

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2 HELD NOVEMBER 22, 2022

A Regular Meeting of the Board of Directors of the Jefferson Center Metropolitan District No. 2 (referred to hereafter as "Board") was convened on Tuesday, November 22, 2022, at 9:30 a.m. This District Board meeting was held by video/telephone conference with all participants attending via video/teleconference. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Charles Church McKay
Gregg Bradbury
Jeff L. Nading
Steven Nading
Brandon Dooling

Also In Attendance Were:

James Ruthven; Special District Management Services, Inc.

Megan Becher, Esq.; McGeady Becher P.C.

Joy Tatton; Simmons & Wheeler, P.C.

Wes Back and Brandon Collins; Independent District Engineering Services, LLC

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosures of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Mr. Ruthven noted that a quorum was present and requested members of the Board disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. Attorney Becher noted that all Directors' Disclosure Statements had been filed and that no additional conflicts were disclosed at the meeting.

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ADMINISTRATIVE MATTERS

Agenda: Mr. Ruthven distributed, for the Board's review and approval, a proposed agenda for the District's Regular Meeting.

Following discussion, upon motion duly made by Director McKay, seconded by Director Bradbury and, upon vote, unanimously carried, the agenda was approved, as amended.

Location of Meeting and Posting of Notices: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. The Board determined that the meeting would be held by video/telephonic means, and encouraged public participation via video or telephone. The Board further noted that notice of the time, date and location of the meeting was duly posted and that the District had not received any objections to the video/telephonic manner of the meeting, or any requests that the video/telephonic manner of the meeting be changed by taxpaying electors within the District boundaries.

Minutes: The Board reviewed the minutes of the June 28, 2022 Regular Meeting and November 7, 2022 Special Meeting.

Following discussion, upon motion duly made by Director Dooling, seconded by Director McKay and, upon vote, unanimously carried, the minutes of the June 28, 2022 Regular Meeting and November 7, 2022 Special Meeting were approved, as presented.

Resolution No. 2022-11-01, Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices: The Board considered Resolution No. 2022-11-01, Resolution Establishing Regular Meeting Dates, Time and Location and Designating Location for Posting of 24-Hour Notices.

Mr. Ruthven reviewed the business to be conducted in 2023 to meet the statutory compliance requirements. Following discussion, the Board determined to meet on the fourth Tuesday of every month at 9:30 a.m. Meetings will be held virtually.

Following review, upon motion duly made by Director Dooling, seconded by Director McKay and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-01, Resolution Establishing Regular Meeting Dates, Time and Location and Designating Location for Posting of 24-Hour Notices.

Section 32-1-809, C.R.S., Reporting Requirements, Mode of Eligible Elector Notification for 2023: The Board discussed Section 32-1-809,

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C.R.S., reporting requirements and mode of eligible elector notification for 2023.

Following discussion, upon motion duly made by Director Dooling, seconded by Director McKay and, upon vote, unanimously carried the Board determined to post the required transparency notice information to the Special District Association's website and the District's website.

PUBLIC COMMENT

There were no public comments.

FINANCIAL MATTERS

Claims: The Board considered ratification/approval of the payment of claims for the period of June 1, 2022 through October 31, 2022, in the amount of \$91,317.31, and the period of November 1, 2022 through November 22, 2022, in the amount of \$77,467.73.

Following discussion, upon motion duly made by Director Steven Nading, seconded by Director Jeff Nading and, upon vote, unanimously carried, the Board ratified or approved (as appropriate) the payment of claims, as presented.

Unaudited Financial Statements: Ms. Tatton reviewed with the Board the unaudited financial statements for the period ending September 30, 2022.

Following discussion, upon motion duly made by Director Steven Nading, seconded by Director Bradbury and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending September 30, 2022.

Amounts Due from Mountain Shadows Metropolitan District ("MSMD"): The Board deferred discussion.

2022 Audit: The Board discussed preparation of the 2022 Audit by Fiscal Focus Partners LLC.

Following discussion, upon motion duly made by Director Steven Nading, seconded by Director McKay and, upon vote, unanimously carried, the Board approved the engagement of Fiscal Focus Partners LLC to prepare the 2022 Audit, for an amount not to exceed \$6,500.

