

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE STC METROPOLITAN DISTRICT NO. 2 HELD DECEMBER 9, 2019

A Special 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 Monday, the 9th day of December, 2019, at 10:00 A.M., at the Superior Sports Complex, 1 Superior Drive, Superior, CO 80027. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

James A. Brzostowicz
Angie Hulsebus
Terry Willis

Also In Attendance Were:

Lisa A. Johnson; Special District Management Services, Inc. ("SDMS")

Megan Becher, Esq. and Kate Olson, Esq.; McGeady Becher P.C.

Diane Wheeler; Simmons & Wheeler, P.C.

Jessica Sergi and Bill Jencks; Ranch Capital, LLC (via speakerphone for a portion of the meeting)

Brooke Hutchens; D.A. Davidson & Co.

Anastasia Khokhryakova; Ballard Spahr LLP

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 MATTERS

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

RECORD OF PROCEEDINGS

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

Confirm Quorum, Location of Meeting and Posting of Meeting Notices: 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. It was noted that the Superior Sports Complex is within the boundaries of STC Metropolitan District No. 2.

CONSENT AGENDA

The Board considered the following actions:

- Approve Minutes of the November 6, 2019 Regular Meeting.
- Ratify approval of Change Order No. 01 to the Construction Contract with SAMORA Construction for Entrance Signage in the amount of \$17,250.00.
- Ratify approval of Change Order No. 06 to the Construction Contract with SAMORA Construction for FDP2/ FDP3 Phase 1 South Courtyard for a decrease in the amount <\$22,730.62.
- Ratify approval of Change Order No. 3 to the Service Agreement with Vargas Property Services, Inc. to purchase and install one (1) new pet station in the amount of \$425.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Board approved the above actions, as presented, with the November 6, 2019 Regular Meeting Minutes approved subject to final review by Legal Counsel.

FINANCIAL MATTERS

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

Fund	Period Ending Nov. 25, 2019
General	\$ 30,301.23
Debt	\$ 31,696.00
Capital	\$ 1,409.50
Total	\$ 63,406.73

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

Unaudited Financial Statements: Ms. Wheeler discussed with the Board the unaudited financial statements through the period ending October 31, 2019.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Board accepted the unaudited financial statements through the period ending October 31, 2019.

Operation and Maintenance Budget Forecast: Ms. Johnson noted that the operations and maintenance budget forecast continues to be a work in progress.

LEGAL MATTERS

Proposed Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds, Series 2019A, (in the approximate principal amount not to exceed \$110,000,000), and Subordinate Limited Tax General Obligation and Special Revenue Bonds, 2019B (3), in the approximate principal amount not to exceed \$24,000,000: Attorney Becher presented the Board with an update on the status of the Proposed Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds, Series 2019A, (in the approximate principal amount not to exceed \$110,000,000), and Subordinate Limited Tax General Obligation and Special Revenue Bonds, 2019B (3), in the approximate principal amount not to exceed \$24,000,000).

Engagement of D.A. Davidson & Co. as Underwriter for the Bond Issuance: The Board discussed the engagement of D.A. Davidson as Underwriter for the Bond Issuance.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Board ratified approval of the engagement of D.A. Davidson as Underwriter for the Bond Issuance.

Engagement of Ballard Spahr LLP as Bond Counsel for the Bond Issuance: The Board discussed the engagement of Ballard Spahr LLP as Bond Counsel for the Bond Issuance.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Board ratified approval of the engagement of Ballard Spahr LLP as Bond Counsel for the Bond Issuance.

Acknowledging Approval by the Town of Superior and Superior Urban Renewal Authority ("SURA") of the Financing Plan: The Board acknowledged approval by the Town of Superior and SURA of the Financing Plan.

