

## RECORD OF PROCEEDINGS

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### MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE DOLORES CANYON METROPOLITAN DISTRICT NO. 1

HELD  
DECEMBER 2, 2021

A special meeting of the Board of Directors of the Dolores Canyon Metropolitan District No. 1 (referred to hereafter as the "District") was convened on Tuesday, the 2nd day of December, 2021, at 9:00 a.m. via Zoom video/telephone conference. The meeting was open to the public.

#### ATTENDANCE

##### Directors In Attendance Were:

John A. Sisson

##### Also In Attendance Were (via speakerphone):

James Ruthven; Special District Management Services, Inc.

MaryAnn McGeady, Esq.(for a portion of the meeting) and Craig Sorensen; McGeady Becher P.C.

Colleen Slear; Hendricks Investment Holdings, LLC

#### DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

**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 McGeady noted that disclosures of potential conflict of interest statements for Director Sisson were filed with the Secretary of State at least seventy-two hours in advance of the meeting, and requested that Director Sisson consider whether he had any additional conflicts of interest to disclose. Attorney McGeady noted for the record that there were no new disclosures made by the Director present at the meeting and incorporated for the record those applicable disclosures made by the Board member prior to this meeting and in accordance with the statutes.

#### ADMINISTRATIVE MATTERS

**Agenda:** Mr. Ruthven reviewed with the Board a proposed Agenda for the District's Special meeting.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Agenda was approved, as amended.

**Meeting Location /Posting of Meeting Notices:** The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of

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the District's board meeting. The Board determined that the meeting would be held by video/telephonic means without any individuals (neither District Representatives nor the General Public) attending in person. Mr. Ruthven 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 by taxpaying electors within the District boundaries have been received.

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### **LEGAL MATTERS**

**Intergovernmental Wastewater Treatment Plant Funding Agreement between the District and Mesa County Gateway Public Improvement District ("Wastewater Agreement")**: Attorney McGeady informed the Board that the Wastewater Agreement was finalized (with minor changes) and signed subsequent to the December 2, 2020 board meeting.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board acknowledged execution of the Wastewater Agreement.

**Water Rights and Water Facilities Acquisition**: No discussion was held. Ms. Slear indicated there was no action needed on this item.

**Engagement of John Williams as Special Counsel**: Attorney McGeady recommended that the Board engage John Williams as special counsel to negotiate a PIF revenue sharing agreement with the Gateway-Unawep Fire Protection District and/or Mesa County. She noted that the previous PIF revenue sharing agreement with the Mesa County Gateway Public Improvement District has been terminated.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board approved the engagement of John Williams as special counsel, and directed the staff to work with Attorney Williams to get the necessary agreement in place.

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### **ADMINISTRATIVE MATTERS** (continued)

**Minutes**: The Board reviewed the Minutes of the December 2, 2020 Special Meeting.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board approved the Minutes of the December 2, 2020 Special Meeting.

**Resolution Establishing Regular Meeting Dates, Times and Location, Establishing District Website, and Designating Location for Posting of 24-Hour Notices**: The Board discussed Resolution No. 2021-12-01; Resolution Establishing Regular Meeting Dates, Times and Location, Establishing District Website, and Designating Location for Posting of 24-Hour Notices.



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Mr. Ruthven reviewed the business to be conducted in 2022 to meet the statutory compliance requirements. The Board determined to schedule a regular meeting for December 1, 2022 at 9:00 a.m., such meeting to be held virtually.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board adopted Resolution No. 2021-12-01; Resolution Establishing Regular Meeting Dates, Times and Location, Establishing District Website, and Designating Location for Posting of 24-Hour Notices.

**Establishment of District Website:** Mr. Sorensen Mr. Sorensen discussed with the Board the new statutory requirement for the District to have a functioning website by January 1, 2023. It was noted that a website application submitted to the Colorado Statewide Internet Portal Authority (“SIPA”) at this point is unlikely to be processed prior to the January 1, 2023 deadline. Mr. Sorensen suggested the District engage Archipelago Web Inc. to create and maintain the District’s website, for a fee of \$675.00 for initial setup and \$8.00 per month in hosting fees.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board authorized the engagement of Archipelago Web Inc. to create and maintain the District’s website, and directed the District Manager to work with Archipelago Web to set up the website.

**§32-1-809, C.R.S. Reporting Requirements, Mode of Eligible Elector Notification for 2021 (on SDA Website):** Mr. Sorensen discussed with the Board §32-1-809, C.R.S. reporting requirements and mode of eligible elector notification for 2022. Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board directed the District Manager to post the required transparency notice information on the Special District Association’s website.

