

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE MIDCITIES METROPOLITAN DISTRICT NO. 2 HELD JUNE 21, 2022

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 21st day of June, 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:

Douglas McCormick
Greg Patrick
Charles Tash
Kael T. Russell

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

Also In Attendance Were:

David Solin; Special District Management Services, Inc.

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

Kimberly Johans; Simmons & Wheeler, P.C.

Alex Saltzgaver; Collins Engineers, Inc. (For a portion of the meeting)

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

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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 Regular Meeting.

Following discussion, upon motion duly made by Director Patrick, seconded by Director Tash, 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.

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

May 2022 Election: Mr. Solin noted for the Board that the May 3, 2022 election was cancelled, as allowed under Colorado law, by the Designated Election Official because there were no more candidates than positions available on the Board of Directors. Greg Patrick, Charles Tash and Kael T. Russell were deemed elected to 3-year terms ending in May 2025.

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

Minutes: The Board reviewed the Minutes of the March 15, 2022 Special Meeting and the April 4, 2022 Special Meeting.

Following discussion, upon motion duly made by Director Russell, seconded by Director McCormick, upon vote, unanimously carried, the Board approved the Minutes of the March 15, 2022 Special Meeting and the April 4, 2022 Special 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, 2022	Period ending April 30, 2022	Period ending May 31, 2022
General	\$ 7,696.41	\$ 27,293.23	\$ 7,171.40
Debt	\$ -0-	\$ -0-	\$ -0-
Capital	\$ 665.83	\$ 830.83	\$ 913.33
Total	\$ 8,362.24	\$ 28,124.06	\$ 8,084.73

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

Unaudited Financial Statements: The Board reviewed the unaudited financial statements of the District for the period ending March 31, 2022.

Following review and discussion, upon motion duly made by Director McCormick, 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, 2022, as presented.

2021 Audit: Ms. Johans reviewed with the Board the draft 2021 Audit.

Following review and discussion, upon motion duly made by Director McCormick, seconded by Director Russell, and upon vote, unanimously carried, the Board approved the 2021 Audited Financial Statements and authorized execution of the Representations Letter.

Sales Tax Report: Mr. Solin discussed with the Board the sales tax report.

LEGAL MATTERS

Public Hearing on the Petition for Exclusion of Lot 2, MidCities Filing No. 1: The President opened the Public Hearing on a Petition for the Exclusion of Lot 2, MidCities Filing No. 1 (“Petition”).

It was noted that publication of notice stating that the Board would consider the exclusion of the property and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No public comments were received and the public hearing was closed.

Following review and discussion, upon motion duly made by Director Russell, seconded by Director McCormick, and upon vote, unanimously carried, the Board approved the Petition for Exclusion of Lot 2, MidCities Filing No. 1.

CAPITAL MATTERS

Parking Structure Project: Mr. Solin updated the Board on the status of the parking structure project.

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

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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.

Proposal for Environmental Clearances from Smith Environmental & Engineering for the MidCities Metropolitan District No. 2 Trail Connection: The Board considered the approval of a proposal for Environmental Clearances from Smith Environmental & Engineering for the MidCities Metropolitan District No. 2 Trail Connection.

Following discussion, upon motion duly made by Director McCormick, seconded by Director Russell and, upon vote, unanimously carried, the Board approved of the Proposal for Environmental Clearances from Smith Environmental & Engineering for the MidCities Metropolitan District No. 2 Trail Connection.

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


OTHER MATTERS

None.

ADJOURNMENT

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

Respectfully submitted,

By:  _____
Secretary for the Meeting