

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE DENARGO MARKET METROPOLITAN DISTRICT NO. 1 HELD NOVEMBER 15, 2022

A Regular Meeting of the Board of Directors (referred to hereafter as the “Board”) of the Denargo Market Metropolitan District No. 1 (referred to hereafter as the “District”) was held on Tuesday, the 15th day of November 2022, at 4:30 p.m. The District Board meeting was held and properly noticed to be held via Zoom. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Laura H. Newman
Jeffrey D. Jones
Wade Davidson
Todd Wenskoski

Also In Attendance Were:

Ann Finn; Special District Management Services, Inc. (“SDMS”)

Paula Williams, Esq. and Erica Montague, Esq.; McGeady Becher P.C.

Lindsay Ross; CliftonLarsonAllen LLP

Shannon Cox Baker; Pennrose, LLC (for a portion of the meeting)

Mike Kuyper and Matt; Triunity Engineering & Management, Inc. (for a portion of the meeting)

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 and to the Secretary of State. It was noted that disclosures of potential conflicts of interest statements for each of the Directors had been filed with the Secretary of State seventy-two hours in advance of the meeting. Attorney Williams requested that the Directors consider whether they had any additional conflicts of interest to disclose. Director Wenskoski noted for the record that his company, Livable Cities Studio, Inc. has been engaged by Pennrose, LLC to provide landscape architecture services on the 2700 Wewatta Project. There were no additional disclosures made by the Directors present at the meeting and the Board incorporated for the record those

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applicable disclosures made by the Board members prior to this meeting in accordance with the statutes.

ADMINISTRATIVE MATTERS

Confirmation of Quorum, Location of Meeting and Posting of Meeting Notices: Ms. Finn 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. It was noted that the District Board meeting was held and properly noticed to be held by video / telephonic means via Zoom. The Board further noted that notice of the time, date and meeting access information was duly posted and that no objections, or any requests that the means of hosting the meeting be changed were received from taxpaying electors within the District's boundaries.

Agenda: Ms. Finn reviewed with the Board a proposed Agenda for the District's Regular Meeting.

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

Resolution of Appreciation for Donald D. Cabrera: Ms. Finn presented a Resolution of Appreciation for Donald D. Cabrera.

Following discussion, upon motion duly made by Director Newman, seconded by Director Jones and, upon vote, unanimously carried, the Board approved the Resolution of Appreciation for Donald D. Cabrera.

Minutes: The Board reviewed the Minutes of the September 20, 2022 Regular Meeting and November 1, 2022 Special Meeting.

Following discussion, upon motion duly made by Director Newman, seconded by Director Jones and, upon vote unanimously carried, the Minutes of the September 20, 2022 Regular Meeting and November 1, 2022 Special Meeting were approved, as presented.

Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting 24-Hour Notices: The Board discussed the Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices.

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Ms. Finn reviewed the business to be conducted in 2023 to meet the statutory compliance requirements. The Board determined to meet on March 14, 2023, June 20, 2023, September 19, 2023 and November 14, 2023 at 4:30 p.m., via Zoom meeting.

Following discussion, upon motion duly made by Director Jones, seconded by Director Newman 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. A copy of the Resolution is attached hereto and incorporated herein by this reference.

CONSENT AGENDA

The Board considered the following actions:

- Authorize posting of the Transparency Notice on the Special District Association website, in compliance with requirements of Section 32-1-809, C.R.S.
- Acknowledge approval of 2022-2025 Operation Funding Agreement by and between the District and JV Denargo LLC.
- Acknowledge approval of 2022-2025 Facilities Funding and Acquisition Agreement by and between the District and JV Denargo LLC.
- Ratify approval of Change Order to Service Agreement for Site Inspection Services/Construction Oversight by and between the District and Triunity Engineering & Management, INC. for review of development applications.
- Ratify approval of ROW Permit with Hooper Corporation.
- Ratify approval of ROW Permit with Sage Telecommunications Corp. of Colorado, LLC, d/b/a Sage Telecommunications Corporation.
- Ratify approval of ROW Permit with Ad Light Group.
- Ratify approval of proposal from BrightView Landscape Services, Inc. for erosion repair work.

