

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2 HELD NOVEMBER 28, 2023

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 28, 2023, 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:

David Solin; Special District Management Services, Inc.

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

Joy Tatton; Simmons & Wheeler, P.C.

Wes Back, Elesha Carbaugh-Gonzales, and Brandon Collins;
Independent District Engineering Services, LLC

Gregg McKay; Member of the Public

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. Solin 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. Solin 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 Dooling, seconded by Director McKay and, upon vote, unanimously carried, the agenda was approved, as presented.

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 September 26, 2023 Regular Meeting and October 6, 2023 Special Meeting.

Following discussion, upon motion duly made by Director J. Nading, seconded by Director Bradbury and, upon vote, unanimously carried, the minutes of the September 26, 2023 Regular Meeting and October 6, 2023 Special Meeting were approved, as presented.

Resolution No. 2023-11-01, Resolution Establishing Regular Meeting Dates, Time, and Location, and Designating Location for Posting of 24-Hour Notices: The Board considered Resolution No. 2023-11-01, Resolution Establishing Regular Meeting Dates, Time, and Location, and Designating Location for Posting of 24-Hour Notices.

Mr. Solin reviewed the business to be conducted in 2024 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 Bradbury, seconded by Director J. Nading and, upon vote, unanimously carried, the Board adopted Resolution No. 2023-11-01, Resolution Establishing Regular Meeting Dates, Time, and Location, and Designating Location for Posting of 24-Hour Notices.

Section 32-1-809, C.R.S. Compliance for 2024 (Transparency Notice): Mr. Solin discussed with the Board the requirements of Section 32-1-809,

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C.R.S., indicating that the required Transparency Notice will be posted on the District website and the Special District Association website.

Insurance Matters:

Cyber Security and increased Crime Coverage: The Board discussed the District's current cyber security and crime coverage, and a potential increase to the limits of the crime coverage.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director J. Nading and, upon vote, unanimously carried, the Board authorized increasing the District's crime coverage to \$250,000.00.

Insurance Committee: The Board discussed establishing an insurance committee to make final determinations regarding insurance coverage. The Board determined this was not necessary. No action was taken.

District's insurance and Special District Association ("SDA") membership for 2024: The Board discussed the renewal of the District's insurance and SDA membership for 2024.

Following review, upon motion duly made by Director J. Nading, seconded by Director Bradbury and, upon vote, unanimously carried, the Board approved the renewal of the District's existing insurance and SDA membership for 2024, with the previously authorized increase in the crime coverage limit.

PUBLIC COMMENT

There were no public comments.

FINANCIAL MATTERS

Claims: The Board considered ratification of the payment of claims for the period of September 1, 2023 through October 31, 2023, in the amount of \$13,863.83, and November 28, 2023 in the amount of \$12,758.04.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director J. 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, 2023.

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Following discussion, upon motion duly made by Director S. Nading, seconded by Director Bradbury and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending September 30, 2023.

2023 Audit: The Board discussed preparation of the 2023 Audit by Fiscal Focus Partners LLC.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director J. Nading and, upon vote, unanimously carried, the Board approved the engagement of Fiscal Focus Partners LLC to prepare the 2023 Audit, for an amount not to exceed \$7,250.00.

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

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

The Board determined that an amendment to the 2023 Budget was not necessary.

2024 Budget Hearing: The President opened the public hearing to consider the proposed 2024 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2024 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 2023 expenditures and the proposed 2024 expenditures. It was noted that no mill levy will be certified.

Following discussion, the Board considered the adoption of Resolution No. 2023-11-02 to Adopt the 2024 Budget and Appropriate Sums of Money. Upon motion duly made by Director Bradbury, seconded by Director J. Nading and, upon vote, unanimously carried, the Resolution was adopted, as discussed, and execution of the Certification of Budget

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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 January 3, 2024. Mr. Solin was authorized to transmit the Certification of Mill Levies (zero mill levy) to the Board of County Commissioners of Jefferson County not later than January 10, 2024. Mr. Solin was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2024. 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 (“Certification”).

Following discussion, upon motion duly made by Director Bradbury, seconded by Director J. Nading and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the Certification and directed the District Manager to file the Certification with the Board of County Commissioners and other interested parties.

Preparation of the 2025 Budget: Following discussion, upon motion duly made by Director Bradbury, seconded by Director J. Nading and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2025 Budget and set the date for the public hearing for the November 26, 2024 Board meeting.

MANAGEMENT MATTERS

Water Tracking Report: Mr. Solin reviewed the Water Tracking Report with the Board.

LEGAL MATTERS

Resolution No. 2023-11-03, Resolution Amending Policy on Colorado Open Records Act Requests: The Board reviewed Resolution No. 2023-11-03, Resolution Amending Policy on Colorado Open Records Act Requests.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director Dooling and, upon vote, unanimously carried, the Board adopted Resolution No. 2023-11-03, Resolution Amending Policy on Colorado Open Records Act Requests.

Issuance of Jefferson Center Metropolitan District No. 1’s Junior Subordinate Capital Appreciation Bonds, Series 2024C (the “2024 Bonds”): Attorney Becher updated the Board on the status and timing of issuance of the 2024 Bonds.

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Proposal/Authorization for Valuation and Consulting Services – Plains End Power Plant between Partner Valuation Advisors, LLC and Jefferson Center Metropolitan District Nos. 1 and 2: The Board reviewed the Proposal/Authorization for Valuation and Consulting Services – Plains End Power Plant between Partner Valuation Advisors, LLC and Jefferson Center Metropolitan District Nos. 1 and 2.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director J. Nading and, upon vote, unanimously carried, the Board ratified approval of the Proposal/Authorization for Valuation and Consulting Services – Plains End Power Plant between Partner Valuation Advisors, LLC and Jefferson Center Metropolitan District Nos. 1 and 2.


OTHER BUSINESS

Cancellation of December 26, 2023 Regular Meeting: The Board discussed canceling the December 26, 2023 Regular Meeting. The Board determined to cancel the December 26, 2023 Regular Meeting and to schedule a Special Meeting on December 19, 2023 at 9:30 a.m. if needed.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director McKay, seconded by Director Bradbury and, upon vote, unanimously carried, the meeting was adjourned at 11:05 a.m.

Respectfully submitted,

By: 

Secretary for the Meeting