Resolution Authorizing the Issuance of the Proposed Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds, Series 2019A, (in the approximate principal amount not to exceed \$110,000,000), and Subordinate Limited Tax General Obligation and Special Revenue Bonds, 2019B(3), (in the approximate principal amount not to exceed \$24,000,000), and approving and authorizing the related Indentures of Trust, Bond Purchase Agreement, Preliminary

RECORD OF PROCEEDINGS

and Final Limited Offering Memoranda, Amended and Restated Capital Pledge Agreement by and between STC Metropolitan District No. 1, STC Metropolitan District No. 2, STC Metropolitan District No. 3, and UMB Bank, n.a., Amended and Restated Declaration of the Superior Town Center Payment In Lieu Of Taxes, and Continuing Disclosure Agreement: Ms. Hutchens and Attorney Khokhryakova discussed with the Board a Resolution authorizing the issuance of the proposed Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds, Series 2019A, (in the approximate principal amount not to exceed \$110,000,000), and Subordinate Limited Tax General Obligation and Special Revenue Bonds, 2019B(3), (in the approximate principal amount not to exceed \$24,000,000), and approving and authorizing the related Indentures of Trust, Bond Purchase Agreement, Preliminary and Final Limited Offering Memoranda, Amended and Restated Capital Pledge Agreement by and between STC Metropolitan District No. 1, STC Metropolitan District No. 2, STC Metropolitan District No. 3, and UMB Bank, n.a., Amended and Restated Declaration of the Superior Town Center Payment In Lieu Of Taxes, and Continuing Disclosure Agreement. Such resolution also approving and authorizing the execution of certain other documents relating to the Bonds.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-12-01; Resolution authorizing the issuance of the proposed Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds, Series 2019A, (in the approximate principal amount not to exceed \$110,000,000), and Subordinate Limited Tax General Obligation and Special Revenue Bonds, 2019B(3), (in the approximate principal amount not to exceed \$24,000,000), and approving and authorizing the related Indentures of Trust, Bond Purchase Agreement, Preliminary and Final Limited Offering Memoranda, Amended and Restated Capital Pledge Agreement by and between STC Metropolitan District No. 1, STC Metropolitan District No. 2, STC Metropolitan District No. 3, and UMB Bank, n.a., Amended and Restated Declaration of the Superior Town Center Payment In Lieu Of Taxes, and Continuing Disclosure Agreement. Such resolution also approving and authorizing the execution of certain other documents relating to the Bonds.

Amended and Restated Facilities Funding and Acquisition Agreement between the District and RC Superior, LLC: The Board discussed the Amended and Restated Facilities Funding and Acquisition Agreement between the District and RC Superior, LLC.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board approved the Amended and Restated Facilities Funding and Acquisition Agreement between the District and RC Superior, LLC.

RECORD OF PROCEEDINGS

Amended and Restated Operation Funding Agreement between the District and RC Superior, LLC: The Board discussed the Amended and Restated Operation Funding Agreement between the District and RC Superior, LLC.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Board approved the Amended and Restated Operation Funding Agreement between the District and RC Superior, LLC.

Inclusion Agreement between STC Metropolitan District No. 1, STC Metropolitan District No. 2, STC Metropolitan District No. 3, and RC Superior, LLC: The Board discussed an Inclusion Agreement between STC Metropolitan District No. 1, STC Metropolitan District No. 2, STC Metropolitan District No. 3, and RC Superior, LLC.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Board approved the Inclusion Agreement between STC Metropolitan District No. 1, STC Metropolitan District No. 2, STC Metropolitan District No. 3, and RC Superior, LLC.

First Amendment to Intergovernmental Agreement Regarding Covenant Enforcement and Design Review Services between STC Metropolitan District No. 1, STC Metropolitan District No. 2, and STC Metropolitan District No. 3: The Board discussed a First Amendment to Intergovernmental Agreement Regarding Covenant Enforcement and Design Review Services between STC Metropolitan District No. 1, STC Metropolitan District No. 2, and STC Metropolitan District No. 3.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board approved the First Amendment to Intergovernmental Agreement Regarding Covenant Enforcement and Design Review Services between STC Metropolitan District No. 1, STC Metropolitan District No. 2, and STC Metropolitan District No. 3.

Resolution of the Board of Directors of STC Metropolitan District No. 2 Adopting the Second Amended and Restated Superior Town Center Rules, Regulations and Design Guidelines: The Board discussed a Resolution of the Board of Directors of STC Metropolitan District No. 2 Adopting the Second Amended and Restated Superior Town Center Rules, Regulations and Design Guidelines.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-12-02; a Resolution of the Board of Directors of STC Metropolitan District No. 2 Adopting the Second Amended and Restated Superior Town Center Rules, Regulations and Design Guidelines.

