

RECORD OF PROCEEDINGS

MINUTES OF AN ORGANIZATIONAL MEETING OF
THE BOARD OF DIRECTORS OF THE
DAKOTA RIDGE METROPOLITAN DISTRICT (THE "DISTRICT")
HELD
December 7, 2021

An organizational meeting of the Board of Directors of the Dakota Ridge Metropolitan District (referred to hereafter as the "Board") was convened on December 7, 2021 at 3:30 p.m. via Zoom. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Lisa Albers
Shannon Pachikara
Melanie Freeman
Chelsey Green

Director Trujillo was absent and excused.

Also, In Attendance Were:

Paula Williams, Esq. and Jessie Stamper; McGeady Becher P.C.
Jason Carroll and Denise Denslow; CliftonLarsonAllen LLP ("CLA")

CALL TO ORDER

The meeting was called to order at 3:32 p.m.

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. The members of the Board were requested 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 statute. It was noted by Attorney Williams that disclosures of potential conflicts of interest were filed with the Secretary of State for all directors, and no additional conflicts were disclosed at the meeting.

ADMINISTRATIVE MATTERS

Quorum/Confirmation of Meeting Location/Posting of Notice: Attorney Williams confirmed the presence of a quorum.

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, and upon motion duly made by Director Albers, seconded by Director Green and, upon vote, unanimously carried, the Board determined to conduct the meeting via Zoom and encouraged public participation via Zoom. The Board further noted that notice providing the time, date and video link information was duly posted and that no objections, or any requests that the means of hosting the meeting be changed by taxpaying electors within the District's boundaries.

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Agenda: The Board reviewed the Agenda for the meeting. Following discussion, upon motion duly made by Director Albers, seconded by Director Green and, upon vote, unanimously carried, the Board approved the Agenda, as amended with the addition of engagement of bond consulting team and excused the absence of Director Trujillo.

Oaths of Office and Organizational Documents: Attorney Williams confirmed the filing of the Oaths of Office and organizational documents.

Appointment of Officers: Following discussion, upon motion duly made by Director Albers, seconded by Director Green and, upon vote, unanimously carried, the following slate of officers were appointed for the District:

President: Lisa Albers
Secretary: Chelsey Green
Treasurer: Michele Trujillo
Assistant Secretaries: Shannon Pachikara and Melanie Freeman
Recording Secretary: Denise Denslow

Public Comment: There were no public comments.

Engagement of McGeady Becher P.C. as District Counsel: Following discussion, upon a motion duly made by Director Albers, seconded by Director Green and, upon vote, unanimously carried, the Board approved the engagement of McGeady Becher P.C. as District Counsel.

Engagement of D.A. Davidson & Co. for Investment Banking Services: Following discussion, upon a motion duly made by Director Albers, seconded by Director Green and, upon vote, unanimously carried, the Board approved the engagement of D.A. Davidson & Co. for Investment Banking Services.

Master Service Agreement and Statements of Work with CliftonLarsonAllen LLP for District Management and Accounting Services: Following discussion, upon a motion duly made by Director Albers, seconded by Director Green and, upon vote, unanimously carried, the Board approved the Master Service Agreement and Statements of Work with CliftonLarsonAllen LLP for District Management and Accounting Services.

Master Service Agreement for Engineering and Cost Verification Services with Kimley-Horn and Associates, Inc.: Following discussion, upon a motion duly made by Director Albers, seconded by Director Green and, upon vote, unanimously carried, the Board approved the Master Service Agreement for Engineering and Cost Verification Services with Kimley-Horn and Associates, Inc.

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Resolution Establishing Regular Meeting Dates, Time and Location, Establishing District Website and Designation of 24-Hour Posting Location: The Board discussed the business to be conducted in 2022. Following discussion, upon motion duly made by Director Albers, seconded by Director Green and, upon vote, unanimously carried, the Board adopted the Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices and determined to hold 2022 meetings virtually on May 4, 2022 at 3:30 and November 2, 2022 at 6:00 p.m.

Engagement of Archipelago Web Inc. or other provider for website creation and maintenance services and authorize necessary actions in connection therewith: Following discussion, upon a motion duly made by Director Green, seconded by Director Albers and, upon vote, unanimously carried, the Board approved the engagement of Archipelago Web Inc. or other provider for website creation and maintenance services and authorize necessary actions in connection therewith, with the use of either www.dakotaridgemetro.com or www.dakotaridgemd.com if possible.

