

RECORD OF PROCEEDINGS

MINUTES OF A WORK SESSION MEETING OF THE BOARD OF DIRECTORS OF THE MIDCITIES METROPOLITAN DISTRICT NO. 2 HELD JANUARY 13, 2022

A work session 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 Thursday, the 13th day of January, 2022 at 1:00 p.m. This District Board meeting was held by conference call without any individuals (neither District Representatives or the General Public) attending in person. The meeting was held by conference call and was open to the public.

ATTENDANCE

Directors In Attendance Were:

Greg Patrick
George Turtle
Charles Tash
Kael T. Russell

Following discussion, upon motion duly made by Director Tash, seconded by Director Turtle and, upon vote, unanimously carried, the absence of Douglas McCormick, was excused and Kael T. Russell was appointed Acting President for this meeting only.

Also In Attendance Were:

David Solin; Special District Management Services, Inc.

Paul Cockrel; Collins; Cockrel & Cole, P.C.

Kimberly Johannis; Simmons & Wheeler, P.C.

Creig Veldhuizen and Jason Simmons; Hilltop Securities, Inc.

Tom Wynne and Ryan Poulson; Wells Fargo Bank

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

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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 “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 work session meeting.

Following discussion, the Agenda was approved, 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

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Board meetings. Because this work session is not a regular or special meeting of the Board at which official action will be taken, this statutory provision is not applicable.

Following discussion, the Board determined that this work session will be held by conference call. No members of the General Public were in attendance.

WORK SESSION

Planned Refunding of District Obligations: The Board and consultants discussed the planned refunding of the District obligations, including various structural details. No Board action was necessary at this time.


OTHER MATTERS

None.

ADJOURNMENT

There being no further business to come before the Board at this time, the work session was adjourned.

Respectfully submitted,

By:  _____
Secretary for the Meeting