

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2

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NOTICE OF A REGULAR MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office</u>	<u>Term/Expiration:</u>
Charles Church McKay	President/Chairman	2027/May 2027
Gregg Bradbury	Treasurer	2027/May 2027
Jeff Nading	Assistant Secretary	2025/May 2025
Steve Nading	Assistant Secretary	2025/May 2025
Brandon Dooling	Assistant Secretary	2027/May 2027
David Solin	Secretary	

DATE Tuesday, January 23, 2024

TIME: 9:30 A.M.

PLACE: Zoom Meeting: This meeting will be held via Zoom. The meeting can be joined through the directions below:

Join Zoom Meeting
<https://us02web.zoom.us/j/5469119353?pwd=SmtlcHJETFhCQUZEcVBBOGZVU3Fqdz09>
Phone Number: 1-719-359-4580
Meeting ID: 546 911 9353
Passcode: 912873

I. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest.

B. Approve Agenda, confirm location of the meeting and posting of meeting notices and designate 24-hour posting location.

C. Review and approve Minutes of the November 28, 2023 Regular Meeting (enclosure).

II. PUBLIC COMMENT

A. _____

III. FINANCIAL MATTERS

- A. Review and consider approval of the payment of claims through the period ending December 19, 2023, in the amount of \$22,680.05 and claims through the period ending January 23, 2024, in the amount of \$3,959.87 (enclosures).
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IV. MANAGEMENT MATTERS

- A. Review Water Tracking Report (enclosure).
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V. LEGAL MATTERS

- A. Review and consider adoption of Resolution No. 2024-01-01, Resolution Adopting the Capital Improvement Program and Master Infrastructure Plan as Modified by Subsequent Construction Plans (for 2024) (to be distributed).
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- B. Discuss proposed issuance of Jefferson Center Metropolitan District No. 1's District's Second Subordinate Convertible Capital Appreciation Special Revenue Refunding Bonds, Series 2024C, and related matters.
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1. Discuss status of appraisal of Plains End Power Plant by Partner Valuation Advisors, LLC.
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VI. OTHER BUSINESS

- A. _____
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VII. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR FEBRUARY 27, 2024.**

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.

RECORD OF PROCEEDINGS

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,

RECORD OF PROCEEDINGS

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.

RECORD OF PROCEEDINGS

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

Vendor	Invoice #	Date	Amount in USD	Expense Account	Account Number	Department
City of Arvada	180751	11/29/2023	13,551.82	Stormwater IGA	7105	1
Colorado Special Districts Property and Liability Pool	26348	12/4/2023	60.00	Insurance	6700	1
Colorado Special Districts Property and Liability Pool	24PL-60923-2531 addl crime	12/4/2023	671.00	Prepaid insurance	1380	1
McGeady Becher P.C.	11 30 2023 779B	11/30/2023	333.30	Election expense	6350	1
McGeady Becher P.C.	11 30 2023 779B	11/30/2023	2,497.98	Legal	6750	1
McGeady Becher P.C.	09 30 2023 779B	9/30/2023	3,058.63	Legal	6750	1
Simmons & Wheeler, P.C.	36696	10/31/2023	1,294.72	Accounting	6170	1
Special District Management Services, Inc.	11 30 2023 JCMD2	11/30/2023	1,212.60	Management fees	6100	1
			<u>22,680.05</u>			

Vendor	Invoice #	Date	Amount in USD	Expense Account	Account Number	Department
Simmons & Wheeler, P.C.	37144	12/31/2023	1,232.75	Accounting	6170	1
Simmons & Wheeler, P.C.	36898	11/30/2023	1,487.46	Accounting	6170	1
Special District Management Services, Inc.	12 31 2023 JCMD2	12/31/2023	1,239.66	Management fees	6100	1
			<u>3,959.87</u>			

CONDENSED SOURCES & USES
As of 1/19/24

Project Water	
Sources	Acre Feet
Pre - 12/2/19	1,869.24
2020 Exercised Options	92.47
Options to Exercise	-
Total Sources	1,961.71

Pre - December 2, 2019 Summary												
SOURCES		RESIDENTIAL USES						COMMERCIAL USES				BALANCE
Existing Agreements	Beginning Balance	MSMD	CPMD		ARP	Total Residential	Unallocated	Beginning	Allocations	CCLLC	Total Commercial	Unallocated
Totals	1869.24	200.00	36.00		1,039.01	1,275.01	-	594.23	49.00	363.05	412.05	182.18

Reconciliation to Post 12/2/19 - JCMD2

Ending Balance 12/2/19	182.18
Less Restricted Beginning Commercial	<u>(150.00)</u>
Unrestricted Available	<u>32.18</u>
Plus Options Exercised	85.05
Plus Options Exercised	<u>7.42</u>
Net Unrestricted Available	<u>124.65</u>

