

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE MIDCITIES METROPOLITAN DISTRICT NO. 2 HELD APRIL 25, 2023

A Regular meeting of the Board of Directors (referred to hereafter as “Board”) of the MidCities Metropolitan District No. 2 (referred to hereafter as “District”) was held on Tuesday, the 25th day of April, 2023 at 1:00 p.m. This District Board meeting was held via Zoom without any individuals (neither District Representatives or the General Public) attending in person, and was open to the public.

ATTENDANCE

Directors In Attendance Were:

Douglas McCormick
Greg Patrick
Charles Tash
Kael T. Russell

Following discussion, upon motion duly made by Director McCormick, seconded by Director Patrick and, upon vote, unanimously carried, the absence of Director Turtle, was excused.

Also In Attendance Were:

David Solin; Special District Management Services, Inc.

Paul Cockrel, Esq.; Cockrel Ela Glesne Greher & Ruhland, P.C.

Alex Saltzgaver; Collins Engineers, Inc.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: Attorney Cockrel reported that, in accordance with statutory requirements, Disclosure of Potential Conflict of Interest Statements were previously filed by Directors McCormick with the District and the Secretary of State disclosing potential conflicts of interest, because of such Director respective previous or current ownership, directorship and officership interests in or employment relationships with companies which previously owned and developed property within the District and/or MidCities Metropolitan District No. 2 (referred to hereafter as “District No. 2” and together with the District, the “Districts”) or which were involved in the development of such property, including entering into various construction, funding, acquisition and reimbursement, and management contracts with the Districts, including without limitation the Funding Agreement, the Amended and Restated Reimbursement Agreement, the Parking Garage Lease Purchase Agreement and the Infrastructure Acquisition Agreement (collectively referred to hereafter as

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“Coalton Contracts”). Director Douglas McCormick has disclosed his former involvement as a member, officer or director of, or as owners or creditors having a direct or indirect financial interest in, Alliance Commercial Holdings I, LLC (referred to hereafter as “Alliance Holdings”), which was the manager of Coalton Associates, LLC (referred to hereafter as “Coalton Associates”), which was a member and the sole owner of Coalton Acres, LLC (referred to hereafter as “Coalton Acres”), which had, but now has sold or disposed of, various land ownership and/or development interests within the Districts. Coalton Acres also was a member of Coalton Holdings, LLC (“Coalton Holdings” and together with Coalton Acres, “Coalton”), which also had, but now has disposed of, its land ownership and/or development interests within the District.

The Disclosure of Potential Conflict of Interest Statements were incorporated into the record of the meeting and will be deemed continuing until modified or withdrawn.

All Directors present stated that the participation of at least three of them in the regular meeting was necessary to obtain a quorum of the Board or otherwise enable the Board to act; that written disclosures of such potential conflicts of interest of each Director had previously been filed with the Districts and the Secretary of State in accordance with statutory requirements; and that the nature of each Director’s private interests related to the ownership, creditor or employment relationships or directorship or officership positions in companies, including Coalton, which formerly owned and developed property within the Districts, and is a party to and has interests under the Coalton Contracts. After each Director had summarily stated for the record the fact and nature of his private interests and further stated that the determination to participate in voting or to take any other action on any contract or other matter in which a Director may have a private interest would be made in compliance with Section 24-18-201(1)(b)(V), C.R.S., on an ad hoc basis, the Board turned its attention to the agenda items. All disclosures of potential conflicts of interest of the Directors shall be deemed continuing in nature until withdrawn.

ADMINISTRATIVE MATTERS

Agenda: The Board reviewed the proposed Agenda for the District’s Special Meeting.

Following discussion, upon motion duly made by Director McCormick, seconded by Director Patrick, upon vote, unanimously carried, the Board approved the Agenda, as presented.

Approval of Meeting Location: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District Board meetings.

Following discussion, the Board determined that this Regular Meeting will be held via Zoom. No members of the General Public were in attendance.

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Minutes: The Board reviewed the Minutes of the March 21, 2023 Regular Meeting.

Following discussion, upon motion duly made by Director Tash, seconded by Director McCormick, upon vote, unanimously carried, the Board approved the Minutes of the March 21, 2023 Regular Meeting, as presented.

PUBLIC COMMENT

There was no public comment.

FINANCIAL MATTERS

Payment of Claims: The Board considered ratifying approval of the payment of claims for the periods ending as follows:

Fund	Period ending March 31, 2023	Period ending April , 2023
General	\$ 3,774.15	\$,23,695.23
Debt	\$ -0-	\$ -0-
Capital	\$ 665.83	\$ 1,790.83
Total	\$ 4,439.98	\$ 25,486.06

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

2022 Audit: Review of the 2022 Draft Audit was deferred.

LEGAL MATTERS

Resolution Designating Posting Location to Post Notice: The Board reviewed the Resolution Designating Posting Location to Post Notice.

Following discussion, upon motion duly made by Director McCormick, seconded by Director Russell and, upon vote, unanimously carried, the Board adopted the Resolution Designating Posting Location to Post Notice.

CAPITAL MATTERS

Parking Structure Project: Mr. Solin updated the Board on the status of the parking structure project. Mr. Solin noted that the elevator completion is anticipated to be the final part of the project.

Retaining Wall Repair Work: Mr. Solin updated the Board on the status of the retaining wall repair work.

Retaining Wall Drain Hole Bid from Consolidated Divisions, Inc Db a CDI Environmental Contractors: The Board reviewed the retaining wall drain hole bid from Consolidated Divisions, Inc Db a CDI Environmental Contractors.

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Following discussion, upon motion duly made by Director Tash, seconded by Director Russell and, upon vote, unanimously carried, the Board ratified approval of the retaining wall drain hole bid from Consolidated Divisions, Inc DbA CDI Environmental Contractors.

Trail Completion Project: Mr. Solin updated the Board on the status of the Trail Completion Project.

Following discussion, upon motion duly made by Director Tash, seconded by Director Russell and, upon vote, unanimously carried, the Board approved the proposal in the amount not to exceed \$2,800, for a photometric study by AE Design.

OTHER MATTERS

None.

ADJOURNMENT

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

Respectfully submitted,

By: 

Secretary for the Meeting