

**MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
PALISADE METROPOLITAN DISTRICT NO. 1 (THE “DISTRICT”)
HELD
NOVEMBER 17, 2021**

A special meeting of the Board of Directors of the District (referred to hereafter as the “Board”) was convened on Wednesday, the 17th day of November, 2021, at 9:00 A.M. The District Board meeting was held and properly noticed to be held at 1531 Market Street, 2nd Floor, Denver, Colorado, with Director Gilmore attending in person, and all others in attendance attending by video / telephonic means via Zoom. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Garrett Baum
William Branyan
Bonner Gilmore

Following discussion, upon motion duly made by Director Branyan, seconded by Director Gilmore and, upon vote unanimously carried, the absence of Director Tamra Schneider and Director Kevin Schneider were excused.

Also In Attendance Were:

Megan Becher; McGeady Becher P.C.
Jason Carroll; CliftonLarsonAllen LLP
David Lucas; Sherman & Howard L.L.C. (for a portion of the meeting)
Matthew Chorske; Piper Sandler & Co. (for a portion of the meeting)

ADMINISTRATIVE
MATTERS

Disclosures of Potential Conflicts of Interest: The Board noted that disclosures of potential conflict of interest statements for each of the Directors were filed with the Secretary of State seventy-two hours in advance of the meeting. Attorney Becher requested that the Directors consider whether they had any additional conflicts of interest to disclose. Attorney Becher 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.

Quorum, Meeting Location and Posting of Meeting Notices: A quorum for the special meeting was confirmed. 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 at the aforementioned location with Director Gilmore attending in person, and all others in attendance attending by video / telephonic

means via Zoom. The Board further noted that notice providing the physical meeting location and Zoom access information was duly posted and that they have not received any objections or any requests that the means of hosting the meeting be changed by taxpaying electors within the District's boundaries.

Agenda: Attorney Becher distributed for the Board's review and approval an Agenda for the District's special meeting. Following discussion, upon motion duly made by Director Branyan, seconded by Director Gilmore and, upon vote, unanimously carried, the Agenda was approved.

Public Comment: There was no public comment.

Minutes of the July 15, 2021 and August 27, 2021 Special Meetings and the August 30, 2021 Continued Special Meeting: The Board reviewed the Minutes of the July 15, 2021 and August 27, 2021 Special Meetings and the August 30, 2021 Continued Special Meeting. Following review and discussion, upon motion duly made by Director Branyan, seconded by Director Gilmore, and upon vote unanimously carried, the Board approved the Minutes of the July 15, 2021 and August 27, 2021 Special Meetings and the August 30, 2021 Continued Special Meeting.

2022 Regular Meeting Schedule/Resolution Establishing Regular Meeting Dates, Time, and Location and Designating Location for Posting of 24-Hour Notices ("Regular Meeting and Posting Resolution"): The Board determined to hold its regular meetings in 2022 on March 3, June 9, September 8 and November 10, 2022 at 9:00 a.m., with all meetings to be held virtually. Following discussion, upon a motion duly made by Director Branyan, seconded by Director Gilmore, and upon vote unanimously carried, the Board adopted the Regular Meeting and Posting Resolution.

Renewal of District Insurance Coverage through the Colorado Special Districts Property and Liability Pool and the Special District Association ("SDA") Membership: Attorney Becher reviewed the statutory requirements for insurance coverage with the Board.

Following discussion, upon a motion duly made by Director Branyan, seconded by Director Gilmore, and upon vote unanimously carried, the Board approved renewing the District's general liability insurance coverage, public officials' coverage, workers' compensation coverage and instructed consultants to proceed accordingly. The Board further directed renewal of the District's SDA membership.

Status of District Website: The Board discussed the status of creation of a District website.

Engagement of Archipelago Web Inc. for Website Creation: Following discussion, upon a motion duly made by Director Branyan, seconded by Director Gilmore, and upon vote unanimously carried, the Board approved the engagement of Archipelago Web Inc. for website creation and maintenance services and authorized District staff to take necessary actions to facilitate creation of a District website.

Eligible Governmental Entity Agreement with Colorado Statewide Internet Portal Authority: Following discussion, upon a motion duly made by Director Branyan, seconded by Director Gilmore, and upon vote unanimously carried, the Board approved the termination of the Eligible Governmental Entity Agreement with the Colorado Statewide Internet Portal Authority previously approved by the District.

FINANCIAL MATTERS

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

Financial Statements: The Board reviewed the District's unaudited financial statements for the period ending September 30, 2021.

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

Claims: Mr. Carroll presented interim claims in the amount of \$12,664.14 for ratification and current claims in the amount of \$2,432.85 for approval by the Board. Following review, upon motion duly made by Director Branyan, seconded by Director Gilmore and, upon vote unanimously carried, the Board ratified and/or approved, as appropriate, the payment of interim claims in the amount of \$12,664.14 and current claims in the amount of \$2,432.85.

