

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF
MARKET STATION METROPOLITAN DISTRICT NO. 1
(F/K/A DUS METROPOLITAN DISTRICT NO. 4)
HELD
NOVEMBER 4, 2019

A special meeting of the Board of Directors (“Board”) of the Market Station Metropolitan District No. 1 (“District”), City and County of Denver, Colorado, was convened on Monday, November 4, 2019 at 9:00 a.m., at the office of Continuum Partners, 1881 16th Street, #500, Denver Colorado 80202. The special meeting was called and held in accordance with the applicable statutes of the State of Colorado, with the following Directors present and acting. The meeting was open to the public.

ATTENDANCE

Directors in Attendance Were:

Roger Pecsok, President
Lenn Moldenhauer, Secretary
Jen Walker, Treasurer
Mark Falcone, Assistant Secretary

Also in Attendance Were:

Elisabeth A. Cortese, Esq., McGeady Becher P.C.
Deborah Sedgeley, CliftonLarsonAllen LLP

ADMINISTRATIVE MATTERS

Disclosure of Potential Conflicts of Interest: Attorney Cortese 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 with regard to 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 Cortese that disclosures of potential conflicts of interest were filed with the Secretary of State by the statutory deadline.

Agenda: The Board reviewed the Agenda for the meeting. Following discussion and upon motion duly made by Director Moldenhauer, seconded by Director Walker and, upon vote, unanimously carried, the Board approved the Agenda, as amended, and excused the absence of

Director Duffy.

Meeting Location: The Board entered into discussions regarding 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 Moldenhauer, seconded by Director Walker and, upon vote, unanimously carried, the Board determined that because there is not a suitable or convenient location within its boundaries, it was determined to conduct the meeting at the above-stated date, time and location. The Board further noted that notice of this location was posted within the boundaries of the District and the Board had not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within the boundaries of the District.

Designation of 24-Hour Posting Location: Following discussion, upon motion duly made by Director Moldenhauer, seconded by Director Walker and, upon vote, unanimously carried, the Board determined that notices of meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted within the boundaries of the District as least 24 hours prior to each meeting at the following location: on fence within the boundaries of the District.

Public Comment: None.

Minutes of November 16, 2018 Special Meeting: The Board reviewed the Minutes of the November 16, 2018 Special Meeting. Following review and discussion, upon motion duly made by Director Walker, seconded by Director Moldenhauer and, upon vote, unanimously carried, the Board approved the Minutes, as presented.

District Insurance: The Board approved renewing the District's general liability insurance coverage, workers' compensation coverage and instructed consultants to proceed accordingly. The Board further directed renewal of the District's Special District Association membership.

New Legislation Regarding Posting Meeting Notices and Establishment of a District Website: Attorney Cortese reviewed with the Board the recent change in legislation that authorizes the posting of meeting notices on the District's website as opposed to three physical locations within the boundaries of the District. Attorney Cortese noted the statute does require designating one physical location for the posting of notices in the event the District's website is not functioning and posting on the website cannot occur.

Eligible Governmental Entity Agreement: Following discussion, upon motion duly made by Director Moldenhauer, seconded by Director Walker

and, upon vote, unanimously carried, the Board approved the Eligible Governmental Entity Agreement with the State of Colorado Statewide Internet Portal Authority for establishing a District website and authorized all actions necessary in connection therewith.

Resolution No. 2019-11-01; Establishing Regular Meeting Dates, Time and Location, Establishing District Website, and Designating Location for Posting of 24-Hour Notices: The Board discussed the business to be conducted in 2020. Following discussion, upon a motion duly made by Director Walker, seconded by Director Moldenhauer and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-11-01; Establishing Regular Meeting Dates, Time, and Location, Establishing District Website, and Designating Location for Posting of 24-Hour Notices and determined to hold a 2020 meeting on November 9, 2020 at 9:00 a.m. at the office of Continuum Partners, 1881 16th Street, 5th Floor, Denver, Colorado.

Section 32-1-809, C.R.S., Requirements (Transparency Notice): Attorney Cortese discussed the special district transparency requirements of Section 32-1-809, C.R.S., with the Board. Following discussion, the Board directed District Counsel to post the special district transparency notice on the Special District Association website.

FINANCIAL MATTERS

Unaudited Financial Statements and Statement of Cash Position: Ms. Sedgley reviewed the Unaudited Financial Statements and Cash Position for the period ending September 30, 2019 with the Board. Following discussion, upon motion duly made by Director Walker, seconded by Director Falcone and, upon vote, unanimously carried, the Board accepted the Unaudited Financial Statements and Cash Position as presented.