Resolution to obtain insurance coverage through the Colorado Special Districts Property and Liability Pool and authorize membership in the Special District Association: Attorney Williams discussed the need for insurance of the Board and the process of obtaining same. Following discussion, upon a motion duly made by Director Albers, seconded by Director Green and, upon vote, unanimously carried, the Board adopted the Resolution to obtain insurance coverage through the Colorado Special Districts Property and Liability Pool and authorize membership in the Special District Association and directed staff to take necessary steps in obtaining same.

Agency Services Agreement with T. Charles Wilson Insurance Service, Inc.: Following discussion, upon a motion duly made by Director Green, seconded by Director Albers and, upon vote, unanimously carried, the Board approved the Agenda Services Agreement with T. Charles Wilson Insurance Service, Inc..

Payment of Directors' fees: Following discussion, the Board waived directors' fees and workers compensation insurance.

FINANCIAL MATTERS

(1) Form SS-4 Application for Employer Identification Number; (2) Application for Sales Tax Exemption for Colorado Organizations; and (3) Application by Official Custodian for Assignment of PDPA Number for Public Funds Deposited in Banks: Following discussion, upon a motion duly made by Director Green, seconded by Director Albers and, upon vote, unanimously carried, the Board ratified approval of the execution of (1) Form SS-4 Application for Employer Identification Number; (2) Application for Sales Tax Exemption for Colorado Organizations; and (3) Application by Official

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Custodian for Assignment of PDPA Number for Public Funds Deposited in Banks.

Establishment of a policy authorizing investments in accordance with state statutes: Following discussion, upon a motion duly made by Director Green, seconded by Director Albers and, upon vote, unanimously carried, the Board approved the establishment of a policy authorizing investments in accordance with state statutes.

Establishment of operating account and authorize all Board Members to be signers on the account: Mr. Carroll reviewed the information on the bank account options. Following discussion, upon a motion duly made by Director Green, seconded by Director Albers and, upon vote, unanimously carried, the Board authorized an account at First Bank, authorized proceeding with the paperwork to appoint Director Green and Director Albers as account signers.

Preparation of 2021 and 2022 Budgets: Following discussion, upon a motion duly made by Director Green, seconded by Director Albers and, upon vote, unanimously carried, the Board ratified the appointment of the District Accountant to prepare the 2021 and 2022 budgets.

Public Hearing on 2021 Budget: Director Green opened the public hearing to consider the proposed 2021 Budget and to discuss related issues.

It was noted that Notice stating that the Board would consider adoption of the 2021 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.

Mr. Carroll reviewed the estimated 2021 expenditures and the proposed 2021 expenditures with the Board.

Upon motion duly made by Director Green, seconded by Director Albers and, upon vote, unanimously carried, the Board approved the 2021 Budget, as discussed, and considered adoption of the Resolution to Adopt the 2021 Budget and Appropriate Sums of Money and Resolution to Set Mill Levies. 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 Jefferson County not later than December 15, 2021. District Counsel was directed to transmit the Certification of Budget to the Division of Local Government no later than January 31, 2022.

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Public Hearing on 2022 Budget: Director Green opened the public hearing to consider the proposed 2022 Budget and to discuss related issues.

It was noted that Notice stating that the Board would consider adoption of the 2022 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.

Mr. Carroll reviewed the estimated 2022 expenditures and the proposed 2022 expenditures with the Board.

Upon motion duly made by Director Green, seconded by Director Albers and, upon vote, unanimously carried, the Board approved the 2022 Budget, as discussed, and considered adoption of the Resolution to Adopt the 2022 Budget and Appropriate Sums of Money and Resolution to Set Mill Levies. 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 Jefferson County not later than December 15, 2021. District Counsel was directed to transmit the Certification of Budget to the Division of Local Government no later than January 31, 2022.

DLG-70 Mill Levy Certification Form: Following discussion, upon motion duly made by Director Green, seconded by Director Albers and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 Mill Levy Certification Form for certification to the Board of County Commissioners and other interested parties.

Application for 2021 Audit Exemption: The Board discussed appointing the District Accountant to prepare and file the Application for Audit Exemption for 2021. Following discussion, upon a motion duly made by Director Green, seconded by Director Albers and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare and file the Application for Audit Exemption for 2021.

Preparation of 2023 Budget: Following discussion, upon a motion duly made by Director Green, seconded by Director Albers and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2023 budget.

Bond issuance matters: Attorney Williams discussed the projected timeline with the Board. No further action was taken.

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Engagement of Bond Consulting Team: Following discussion, upon a motion duly made by Director Green, seconded by Director Albers and, upon vote, unanimously carried, the Board ratified the engagement of Sherman & Howard, L.L.C. as Bond Counsel and ratified the engagement of King & Associates, Inc. for preparation of the market study.