Public Hearing on Amendment to 2021 Budget: The Board opened the public hearing to consider an amendment to the 2021 Budget.

It was noted that publication of the place, date and time of the hearing was made in accordance with the applicable statutory requirements. There was no public in attendance. The public hearing was closed.

Following discussion, the Board determined that an Amendment to the 2021

Budget was not necessary.

Public Hearing on 2022 Budget: The Board then opened the public hearing to consider the District's proposed 2022 Budget and 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 2021 expenditures and the proposed 2022 expenditures with the Board.

Upon motion duly made by Director Branyan, seconded by Director Gilmore, and upon vote unanimously carried, the Board approved the 2022 Budget, as discussed, and considered adoption of a Resolution to Adopt the 2022 Budget and Appropriate Sums of Money and a Resolution to Set Mill Levies (11.095 mills in the General Fund and 49.928 mills in the Debt Service Fund, for a total mill levy of 61.023 mills). 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 City and County of Broomfield Assessor 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 30, 2022.

DLG-70 Mill Levy Certification Form: Following discussion, upon motion duly made by Director Branyan, seconded by Director Gilmore 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 City and County of Broomfield Assessor and other interested parties.

Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Service Plan: Following discussion, it was determined that a Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Service Plan was not necessary.

Appointment of District Accountant to Prepare the 2023 Budget: Following discussion, the Board appointed the District Accountant to prepare the 2023 Budget.

Engagement of Simmons & Wheeler, P.C. to Prepare 2021 Audit: Following discussion, upon motion duly made by Director Branyan, seconded by Director

Gilmore and, upon vote, unanimously carried, the Board approved the engagement of Simmons & Wheeler, P.C. to prepare the District's 2021 Audit.

LEGAL
MATTERS

Palisade Metropolitan District No. 2 ("District No. 2") issuance of its Series 2021 Loan (the "2021 Loan"): Attorney Lucas and Mr. Chorske reviewed the parameters of District No. 2's 2021 Loan issuance with the Board.

Status of City and County of Broomfield ("City") approval of Bond Issuance Plan: Attorney Becher advised the Board that the Bond Issuance Plan was sent to the City on September 30, 2021 and that Acknowledgement and Consent had been received from the City on October 22, 2021.

Resolution authorizing the District to enter into a Second Amended and Restated Capital Pledge Agreement with District No. 2 for the purpose of providing revenue to District No. 2, to fund the repayment of the 2021 Loan to be issued by District No. 2; approving the form of such Second Amended and Restated Capital Pledge Agreement; authorizing the execution and delivery by the District thereof and performance by the District thereunder; approving related financing documents in connection therewith; authorizing incidental action; repealing prior inconsistent actions; and establishing the effective date thereof ("Pledge Resolution"): The Board deferred adoption of the Pledge Resolution until Friday, November 19, 2021 at 1:00 p.m.

Intergovernmental Agreement for Operations Cost Sharing between the District and District No. 2: The Board deferred discussion on this item.

Tract Ownership and Status of Conveyance of Tract(s) to the District: The Board deferred discussion of this matter.

Conveyance of Public Improvements to the District: The Board deferred discussion of this matter.

Amended County Road 7 Escrow Account Letter Agreement by and between the District and District No. 2, dated July 28, 2021: Following discussion, upon motion duly made by Director Branyan, seconded by Director Baum and, upon vote, unanimously carried, the Board ratified approval of the Amended County Road 7 Escrow Account Letter Agreement by and between the District and District No. 2, dated July 28, 2021.

May 3, 2022 Regular Directors Election: Attorney Becher provided information to the Board regarding new legislative requirements related to the May 3, 2022 Regular Directors Election.

Resolution Calling May 3, 2022 Election for Directors, appointing Designated Election Official ("DEO") and authorizing the DEO to perform

all tasks required for the conduct of a mail ballot election (“Election Resolution”): Following discussion, upon motion duly made by Director Branyan, seconded by Director Baum and, upon vote, unanimously carried, the Board adopted the Election Resolution, noting that Lisa A. Jacoby would serve as DEO and that obtaining proposals relative to this service would not be necessary.

§32-1-809, C.R.S. Reporting Requirements (Transparency Notice) and Direct Mode of Eligible Elector Notification: Attorney Becher discussed the special district transparency notice requirements of §32-1-809, C.R.S. with the Board. Following discussion, the Board directed District Counsel to post the Transparency Notice on the SDA website.


CONSTRUCTION MATTERS

District Construction Process: The Board deferred discussion of this matter.

ADJOURNMENT

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

Respectfully submitted,

By  _____
Secretary for the Meeting