

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE MIDCITIES METROPOLITAN DISTRICT NO. 2 HELD JUNE 20, 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 20th day of June, 2023 at 1:00 p.m. This District Board meeting was held by conference call via Zoom, at no physical location, 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
George Turtle
Charles Tash
Kael T. Russell

Also In Attendance Were:

David Solin; Special District Management Services, Inc.

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

Kimberly Johanns; Simmons & Wheeler, 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. 1 (referred to hereafter as “District No. 1” 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 among others 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 Regular Meeting.

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

Approval of Meeting Location: The Board entered into a discussion regarding the requirements of Section 32-1-903(1.5), C.R.S., concerning the conduct of the District Board meetings and determined that, until subsequently changed by action of the Board, all Board meetings would be held by conference call via *Zoom* and not at any physical location.

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Minutes: The Board reviewed the Minutes of the April 25, 2023 Regular Meeting.

Following discussion, upon motion duly made by Director McCormick, seconded by Director Patrick, upon vote, unanimously carried, the Board approved the Minutes of the April 25, 2023 Regular Meeting, as presented.

May 2, 2023 Election: Mr. Solin noted for the Board that the May 2, 2023 election was cancelled, as allowed under Colorado law, by the Designated Election Official because there were not more candidates than positions available on the Board of Directors. Directors George Turtle and Douglas McCormick were deemed elected to 4-year terms ending in May 2027.

Appointment of Officers: The Board entered into discussion regarding the appointment of officers.

Following discussion, upon motion duly made by Director Tash, seconded by Director Russell and, upon vote, unanimously carried, the following slate of officers was appointed:

President	Douglas McCormick
Vice President	Greg Patrick
Treasurer	George Turtle
Secretary	David Solin
Assistant Secretary	Charles Tash
Assistant Secretary	Kael T. Russell

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 May 31, 2023
General	\$ 9,463.89
Debt	\$ -0-
Capital	\$ 4,024.58
Total	\$ 12,488.47

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

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Unaudited Financial Statements: Ms. Johanns reviewed with the Board the unaudited financial statements of the District for the period ending March 31, 2023.

Following review and discussion, upon motion duly made by Director Turtle, seconded by Director Russell, and upon vote, unanimously carried, the Board accepted the unaudited financial statements of the District for the period ending March 31, 2023, as presented.

2022 Audit: Ms. Johanns reviewed with the Board the draft 2022 Audit.

Following review and discussion, upon motion duly made by Director Turtle, seconded by Director Patrick, and upon vote, unanimously carried, the Board approved the 2022 Audited Financial Statements and authorized execution of the Representations Letter, subject to final legal review.

LEGAL MATTERS

None.

CAPITAL MATTERS

Parking Structure Project: Attorney Cockrel and Mr. Solin updated the Board on the status of the parking structure project. Most work has been completed, and the property will be transferred to Aequus upon the City's issuance of a final completion approval as previously agreed.

Reimbursement Agreement by and between the City and County of Broomfield and MidCities Metropolitan District No. 1 for Regional Trail Improvements: The Board discussed the Reimbursement Agreement by and between the City and County of Broomfield and MidCities Metropolitan District No. 1 for Regional Trail Improvements.

Following discussion, upon motion duly made by Director Patrick, seconded by Director Tash and, upon vote, unanimously carried, the Board ratified the approval of the Reimbursement Agreement by and between the City and County of Broomfield and MidCities Metropolitan District No. 1 for Regional Trail Improvements, as the successor of District No. 1.

Retaining Wall Repair Work: Mr. Solin and Mr. Saltzgaver discussed with the Board the status of the retaining wall repair work.

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

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Extension for On-Call Engineering with Collins Engineers, Inc.: The Board discussed the approval of extension for On-Call Engineering with Collins Engineers, Inc. in the amount of \$10,000.

Following discussion, upon motion duly made by Director Patrick, seconded by Director Tash and, upon vote, unanimously carried, the Board approved the extension for On-Call Engineering with Collins Engineers, Inc. in the amount of \$10,000.

OTHER MATTERS


The Board discussed ratifying all actions taken at the District's April 25, 2023 Board meeting.

Following discussion, upon motion duly made by Director Tash, seconded by Director Turtle and, upon vote, unanimously carried, the Board ratified all actions taken at the District's April 25, 2023 Board meeting.

ADJOURNMENT

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

Respectfully submitted,

By: 
Secretary for the Meeting