

## RECORD OF PROCEEDINGS

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

HELD  
DECEMBER 5, 2019

A regular meeting of the Board of Directors (referred to hereafter as the "Board") of the Dolores Canyon Metropolitan District No. 1 (referred to hereafter as the "District") was convened on Thursday, the 5<sup>th</sup> day of December, 2019, at 9:00 a.m., at Gateway Canyons Resort-Small Conference Room, 43200 Highway 141, Gateway, Colorado. The meeting was open to the public.

#### ATTENDANCE

##### Directors In Attendance Were:

John A. Sisson

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

Lisa A. Johnson, Steve Beck and Brian Bowers; Special District Management Services, Inc.

Craig Sorensen and MaryAnn McGeady Esq.; McGeady Becher P.C.

Tia Cudahy; Hendricks Investment Holdings, LLC

Colleen Slear; Hendricks Investment Holdings, LLC (for a portion of the meeting)

John Williams Esq.; John Williams Legal, 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 Directors present at the meeting and incorporated for the record those applicable disclosures made by the Board members prior to this meeting and in accordance with the statutes.

#### ADMINISTRATIVE MATTERS

Agenda: Ms. Johnson reviewed with the Board a proposed Agenda for the District's regular meeting.

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

**Minutes:** The Board reviewed the Minutes of the December 10, 2018 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 10, 2018 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. 2019-12-01; Resolution Establishing Regular Meeting Dates, Times and Location, Establishing District Website, and Designating Location for Posting of 24-Hour Notices.

Ms. Johnson reviewed the business to be conducted in 2020 to meet the statutory compliance requirements. The Board, determined to meet December 3, 2020 at 9:00 a.m. at the Gateway Canyons Resort Small Conference Room, 43200 Highway 141, Gateway, Colorado.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-12-01; Resolution Establishing Regular Meeting Dates, Times and Location, Establishing District Website and Designating Location for Posting of 24-Hour Notices. A copy of the resolution is attached hereto and incorporated herein by this reference.

**Eligible Governmental Entity Agreement ("EGE") between the Statewide Internet Portal Authority ("SIPA") and the District:** Discussion was deferred to the next meeting.

**McGeady Becher P.C. Document Retention Policy:** Attorney McGeady presented to the Board the update to the McGeady Becher P.C. Document Retention Policy. The Board approved the update and directed a copy of the approved, updated McGeady Becher P.C. Document Retention Policy be attached to the minutes of this meeting. Accordingly, a copy of the updated McGeady Becher P.C. Document Retention Policy is attached hereto and incorporated herein by this reference.

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### **FINANCIAL MATTERS**

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

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	Period ending Dec. 31, 2018	Period ending Jan.31, 2019	Period ending Feb. 28, 2019	Period ending March 31, 2019
General Fund	\$ 797.81	\$ 1,340.73	\$ 3,408.53	\$ 1,054.00
Debt Service Fund	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects Fund	\$ 558.96	\$ 761.72	\$ 630.31	\$ 498.80
<b>Total Claims</b>	<b>\$ 1,356.77</b>	<b>\$ 2,102.45</b>	<b>\$ 4,038.84</b>	<b>\$ 1,552.80</b>

	Period ending April 30, 2019	Period ending May 31, 2019	Period ending June 30, 2019	Period ending July 31, 2019
General Fund	\$ 635.79	\$ 270.58	\$ 165.10	\$ 190.70
Debt Service Fund	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects Fund	\$ 407.40	\$ 198.80	\$ 123.20	\$ 102.20
<b>Total Claims</b>	<b>\$ 1,043.19</b>	<b>\$ 469.38</b>	<b>\$ 288.30</b>	<b>\$ 292.90</b>

	Period ending Aug. 31, 2019	Period ending Sept.30, 2019	Period ending Oct. 31, 2019	Period ending Nov.30, 2019
General Fund	\$ 439.90	\$ 3049.71	\$ 635.33	\$ 908.95
Debt Service Fund	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects Fund	\$ 299.80	\$ 897.00	\$ 385.02	\$ 230.40
<b>Total Claims</b>	<b>\$ 739.70</b>	<b>\$ 3,946.71</b>	<b>\$ 1,020.35</b>	<b>\$ 1,139.35</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. Beck. 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, 2019.

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, 2019.

**2018 Application for Exemption from Audit:** Ms. Johnson reviewed with the Board the 2018 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 2018.

**2019 Budget Amendment Hearing:** The President opened the public hearing to consider the Resolution to Amend the 2019 Budget and discuss related issues. It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2019 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No

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written objections were received prior to this public hearing. No public comments were received, and the public hearing was closed.

Following discussion, the Board determined that a 2019 Budget Amendment was not needed.

**2020 Budget Hearing:** The President opened the public hearing to consider the proposed 2020 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2020 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.

Ms. Johnson reviewed the estimated 2019 expenditures and proposed 2020 expenditures.

The Board discussed the mill levy and determined that no mill levy will be certified.

Following discussion, the Board considered the adoption of the Resolution to Adopt the 2020 Budget and Appropriate Sums of Money. Upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, Resolution No. 2019-12-03 was adopted, as discussed, and execution of the Certification of Budget was authorized. Ms. Johnson was authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2020. A copy of the adopted Resolution is attached to these Minutes 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 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.

**2021 Budget Preparation:** The Board discussed the preparation of the 2021 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 2021 Budget. The Board determined to hold the public hearing to

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consider adoption of the 2021 Budget on Thursday, December 3, 2020 at 9:00 a.m. at the regular meeting location.

**ColoTrust Account:** Ms. Johnson and Mr. Beck discussed with the Board the benefits of opening a ColoTrust Account, including the liquid nature of the account and the beneficial interest rates.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board authorized the District Accountant to open a ColoTrust account.

### **LEGAL MATTERS**

**Intergovernmental Priority PIF Revenue-Sharing Agreement (“Revenue-Sharing IGA”):** Attorney McGeady noted that the agenda item has been revised to reflect that the Board is discussing the status of the “Intergovernmental Priority PIF Revenue-Sharing Agreement” between the District and the Mesa County Gateway Public Improvement District, and not the “Intergovernmental Agreement Regarding the Provision of Water Service” between those entities.

Attorney McGeady informed the Board that, pursuant to the Board’s direction, the Revenue-Sharing IGA has been terminated.

**Mesa County Gateway Public Improvement District:** The Board discussed the authorization of Attorney John Williams as Special Counsel on matters related to the Mesa County Gateway Public Improvement District.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board ratified the authorization of Attorney John Williams as Special Counsel on matters related to the Mesa County Gateway Public Improvement District.

**Water Rights and Water Facilities Acquisition** There was nothing new to report.

**May 5, 2020 Election Resolution:** The Board discussed Resolution No. 2019-11-03; Resolution Calling a Regular Election for Directors on May 5, 2020, appointing the Designated Election Official (“DEO”) and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-11-03; Resolution Calling a Regular Election for Directors on May 5, 2020, appointing the DEO and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

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### OTHER MATTERS

**§32-1-809, C.R.S. Reporting Requirements, Mode of Eligible Elector Notification for 2020 (on SDA Website):** The Board discussed §32-1-809, C.R.S. reporting requirements and mode of eligible elector notification for 2020.


Following discussion, upon motion duly made and seconded by Director Sisson and, upon vote, unanimously carried, the Board determined to post the required transparency notice information on the Special District Association's website.

### 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