Following discussion, upon motion duly made by Director Wenskoski, seconded by Director Newman and, upon vote, unanimously carried, the Board approved and/or ratified approval of the Consent Agenda items.

PUBLIC COMMENT

There were no public comments.

FINANCIAL MATTERS

Claims: The Board considered ratifying the approval of the payment of claims as follows:

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Fund	Period Ending Sept. 30, 2022	Period Ending October 31, 2022
General	\$ 13,897.27	\$ 22,129.56
Debt Service	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ 931.00
Total	\$ 13,897.27	\$ 23,060.56

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

Unaudited Financial Statements: Ms. Ross reviewed the Unaudited Financial Statements through the period ending September 30, 2022 and Schedule of Cash Position, updated as of October 24, 2022, with the Board.

Following review, upon motion duly made by Director Jones, seconded by Director Newman and, upon vote, unanimously carried, the Board accepted the Unaudited Financial Statements through the period ending September 30, 2022 and Schedule of Cash Position, updated as of October 24, 2022.

2022 Budget Amendment Hearing: The President opened the public hearing to consider the Resolution to Amend the 2022 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 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.

Following review and discussion, upon motion duly made by Director Newman, seconded by Director Jones and, upon vote, unanimously carried, the Board adopted the Resolution to Amend the 2022 Budget. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

2023 Budget Hearing: The President opened the public hearing to consider the proposed 2023 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2023 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 or at this public hearing. No public comments were received and the President closed the public hearing.

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Ms. Ross reviewed the estimated year-end 2022 revenues and expenditures and the proposed 2023 estimated revenues and expenditures.

The Board discussed the mill levy and determined that 0.000 mills would be certified.

Following discussion, upon motion duly made by Director Newman, seconded by Director Jones and, upon vote, unanimously carried, the Board adopted the Resolution to Adopt the 2023 Budget and Appropriate Sums of Money and the Resolution to Set Mill Levies, as discussed, and execution of the Certification of Budget was authorized. Ms. Finn was authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2023. A copy of the adopted Resolutions are attached to these Minutes and incorporated herein by this reference.

DLG-70 Certification of Tax Levies Form (“Certification”): The Board considered authorizing the District Accountant to prepare and the appointment of Director Newman to sign the Certification for transmittal to the Assessor and other interested parties.

Following discussion, upon motion duly made by Director Newman, seconded by Director Jones and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare the Certification and for Director Newman to execute same for transmittal to the Denver Assessor and other interested parties. The Board further authorized Director Newman to approve bank fund transfers.

CliftonLarsonAllen LLP Statements of Work by and between the District and CliftonLarsonAllen LLP for 2023 Accounting Services: The Board reviewed the CliftonLarsonAllen LLP Statements of Work.

Following review, upon motion duly made by Director Wenskoski, seconded by Director Newman and, upon vote, unanimously carried, the Board approved the CliftonLarsonAllen LLP Statements of Work by and between the District and CliftonLarsonAllen LLP for 2023 Accounting Services.

2022 Audit: The Board reviewed the proposal from Dazzio & Associates, P.C. to perform the 2022 Audit.

Following discussion, upon motion duly made by Director Jones, seconded by Director Davidson and, upon vote, unanimously carried, the Board approved the engagement of Dazzio & Associates, P.C. to perform the 2022 Audit, for an amount not to exceed \$4,200.

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2024 Budget Preparation: The Board discussed the preparation of the 2024 Budget.

Following discussion, upon motion duly made by Director Jones, seconded by Director Davidson and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2024 Budget.

LEGAL MATTERS

Resolution Calling a Regular Election on May 2, 2023, Appointing the Designated Election Official (“DEO”), and Authorizing the DEO to Perform all Tasks Required for the Conduct of Mail Ballot Election (“Election Resolution”): The Board discussed the Election Resolution.

Following discussion, upon motion duly made by Director Newman, seconded by Director Wenskoski and, upon vote, unanimously carried, the Board adopted the Election Resolution. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

Service Plan Amendment: Attorney Williams updated the Board regarding timing for submittal of the proposed Service Plan Amendment for review by the City Council of the City and County of Denver.

