 2023 Unaudited Financial Statements and June 2023 Schedule of Cash Position with the Board. Director Wright inquired regarding the payment on the "tract not being classified as an asset (lease agreement of \$1,865) and it was noted that it was a lease rather than a purchase. Director Wright also asked about the storage costs and nothing being showed on the April financials. Following review and discussion, upon a motion duly made by Director D'Amico, seconded by Director Sullivan and, upon vote,

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unanimously carried, the Board accepted the April 30, 2023 Unaudited Financial Statements and the June 2023 Schedule of Cash Position, as presented.

2022 Audit and authorization of execution of Representations Letter: Ms. Denslow reviewed with the Board. Following discussion, upon a motion duly made by Director Smith, seconded by Director Wright and, upon vote, unanimously carried, the Board approved the 2022 Audit, subject to a clean opinion from the Auditor and authorized the execution of the Representations Letter. Director D’Amico requested the Representations Letter be sent as soon as possible for her signage. Ms. Denslow will inform the Accounting team to make that available immediately.

CONSTRUCTION MATTERS

Presentation of Construction Status Report By Independent District Engineering Services, LLC (“IDES”): Mr. Collins indicated that he is working on the cost certification with Director D’Amico.

Contracts, Change Orders, Work Order and LAPs: No items were presented for approval.

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