

## RECORD OF PROCEEDINGS

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### MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE STC METROPOLITAN DISTRICT NO. 2 HELD MARCH 7, 2018

A Regular Meeting of the Board of Directors (referred to hereafter as the "Board") of the STC Metropolitan District No. 2 (referred to hereafter as the "District") was convened on Wednesday, the 7th day of March, 2018, at 9:00 A.M., at the offices of McGeady Becher P.C., 450 E. 17<sup>th</sup> Avenue, Suite 400, Denver, Colorado. The meeting was open to the public.

#### ATTENDANCE

#### Directors In Attendance Were:

James A. Brzostowicz

Bob Revis

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Revis and, upon vote, unanimously carried, the absence of Lee Merritt was excused.

#### Also In Attendance Were:

Lisa A. Johnson and Peggy Ripko; Special District Management Services, Inc.

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

Mark Chambers; Simmons & Wheeler, P.C.

Jessica Sergi (via speakerphone); Ranch Capital, LLC

Angie Hulsebus; Board Candidate

#### DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Board noted it was in receipt of disclosures of potential conflicts of interest statements for each of the Directors and that the statements had been filed with the Secretary of State at least seventy-two hours in advance of the meeting. Ms. Johnson requested that the Directors review the Agenda for the meeting and advised the Board to disclose any new conflicts of interest which had not been previously disclosed. No further disclosures were made by Directors present at the meeting.

#### ADMINISTRATIVE

Agenda: Ms. Johnson distributed for the Board's review and approval a proposed

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

**Confirm Location of Meeting, Posting of Meeting Notices and Quorum:** Ms. Johnson confirmed the presence of a quorum. 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.

Following discussion, and upon motion duly made by Director Brzostowicz, seconded by Director Revis and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within its boundaries or within 20 miles of its boundaries to conduct this meeting, it was determined to conduct the meeting at the above-stated location. The Board further noted that the notice of the time, date and location was duly posted and that no objections to the location or any requests that the meeting place be changed were received from taxpaying electors within its boundaries.

**May 8, 2018 Election:** Ms. Johnson noted for the Board that the May 8, 2018 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. Director Revis was deemed elected to a 4-year term ending in May, 2022.

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### **CONSENT AGENDA**

The Board considered the following actions:

- Approve Minutes of the February 7, 2018 Regular Meeting.

Following review, upon motion duly made by Director Brzostowicz, seconded by Director Revis and, upon vote, unanimously carried, the Board approved and/or ratified approval of, as appropriate, the above actions.

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### **FINANCIAL MATTERS**

**Claims:** The Board considered approval of the payment of claims as follows:

Fund	Period Ending Feb. 21, 2018
General	\$ 13,483.32
Debt	\$ -0-
Capital	\$ 5,401.85
<b>Total</b>	<b>\$ 18,885.17</b>

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

**Unaudited Financial Statements:** Mr. Chambers presented the unaudited financial statements for the period ending January 31, 2018 and the updated schedule of cash position for the period ending January 31, 2018.

Following review, upon motion duly made by Director Revis, seconded by Director Brzostowicz and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending January 31, 2018 and the updated schedule of cash position for the period ending January 31, 2018.

**Special Mandatory Redemption of Series 2015A Restricted Project Funds:** The Board discussed the special mandatory redemption of Series 2015A Restricted Project Funds, pursuant to the Indenture, Section 7.01 and Exhibit G. Mr. Chambers Noted that the Trustee will redeem the restricted funds and pay towards the outstanding principal and interest on Series 2015A.

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### **LEGAL MATTERS**

**Status of Approval from the Town of Superior of Resolution Regarding the Imposition of Fees:** Ms. Johnson reported to the Board that work is in progress regarding the Town's approval of the District imposing fees.

**Parking Garage Conveyance:** The Board deferred discussion on the following:

- Appraisal report prepared by National Valuation Consultants, Inc. regarding the Parking Structure.
- Acceptance of Allocation Recommendation by Walker.
- Status of completion of punch list items.
- Review and consider approval of Deed, Bill of Sale and Assignment of Warranties.
- Insurance requirements.
- Engagement of service provider for maintenance.
- 1<sup>st</sup> Amendment to that Certain Facilities Funding and Acquisition Agreement dated November 3, 2014 with an effective date of January 1, 2014, to include Eligible Costs related to the Parking Garage.