License Agreement with Commercial User for Encroachment of Private Improvements on District Owned Property: The Board deferred consideration of this matter.

Sidewalk Easement Agreement by and among the District, Pennrose, LLC and JV Denargo LLC: Attorney Williams reviewed with the Board a Sidewalk Easement Agreement by and among the District, Pennrose, LLC and JV Denargo LLC, related to the 2700 Wewatta Project.

Following discussion, upon motion duly made by Director Newman, seconded by Director Jones and, upon vote, unanimously carried, the Board approved the Sidewalk Easement by and among the District, Pennrose, LLC and JV Denargo LLC.

OPERATION AND MAINTENANCE

Change Order No. 1 to Service Agreement with Brightview Landscape Services, Inc. for Snow Removal Services: The Board reviewed Change Order No. 1 to Service Agreement with Brightview Landscape Services, Inc. for snow removal services.

Following discussion, upon motion duly made by Director Newman, seconded by Director Wenskoski and, upon vote, unanimously carried, the Board ratified

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approval of Change Order No. 1 to Service Agreement with Brightview Landscape Services, Inc. for snow removal services.

Service Agreement/Change Order with Brightview Landscape Services, Inc. for 2023 Landscape Maintenance Services: The Board reviewed a Service Agreement/Change Order with Brightview Landscape Services, Inc. for 2023 landscape maintenance services.

Following discussion, upon motion duly made by Director Newman, seconded by Director Wenskoski and, upon vote, unanimously carried, the Board approved the Service Agreement/Change Order with Brightview Landscape Services, Inc. for 2023 landscape maintenance services.

Service Agreement with Colorado Lighting, Inc. for Site Lighting Maintenance Services: The Board reviewed a Service Agreement with Colorado Lighting, Inc. for site lighting maintenance services.

Following discussion, upon motion duly made by Director Newman, seconded by Director Wenskoski and, upon vote, unanimously carried, the Board approved the Service Agreement with Colorado Lighting, Inc. for site lighting maintenance services.

Service Agreement/Change Order with Diversified Underground, Inc. for Locate Services: The Board reviewed a Service Agreement/Change Order with Diversified Underground, Inc. for locate services.

Following discussion, upon motion duly made by Director Newman, seconded by Director Wenskoski and, upon vote, unanimously carried, the Board approved the Service Agreement/Change Order with Diversified Underground, Inc. for locate services.

Service Agreement/Change Order with Denver Metro Protective Services for Security Services: The Board reviewed a Service Agreement/Change Order with Denver Metro Protective Services for security services.

Following discussion, upon motion duly made by Director Newman, seconded by Director Wenskoski and, upon vote, unanimously carried, the Board approved the Service Agreement/Change Order with Denver Metro Protective Services for security services.

O&M Analysis from ETM Associates: Director Newman informed the Board that she expects to receive the O&M Analysis from ETM Associates within the next two weeks.

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OTHER MATTERS

Pennrose, LLC (2700 Wewatta Way) Project: Ms. Cox Baker updated the Board regarding the status of the Pennrose, LLC (2700 Wewatta Way) Project, noting the closing on the property is scheduled for December 8, 2022 with construction to begin December 12, 2022.

Relocation of Xcel/Comcast/District pedestals onto the City and County of Denver ROW: The Board entered into discussion regarding the relocation of the District's pedestal.

Following discussion, upon motion duly made by Director Jones, seconded by Director Newman and, upon vote carried, with Director Wenskoski abstaining, the Board authorized the District to engage Hooper Corporation, or another contractor to relocate the District's pedestal, for an amount not to exceed \$15,000.

Establishment of a Construction Committee: The Board entered into discussion regarding the establishment of a Construction Committee.

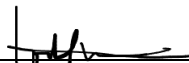
Following discussion, upon motion duly made by Director Jones, seconded by Director Newman and, upon vote carried, with Director Wenskoski abstaining, the Board appointed Directors Newman and Davidson to the Construction Committee.

Construction Oversight/Site Inspections/Development Application Reviews (Triunity): Mr. Kuyper updated the Board regarding status of recent plan reviews for the 2700 Wewatta Project.

ADJOURNMENT

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

Respectfully submitted,

By:  _____
Secretary for the Meeting