LEGAL MATTERS

Operation Funding Agreement by and between the District and Meritage Homes of Colorado, Inc.: Attorney Williams briefed the Board, noting the revision to reflect the budget shortfall amount of \$120,000.00. Following discussion, upon a motion duly made by Director Green, seconded by Director Albers and, upon vote, unanimously carried, the Board approved the Operation Funding Agreement between the District and Meritage Homes of Colorado, Inc.

Facilities Funding and Acquisition Agreement by and between the District and Meritage Homes of Colorado, Inc.: Following discussion, upon a motion duly made by Director Green, seconded by Director Albers and, upon vote, unanimously carried, the Board approved the Facilities Funding and Acquisition Agreement between the District and Meritage Homes of Colorado, Inc.

Resolution Providing Policy Regarding Recording of Public and Executive Session Meetings: Following discussion, upon a motion duly made by Director Green, seconded by Director Albers and, upon vote, unanimously carried, the Board adopted the Resolution Providing Policy Regarding Recording of Public and Executive Session Meetings.

Resolution Providing for the Defense and Indemnification of Directors and Employees of the District: Following discussion, upon a motion duly made by Director Green, seconded by Director Albers and, upon vote, unanimously carried, the Board adopted the Resolution Providing for the Defense and Indemnification of Directors and Employees of the District.

Resolution Declaring District's Intent to Reimburse Expenditures with the Proceeds of Future Tax-Exempt Bonds: Following discussion, upon a motion duly made by Director Green, seconded by Director Albers and, upon vote, unanimously carried, the Board adopted the Resolution Declaring District's Intent to Reimburse Expenditures with the Proceeds of Future Tax-Exempt Bonds.

Resolution of the District's Intent to Reimburse Developer for Advances for Operations, Maintenance and Capital Expenses: Following discussion, upon a motion duly made by Director Green, seconded by Director Albers and, upon vote, unanimously carried, the Board adopted the Resolution of the District's Intent to Reimburse Developer for Advances for Operations, Maintenance and Capital Expenses.

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Resolution Regarding Colorado Open Records Act Requests: Following discussion, upon a motion duly made by Director Green, seconded by Director Albers and, upon vote, unanimously carried, the Board adopted 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 Green, seconded by Director Albers and, upon vote, unanimously carried, the Board adopted the Resolution Regarding the Retention and Disposal of Public Records and Adopting a Public Records Retention Schedule.

Section 32-1-809, C.R.S. Requirements (Transparency Notice): Attorney Williams discussed the special district transparency requirements of Section 32-1-809, C.R.S. with the Board. Following discussion, upon a motion duly made by Director Green, seconded by Director Albers and, upon vote, unanimously carried, the Board directed District Counsel to post the special district transparency notice on the Special District Association website.

Resolution Calling May 3, 2022 Election: The Board discussed the May 3, 2022 election. Following discussion, upon motion duly made by Director Green, seconded by Director Albers and, upon vote, unanimously carried, the Board adopted the Resolution Calling a May 3, 2022 Directors' Election which appointed Jessie Stamper as the Designated Election Official and authorized her to perform all tasks required for the May 3, 2022 Regular Election of the Board of Directors for the conduct of a mail ballot election.

Public Hearing on Petition for Inclusion of approximately 2.421 acres of real property into boundaries of the District and adoption of Resolution for Inclusion of Real Property: Director Green opened the public hearing on the Petition for Inclusion. It was noted that publication of Notice stating that the District Board would consider approving the inclusion of property into the District was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No further public comments were received, and the public hearing was closed.

Following discussion, upon motion duly made by Director Green, seconded by Director Albers and, upon vote, unanimously carried, the Board approved the Petition for Inclusion of approximately 2.421 acres of real property into the boundaries of the district and adopted the Resolution for Inclusion of Real Property.

Resolution Regarding the Imposition of District Fees: The Board deferred discussion of this matter.

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COVENANT
ENFORCEMENT/
DESIGN REVIEW

Declaration of Covenants and Design Review Committee: The Board discussed the Covenants, noting they were drafted and are under review. No further action was taken.

CONSTRUCTION
MATTERS

Development / Construction Outlook: It was reported that the Developer anticipates construction to begin in late spring. No further action was taken.


OTHER BUSINESS

Consent to be listed on McGeady Becher P.C. website: Following discussion, upon motion duly made by Director Albers, seconded by Director Green and, upon vote, unanimously carried, the Board approved the consent to be listed on the McGeady Becher P.C. website.

ADJOURNMENT

There being no further business to come before the Board at this time, the meeting was adjourned.

Respectfully submitted,

By 
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 Secretary for the Meeting