Payment of Claims: Ms. Sedgley reviewed the payment of claims in the amount of \$34,776.90 for ratification and \$3,074.79 for approval. Following discussion, upon motion duly made by Director Walker, seconded by Director Falcone and, upon vote, unanimously carried, the Board ratified and approved, as appropriate, the payment of claims in the amounts presented.

2018 Audit Exemption Application: Following discussion, upon motion duly made by Director Moldenhauer, seconded by Director Walker and, upon vote, unanimously carried, the Board ratified approval of the 2018 Audit Exemption Application.

Status of Cost Verification Report and Acceptance of Costs: The Board discussed the status and timing for cost verification and agreed that the cost verification process would be conducted at the end of the project.

2019 Budget Amendment Hearing: The President opened the public hearing to consider amending the 2019 Budget.

It was noted that Notice stating that the Board would consider amending the 2019 Budget and the date, time and place of the public hearing was published in a newspaper having general circulation within the District, in accordance with statutory requirements. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Following discussion, upon motion duly made by Director Falcone, seconded by Director Walker and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-11-02, Amending the 2019 Budget.

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

It was noted that Notice stating that the Board would consider adoption of the 2020 Budget and the date, time and place of the public hearing was published in a newspaper having general circulation within the District, in accordance with statutory requirements. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Sedgeley reviewed the estimated 2019 expenditures and proposed 2020 expenditures with the Board.

Following discussion, the Board considered the adoption of the Resolution No. 2019-11-03 to Adopt the 2020 Budget and Appropriate Sums of Money and Resolution No. 2019-11-04 to Set Mill Levies (at 15.000 mills in the General Fund). Upon motion duly made by Director Walker, seconded by Director Moldenhauer and, upon vote, unanimously carried, Resolution Nos. 2019-11-03 and 2019-11-04 were adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2019. Legal Counsel was authorized to transmit the Certification of Mill Levies to the City and County of Denver, not later than December 15, 2019. Legal Counsel was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2020.

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 Denver Assessor and other interested parties. Following discussion, upon motion duly made by

Director Walker, seconded by Director Moldenhauer 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 Denver Assessor and other interested parties.

2019 Audit Exemption: Following discussion, upon motion duly made by Director Walker, seconded by Director Moldenhauer and, upon vote, unanimously carried, the Board appointed CliftonLarsonAllen LLP (“District Accountant”) to prepare and file the 2019 Audit Exemption Application.

2021 Budget: Following discussion, upon motion duly made by Director Walker, seconded by Director Moldenhauer and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2021 budget. The Board directed that the 2021 draft budget be the same as the 2020 adopted budget unless a Board member provides input to otherwise adjust those assumptions.

LEGAL MATTERS

Termination of Service Agreement: Following discussion, upon motion duly made by Director Walker, seconded by Director Moldenhauer and, upon vote, unanimously carried, the Board ratified the Termination of Service Agreement for District Engineering and Cost Verification Services with Manhard Consulting, Ltd.

Service Agreement for District Engineering and Cost Verification Services: Following discussion, upon motion duly made by Director Walker, seconded by Director Moldenhauer and, upon vote, unanimously carried, the Board ratified approval of the Service Agreement for District Engineering and Cost Verification Services with Ranger Engineering, LLC.

Resolution No. 2019-11-05 Calling May 5, 2020 Election: The Board discussed the May 5, 2020 Election. Following discussion, upon motion duly made by Director Moldenhauer, seconded by Director Walker and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-11-05 Calling a May 5, 2020 Directors’ Election which appointed Jennifer S. Henry as the Designated Election Official and authorized her to perform all tasks necessary for the May 5, 2020 Regular Election of the Board of Directors for the conduct of a mail ballot election.

Cooperation Agreement between the District and Market Station Metropolitan District No. 2: Discussion deferred.

CONSTRUCTION MATTERS

Report on Status of Development: Director Pecsok reported on the status of development and construction. Completion is expected in 2020.

Service Agreement for Facilities Management Services: Discussion deferred.

OTHER BUSINESS

The Board discussed TIF revenue and requested Attorney Cortese compile information regarding TIF revenue.

ADJOURNMENT

The meeting was adjourned.

The foregoing record constitutes a true and correct copy of the Minutes of the above-referenced meetings.

Lenn A. Moldenhauer

Secretary