Designated Representative to SURA under the Cost Sharing Agreement between SURA, RC Superior, LLC, and STC Metropolitan District Nos. 1, 2, and 3: The Board discussed appointing a Designated Representative to SURA under the Cost Sharing Agreement between SURA, RC Superior, LLC, and STC Metropolitan District Nos. 1, 2, and 3.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board approved appointing Lisa A. Johnson as Designated Representative to SURA under the Cost Sharing Agreement between SURA, RC Superior, LLC, and STC Metropolitan District Nos. 1, 2, and 3.

OPERATIONS / MAINTENANCE

Service Agreement with Edifice North, LLC for Project Management Services: The Board deferred discussion at this time.

COMMUNITY MANAGEMENT/ COVENANT CONTROL

Community Management Report: The Board reviewed the Community Manager's Report.

Snow Removal Services on the Aweida Property: The Board deferred discussion at this time.

CAPITAL PROJECTS

Final Engineer's Report and Certification #53 R1 dated, October 29, 2019, and revised November 11, 2019: Ms. Johnson reviewed with the Board the improvement costs in the amount of \$1,507,214.33 under the Final Engineer's Report and Certification #53 R1, dated October 29, 2019 and revised November 11, 2019, prepared by Ranger Engineering, LLC.

Following discussion, upon motion duly made by Director Hulsebus, seconded by Director Brzostowicz and, upon vote, unanimously carried, the Board accepted the improvement costs in the amount of \$1,507,214.33 under the Final Engineer's Report and Certification #53 R1, dated October 29, 2019 and revised November 11, 2019, prepared by Ranger Engineering, LLC.

Proposal for Construction Management for FDP 1 Phase 9 from CFC Construction: Director Brzostowicz discussed with the Board a proposal for Construction Management for FDP 1 Phase 9 from CFC Construction.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Hulsebus, seconded by Director Brzostowicz and, upon vote, unanimously carried, the Board approved the proposal for Construction Management for FDP 1 Phase 9 from CFC Construction and authorized a Service Agreement for Pre-Construction Services for an amount not to exceed \$48,851.00 subject to final review by legal counsel and management.

Change Order No. 04 to the Construction Contract with Hudick Excavating, Inc. dba HEI Civil (“HEI”) for Superior Town Center Phase 2D: Director Brzostowicz presented to the Board Change Order No. 04 to the Construction Contract with HEI for Superior Town Center Phase 2D for an increase in the amount of \$35,667.00.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board approved Change Order No. 04 to the Construction Contract with HEI for Superior Town Center Phase 2D for an increase in the amount of \$35,667.00.

Change Order No. 13, to the Construction Contract with SAMORA Construction to Jet Vac existing Sewer Manholes, B26 Alley Grading, and Block 26 to Bore for Additional Sleeves for STC Block 25, Phase 2 Project: Director Brzostowicz presented to the Board Change Order No. 13, to the Construction Contract with SAMORA Construction to Jet Vac existing Sewer Manholes, B26 Alley Grading, and Block 26 to Bore for Additional Sleeves for STC Block 25, Phase 2 Project for STC Block 25, Phase 2 Project, for an increase in the amount of \$25,613.38.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board approved Change Order No. 13, to the Construction Contract with SAMORA Construction to Jet Vac existing Sewer Manholes, B26 Alley Grading, and Block 26 to Bore for Additional Sleeves for STC Block 25, Phase 2 Project for STC Block 25, Phase 2 Project, for an increase in the amount of \$25,613.38.

Change Order No. 01 R2 to Construction Contract with SAMORA Construction for STC Block 14: Director Brzostowicz discussed with the Board Change Order No. 01 R2 to the Construction Contract with SAMORA Construction for an increase in the amount of \$151,210.63.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Hulsebus and, upon vote, unanimously carried, the Board approved Change Order No. 01 R2 to the Construction Contract with SAMORA Construction, as revised, for an increase in the amount of \$151,210.63.

RECORD OF PROCEEDINGS

**DEVELOPER
UPDATE**

Lot and Home Sales: No update provided at this time.

OTHER MATTERS

There were no other matters for discussion at this time.

ADJOURNMENT

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

Respectfully submitted,

By 
Secretary for the Meeting