### **FINANCIAL MATTERS**

**Claims:** The Board considered ratifying the approval of the payment of claims through the periods ending:

	Period ending Dec. 15, 2020	Period ending Jan. 14, 2021	Period ending Feb. 9, 2021	Period ending March 22 2021
General Fund	\$ 1,106.58	\$ 1,677.91	\$ 16,504.19	\$ 1,726.36
Debt Service Fund	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects Fund	\$ 516.97	\$ 699.49	\$ 1,241.01	\$ 600.29
<b>Total Claims</b>	<b>\$ 1,623.55</b>	<b>\$ 2,377.40</b>	<b>\$ 17,745.20</b>	<b>\$ 2,326.65</b>

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	Period ending April 13, 2021	Period ending May 14, 2021	Period ending June 22, 2021	Period ending July 20, 2021
General Fund	\$ 671.20	\$ 382.80	\$ 403.70	\$ 275.81
Debt Service Fund	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects Fund	\$ 316.80	\$ 281.60	\$ 281.60	\$ 205.80
<b>Total Claims</b>	<b>\$ 988.00</b>	<b>\$ 664.40</b>	<b>\$ 685.30</b>	<b>\$ 481.61</b>

	Period ending Aug. 19, 2021	Period ending Sept. 23, 2021	Period ending Oct. 15, 2021	Period ending Nov. 18, 2021
General Fund	\$ 430.20	\$ 350.28	\$ 2,770.43	\$ 354.12
Debt Service Fund	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects Fund	\$ 253.80	\$ 210.92	\$ 189.00	\$ 247.33
<b>Total Claims</b>	<b>\$ 684.00</b>	<b>\$ 561.20</b>	<b>\$ 2,959.43</b>	<b>\$ 601.45</b>

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board ratified approval of the payment of claims, as presented.

**Unaudited Financial Statements:** Mr. Ruthven discussed with the Board the unaudited financial statements of the District setting forth the cash deposits, investments, budget analysis, and accounts payable vouchers for the period ending September 30, 2021.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending September 30, 2021.

**2020 Application for Exemption from Audit:** The Board reviewed the 2020 Application for Exemption from Audit.

Following review and discussion, upon motion duly made and seconded by Director Sisson, and upon vote, unanimously carried, the Board ratified approval of the preparation, execution and filing of the Application for Exemption from Audit for 2020.

**2021 Application for Exemption from Audit:** Following discussion, upon motion duly made and seconded by Director Sisson, and upon vote, unanimously carried, the Board appointed the District Accountant, James Ruthven, to prepare the Application for Exemption from Audit for 2021.

**2021 Budget Amendment Hearing:** The President opened the public hearing to consider an amendment to the 2021 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider an amendment to 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



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objections were received prior to this public hearing. There were no comments from the public in attendance and the public hearing was closed.

It was determined that no amendment to the 2021 Budget was required.

**2022 Budget Hearing:** The President opened the public hearing to consider the proposed 2022 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption 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 this public hearing. No public comments were received and the public hearing was closed.

Mr. Ruthven reviewed the estimated year-end 2021 revenues and expenditures and the proposed 2022 estimated revenues and expenditures. It was determined that no mill levy would be certified.

Following review and discussion, the Board considered the adoption Resolution No. 2021-12-02, Resolution to Adopt the 2022 Budget and Appropriate Sums of Money. Upon motion duly made and seconded by Director Sisson, the Resolution was adopted, as discussed, and execution of the Certification of Budget was authorized. Mr. Ruthven was authorized to transmit the (zero) Certification of Mill Levies to Mesa County not later than December 15, 2021. Mr. Ruthven was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2022. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference

**DLG-70 Mill Levy Certification Form:** The Board considered authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form (zero mill levy) for certification to the Board of County Commissioners and other interested parties.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form (zero mill levy) for certification to the Board of County Commissioners and other interested parties.

**2023 Budget Preparation:** The Board discussed the preparation of the 2023 Budget.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2023 Budget, and set the date for the public hearing to consider adoption of the 2023 Budget for December 1, 2022.

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### LEGAL MATTERS (continued)

**Resolution No. 2021-12-03 ; Resolution Calling a Regular Election for Directors on May 3, 2022:** The Board the considered the adoption of the Resolution No. 2021-12-03, Resolution Calling a Regular Election for Directors on May 3, 2022, appointing the Designated Election Official ("DEO"), and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election. The Board also discussed the need for ballot issues and/or questions.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board adopted the Resolution No. 2021-12-03; Resolution Calling a Regular Election for Directors on May 3, 2022, appointing James Ruthven as Designated Election Official ("DEO"), and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

### OTHER MATTERS

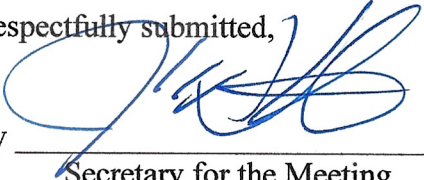
There was no other business at this time.

### ADJOURNMENT

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

Respectfully submitted,

By

  
Secretary for the Meeting