Reconciliation to Post 12/2/19 - CCLLC

CCLLC Held Balance 363.05

Post - 12/2/2019 Allocations																												
SOURCES		RESIDENTIAL USES					COMMERCIAL USES																BALANCE					
Sources	Unrestricted Including CCLLC	Whisper Village	Taylor Morrison	Rangewater	Allocated	Unrestricted Available	IGA Restricted Balance	Kentro Retail 1	SCL - Candelas Medical	Avada Fire	Freedom Street Restaurant	Z&N Retail	Rangewater Clubhouse	Rangewater Rec Center	Brakes Plus	Murphy Oil	O'Reilly's	Autowash	Taco Bell	TM Rec Center	Kum and Go	Kiddie Academy	Total Commercial	Not Allocated	Combined Allocations	CCLLC Available	Restricted Commercial Available	CCLLC Unrestricted Available
Allocations JCMD2	124.65	33.00	86.15	-	119.15	5.50	150.00	2.50	2.50	2.50	2.50	2.50	2.50	2.50	0.75	1.25	1.25	4.00	2.50	2.50	1.25	2.50	33.50	116.50	152.65	5.50	116.50	5.50
Allocations CCLLC	363.05	-	226.85	113.70	340.55	22.50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	340.55	22.50	-	22.50

COMMERCIAL WATER ALLOCATION COMMITMENTS
As of 1/19/24

User	Final Tap Size	Final Allocation	Final Letter Date	Preliminary Tap Size	Preliminary Allocation	Preliminary Letter Date	Available Balance (AF)
Pre-12/2/19 Allocations							
Final Allocations							594.23
Yenter	1.00	1.25					592.98
Plains End	2.00	4.00					588.98
Candelas Parkway Irrigation	1.00	1.25					587.73
King Soopers	2.00	4.00	3/20/2019				583.73
King Soopers Gas Station	0.75	0.75	3/20/2019				582.98
King Soopers Retail Center	2.00	4.00	3/20/2019				578.98
Sautter Arvada School	1.00	1.25	3/20/2019				577.73
7-11	1.00	1.25	3/20/2019				576.48
Starbucks	1.00	1.25	3/20/2019				575.23
Three Creeks Elementary	3.00	7.50	3/20/2019				567.73
Whisper Creek Station - Arvada PD	1.00	1.25	3/20/2019				566.48
Candelas Point Retail (Block 1, Lot 3)	1.50	2.50	3/29/2019				563.98
Candelas Point Retail (Block 1, Lot 4)	1.50	2.50	3/29/2019				561.48
Chase Bank	1.00	1.25	4/5/2019				560.23
First Bank	1.00	1.25	7/30/2019				558.98
Wendy's	1.00	1.25	7/30/2019				557.73
Wild Grass Lot 3 (Bldg. A)	1.00	1.25	3/24/2023				556.48
Wild Grass Lot 3 (Bldg. B)	1.00	1.25	3/24/2023				555.23
Wild Grass Lot 3 (Bldg. C)	1.50	2.50	3/24/2023				552.73
Wild Grass Lot 3 (Bldg. D)	1.00	1.25	3/24/2023				551.48
Indiana Plaza	1.50	2.50	3/24/2023				548.98
Primrose School	1.50	2.50	9/18/2019				546.48
Les Schwab	1.00	1.25	8/16/2019				545.23
Total		<u>49.00</u>			<u>0.00</u>		
Initial Allocation Not Included							
Cimarron Commercial LLC					363.05		182.18
Post-12/2/19 Allocations							
Beginning Balance							150.00
Kentro Retail 1 (Need L6b)				1.50	2.50	10/7/2019	147.50
Candelas Medical - SCL	1.50	2.50	1/13/2021				145.00
Arvada Fire	1.50	2.50	3/19/2021				142.50
Freedom Street Restaurant	1.50	2.50	7/1/2021				140.00
Z&N Retail	1.50	2.50	2/12/2022				137.50
Rangewater Club House				1.50	2.50	6/22/2022	135.00
Rangewater Rec Center				1.50	2.50	6/22/2022	132.50
Brakes Plus	0.75	0.75	3/23/2023				131.75
Murphy Oil	1.00	1.25	3/23/2023				130.50
O'Reilly's	1.00	1.25	3/23/2023				129.25
Autowash	2.00	4.00	3/23/2023				125.25
Taco Bell	1.50	2.50	3/23/2023				122.75
TM Rec Center				1.50	2.50	No Plan Yet	120.25
Kum-N-Go				1.00	1.25	No Plan Yet	119.00
Kiddie Academy				1.50	2.50		116.50
Total		<u>19.75</u>			<u>13.75</u>		
Total Acre Feet Remaining Unallocated							116.50

Tap Size	AF	Ratio
0.625	0.50	1.0
0.750	0.75	1.5
1.000	1.25	2.5
1.500	2.50	5.0
2.000	4.00	8.0
3.000	7.50	15.0
4.000	12.50	25.0
6.000	25.00	50.0

RESIDENTIAL WATER ALLOCATION COMMITMENTS
As of 1/19/24

User	Acre Feet	Available Balance (AF)
Other Districts		
		1275.01
Canyon Pines	36.00	1239.01
Mountain Shadows	200.00	1039.01
Vauxmont (Arvada Residential Partners)	<u>1039.01</u>	0.00
Total	<u><u>1275.01</u></u>	
JCMD2 Allocations to Projects		
		487.70
Whisper Village	33.00	454.70
Taylor Morrison	313.00	141.70
Rangewater	113.70	28.00
LCS - Preliminary	<u>28.00</u>	0.00
Total	<u><u>487.70</u></u>	