2022 Budget Amendment Hearing: The President opened the public hearing to consider an amendment to the 2022 Budget and discuss related issues.

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It was noted that publication of Notice stating that the Board would consider an amendment to the 2022 Budget 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. There were no comments from the public in attendance and the public hearing was closed.

Following discussion, the Board deferred any action relative to amending the 2022 Budget.

2023 Budget Hearing: The President opened the public hearing to consider the proposed 2023 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2023 Budget 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.

Ms. Tatton reviewed the estimated 2022 expenditures and the proposed 2023 expenditures.

Following discussion, the Board considered the adoption of Resolution No. 2022-11-02 to Adopt the 2023 Budget and Appropriate Sums of Money. Upon motion duly made by Director Bradbury, seconded by Director Dooling and, upon vote, unanimously carried, the Resolution was adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies (zero mill levy) was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2022. Mr. Ruthven was authorized to transmit the Certification of Mill Levies (zero mill levy) to the Board of County Commissioners of Jefferson County not later than December 15, 2022. Mr. Ruthven was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2023. A copy of the adopted Resolution is attached to these minutes and incorporated herein by this reference.

DLG-70 Mill Levy Certification Form: The Board considered authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director Steven Nading and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign

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the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

Preparation of the 2024 Budget: Following discussion, upon motion duly made by Director Steven Nading, seconded by Director Dooling and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2024 Budget and set the date for the public hearing for the November 28, 2023 Board meeting.

MANAGEMENT MATTERS

Water Allocations and Facilities Fees Collections: Mr. Ruthven noted that there were no changes to the Water Allocation Report since the last report.

LEGAL MATTERS

May 2, 2023 Regular Directors' Election: The Board discussed the upcoming election and Resolution No. 2022-11-03, Resolution Calling a Regular Election for Directors on May 2, 2023.

Following discussion, upon motion duly made by Director Jeff Nading, seconded by Director Bradbury and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-03, Resolution Calling a Regular Election for Directors on May 2, 2023, appointed James Ruthven as the Designated Election Official, and authorized him to perform all tasks required for the conduct of a mail ballot election. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

City of Arvada's System Development Charges:

Joint Cooperation and Common Interest Agreement between Jefferson Center Metropolitan District No. 1, Jefferson Center Metropolitan District No. 2, Cimarron Development Company, Cimarron Holding Company LLC, Cimarron Commercial LLC, Cimarron Residential LLC, Candelas Point LLC, and Jeffrey L. Nading Trust (the "Joint Cooperation Agreement"): Following discussion, upon motion duly made by Director Bradbury, seconded by Director Jeff Nading, and upon vote unanimously carried, the Board approved the Joint Cooperation Agreement, subject to final legal review.

EXECUTIVE SESSION: The Board notified those present that it would need to convene in Executive Session for the purpose of receiving legal advice on specific legal questions regarding the City of Arvada's System Development Charges.

Pursuant to Section 24-6-402(4)(b), C.R.S., and upon a motion made by Director Bradbury, seconded by Director Dooling, and upon vote

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unanimously carried, the Board convened in Executive Session at 11:02 a.m. for the purpose of receiving legal advice on specific legal questions regarding the City of Arvada's System Development Charges. The public was excused for the Executive Session.

Pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., no record will be kept of those portions of the Executive Session that, in the opinion of the Board's attorney(s), constitute privileged attorney-client communication pursuant to Section 24-6-402(4), C.R.S.

The Board reconvened in regular session at 11:20 a.m.

Scheduling of Special Board Meeting: The Board determined to schedule a Special Board Meeting on December 1, 2022 at 12:00 p.m. to consider matters relating to the City of Arvada's System Development Charges.


OTHER BUSINESS

Cancellation of December 27, 2022 Regular Meeting: The Board discussed canceling the December 27, 2022 Regular Meeting. The Board determined to cancel the December 27, 2022 Regular Meeting and to schedule a Special Meeting on December 20, 2022 at 9:30 a.m.

ADJOURNMENT

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

Respectfully submitted,

By: 

Secretary for the Meeting