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### **CAPITAL PROJECTS**

**Revised Final Engineer's Report and Certification #27 revised February 14, 2018:** Ms. Johnson reviewed with the Board the Revised Final Engineer's Report and Certification #27 revised February 14, 2018, prepared by Manhard Consulting Co.

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Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Revis and, upon vote, unanimously carried, the Board accepted the improvement costs in the approximate amount of \$781,719.74 under that certain Revised Final Engineer's Report and Certification #27 revised February 14, 2018, prepared by Manhard Consulting Co.

**Revised Final Engineer's Report and Certification #28 revised February 16, 2018:** Ms. Johnson reviewed with the Board the Revised Final Engineer's Report and Certification #28 revised February 16, 2018, prepared by Manhard Consulting Co.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Revis and, upon vote, unanimously carried, the Board accepted the improvement costs in the approximate amount of \$1,813,800.55 under that certain Revised Final Engineer's Report and Certification #28 revised February 16, 2018, prepared by Manhard Consulting Co.

**Revised Final Engineer's Report and Certification #30 revised February 16, 2018:** Ms. Johnson reviewed with the Board the Revised Final Engineer's Report and Certification #30 revised February 16, 2018, prepared by Manhard Consulting Co.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Revis and, upon vote, unanimously carried, the Board accepted the improvement costs in the approximate amount of \$1,946,261.84 under that certain Revised Final Engineer's Report and Certification #30 revised February 16, 2018, prepared by Manhard Consulting Co.

**Final Engineer's Report and Certification #31 dated December 19, 2017:** Ms. Johnson reviewed with the Board the Final Engineer's Report and Certification #31 dated December 19, 2017, prepared by Manhard Consulting Co.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Revis and, upon vote, unanimously carried, the Board accepted the improvement costs in the approximate amount of \$1,561,854.08 under that certain Final Engineer's Report and Certification #31 dated December 19, 2017, prepared by Manhard Consulting Co.

**Final Engineer's Report and Certification #32 dated February 16, 2018:** Ms. Johnson reviewed with the Board the Final Engineer's Report and Certification #32 dated February 16, 2018, prepared by Manhard Consulting Co.

Following discussion, upon motion duly made by Director Revis, seconded by Director Brzostowicz and, upon vote, unanimously carried, the Board accepted the improvement costs in the approximate amount of \$575,383.98 under that certain

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Final Engineer's Report and Certification #32 dated February 16, 2018, prepared by Manhard Consulting Co.

**Change Order No. 5, Superior Town Center Discovery Parkway FD1, Phase 2B, under the Contract between the District and Hudick Excavating, Inc.:** Director Revis reviewed with the Board Change Order No. 5, Superior Town Center Discovery Parkway FD1, Phase 2B, under the Contract between the District and Hudick Excavating, Inc.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Revis, and, upon vote, unanimously carried, the Board approved Change Order No. 5, Superior Town Center Discovery Parkway FD1, Phase 2B, under the Contract between the District and Hudick Excavating, Inc., for an increase in the contract amount of \$656,524.00.

**Change Order No. 6, Superior Town Center Discovery Parkway FD1, Phase 2B, under the Contract between the District and Hudick Excavating, Inc.:** Director Revis reviewed with the Board Change Order No. 6, Superior Town Center Discovery Parkway FD1, Phase 2B, under the Contract between the District and Hudick Excavating, Inc.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Revis, and, upon vote, unanimously carried, the Board approved Change Order No. 6, Superior Town Center Discovery Parkway FD1, Phase 2B, under the Contract between the District and Hudick Excavating, Inc., for an increase in the contract amount of \$734,503.80.

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**DEVELOPER  
UPDATE**

**Lot and Home Sales:** No new update was given.

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**OTHER MATTERS**

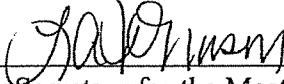
**Other Matters:** No other matters were discussed.

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**ADJOURNMENT**

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

Respectfully submitted,

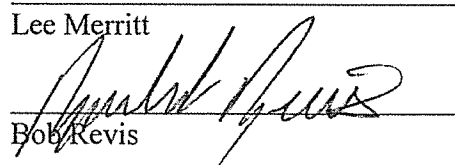
By   
Secretary for the Meeting

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THESE MINUTES ARE APPROVED AS THE OFFICIAL MARCH 7, 2018  
MINUTES OF THE STC METROPOLITAN DISTRICT NO. 2 BY THE BOARD  
OF DIRECTORS SIGNING BELOW:

  
James A. Brzostowicz

Lee Merritt  
  
Bob Revis