

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE MIDCITIES METROPOLITAN DISTRICT NO. 2 HELD SEPTEMBER 21, 2021

A special 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 September, 2021 at 1:00 p.m. Due to concerns regarding the spread of the Coronavirus (Covid-19) and the benefits to the control of the spread of the virus by limiting in person contact, 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 open to the public.

ATTENDANCE

Directors In Attendance Were:

Douglas McCormick
Greg Patrick
Charles Tash

Following discussion, upon motion duly made by Director McCormick, seconded by Director Tash and, upon vote, unanimously carried, the absences of George Turtle and Kael Russell were excused.

Also In Attendance Were:

David Solin; Special District Management Services, Inc.

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

Kimberly Johannis; Simmons & Wheeler, P.C. (for a portion of the meeting)

Jason Simmons and Creig Veldhuizen; Hilltop Securities, 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

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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 special meeting.

Following discussion, upon motion duly made by Director McCormick, seconded by Director Tash and, upon vote, unanimously carried, the Agenda was approved, as amended.

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, upon motion duly made by Director McCormick seconded by Director Tash and, upon vote, unanimously carried, the Board determined that due to concerns regarding the spread of the Coronavirus (Covid-19) and the benefits to the control of the spread of the virus by limiting in person contact, this District Board meeting will be held by conference call without any individuals (neither District Representatives or the General Public) attending in person on location.

Minutes: The Board reviewed the Minutes of the June 15, 2021 Special Meeting.

Following discussion, upon motion duly made by Director McCormick, seconded by Director Patrick and, upon vote, unanimously carried, the Board approved the Minutes of the June 15, 2021 Special Meeting, as presented.

**PUBLIC
COMMENT**

There was no public comment.

**FINANCIAL
MATTERS**

Claims: The Board considered ratification of the payment of claims through the period ending as follows:

Fund	Period ending June 1, 2021	Period ending July 25, 2021	Period ending August 25, 2021
General	\$ 12,480.81	\$ 19,618.24	\$ 10,255.45
Debt	\$ -0-	\$ -0-	\$ -0-
Capital	\$ 5,950.83	\$ 665.83	\$ 12,825.09
Total	\$ 18,431.64	\$ 20,284.07	\$ 23,080.54

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

Unaudited Financial Statements: Ms. Johanns reviewed with the Board the unaudited financial statements of the District setting forth the cash deposits, investments and budget analysis for the period ending June 30, 2021.

Following review and discussion, upon motion duly made by Director McCormick, seconded by Director Patrick and, upon vote, unanimously carried, the Board accepted the unaudited financial statements of the District setting forth the cash deposits, investments and budget analysis for the period ending June 30, 2021 as presented.

Sales Tax Report: Mr. Solin discussed with the Board the Sales Tax Report.

Refunding of Series 2016 Bonds: The Board discussed the contemplated refunding of the District's outstanding Series 2016 bonds.

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Following review and discussion, upon motion duly made by Director Tash, seconded by Director Patrick and, upon vote, unanimously carried, the Board directed staff to obtain proposals, and authorized Director McCormick to approve the engagement of Bond and Disclosure Counsel.

LEGAL MATTERS

Aequus Litigation: Mr. Cockrel briefed the Board on the settlement of Aequus Litigation.

CAPITAL MATTERS

Parking Structure Project: Mr. Solin updated the Board.

Regional Trail Project: Following discussion, upon motion duly made by Director Tash, seconded by Director Patrick and, upon vote, unanimously carried, the Board directed Mr. Solin to communicate that the Board approved proceeding with the contemplated Regional Trail Project, subject to plan approvals by the City and County of Broomfield, and a half-and-half split of the cost of tap fees with the City and County of Broomfield, in an amount not to exceed \$25,000 for District's cost of the tap.

Retaining Wall Repair Work: Mr. Solin updated the Board.

EXECUTIVE SESSION

None.


OTHER MATTERS

None.

ADJOURNMENT

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

Respectfully submitted,

By:  _____
Secretary for the Meeting