

RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE GREENSPIRE METROPOLITAN DISTRICT NO. 2

Held: Wednesday, February 23, 2022, at 6:00 p.m., at
Windsor Community Recreation Center, 250 N. 11th
Street, Windsor, Colorado 80550.

Attendance

A special meeting of the Board of Directors of the Greenspire Metropolitan District No. 2 was held and the following Directors, having confirmed their continued qualification to serve on the Board, were in attendance:

James Hogue, President
Doug Hoffman, Secretary/Treasurer
John Hall, Assistant Secretary
Dave Carlson, Assistant Secretary

Absent: None.

Also, in attendance were: Colin B. Mielke, Seter & Vander Wall, P.C.; Nik Wagner, Centennial Consulting Group; Kyle Thomas*, D.A. Davidson; and Tiffany Leichman*, Sherman & Howard.

[Attended by phone where indicated*]

Call to Order and Declaration of Quorum

The meeting was opened and it was noted that a quorum of the Board was in attendance.

Disclosure Matters

The Board had been previously advised that pursuant to Colorado law, certain disclosures by the Board members might be required prior to taking official action at the meeting. The Board then reviewed the agenda for the meeting, following which each Board member affirmed their conflicts of interest, which had been disclosed and filed with the Colorado Secretary of State, stating the fact and summary nature of any matters, as required under Colorado law, to permit official action to be taken at the meeting.

The Board discussed Director Hall's affiliation with the developer within the Districts, including Lot Holding Investments, LLC, and the promissory notes currently held by Lot Holding Investments, LLC. Mr. Mielke stated that Director

RECORD OF PROCEEDINGS

- Hall will need to recuse himself from discussing and voting on the General Obligation Limited Tax Bond agenda items because of his conflict of interest and there being no need for his participation for purposes of reaching a quorum.
- Approval of Minutes** The Board reviewed the minutes from the October 27, 2021 and November 17, 2021 board meetings. Upon motion made, seconded and unanimously carried, the Board approved the minutes as presented.
- Public Comment** The meeting was opened for public comment. There being no members of the public present, the public comment period was closed.
- Annual Administrative Matters (2022)** Mr. Mielke discussed a number of administrative matters with the Board, which are generally addressed at the Board's first meeting of the year, in accordance with Colorado law.
- Mr. Mielke asked the Directors to complete an affidavit, which he distributed to each Director, confirming each Director's qualification to serve on the Boards.
- Mr. Mielke provided information to each Director describing how to identify a conflict of interest and the requirements under Colorado law for disclosure of such conflicts of interest by each Director. Mr. Mielke asked each Director to identify all existing and potential conflicts of interest each Director may have in connection with serving as a member of the Boards of the Districts and to complete the enclosed disclosure forms to be returned to his office.
- Following discussion, the Boards determined to re-elect the officers of the Boards as follows:
- President/Chair – Jim Hogue
Secretary/Treasurer – Doug Hoffman
Assistant Secretary – Dave Carlson
Assistant Secretary – John Hall
- The Boards reviewed and determined to continue to use its existing newspaper designated for publication of legal notices, identified as the *Greeley Tribune*.
- The Board designated the District's website as its 24-hour

RECORD OF PROCEEDINGS

posting location for meeting notices, as well as the community mailboxes for meeting notices not otherwise posted pursuant to Colorado law.

The Boards determined to hold regular meetings quarterly on the fourth Wednesday of January, April, July, October at 6:00 p.m. at Windsor Community Recreation Center, 250 N. 11th Street, Windsor, Colorado 80550.

The Boards determined to appoint Catherine T. Bright of Seter & Vander Wall, P.C. to serve as the Designated Election Official for the District for its election activities.

Finally, the Board reviewed the proposed form of resolution presented by Mr. Mielke that memorializes the above determinations in addition to certain other annual administrative actions providing direction from the Board regarding actions to be taken by the District's consultants on the Board's behalf.

Upon a motion by Director Hogue, seconded by Director Hoffman and unanimously carried, the Board approved the administrative items and resolution as discussed.

Financial Matters

The Board noted its receipt of the financial report dated December 31, 2021 and the payment of claims report for payables from November 17, 2021 through February 8, 2022.

General Obligation Limited Tax Bonds, Series 2022

At this time, Director Hall recused himself from discussion related to the proposed bond issuance. The remainder of the Board discussed the issuance of General Obligation Limited Tax Bonds, Series 2022 ("Bonds") by District No. 1 and the obligation of District No. 2 and District No. 3 to participate in repayment pursuant to the Capital Pledge Agreement.

Mr. Thomas, on behalf of the underwriter D.A. Davidson, and Ms. Leichman, on behalf of bond counsel Sherman & Howard, addressed the Board regarding the issuance of the Bonds. Mr. Thomas and Ms. Leichman discussed various terms of the Bonds, including the proposed use of the bond proceeds, the anticipation that mutual fund investors will be the purchasers of the Bonds, and the option to refund the Bonds after five years. Mr. Thomas further explained the capitalized interest on the Bonds and various protections for the Districts set forth in

RECORD OF PROCEEDINGS

the bond documents, including a final termination date for the Bonds, the mill levy cap for repayment of the Bonds, and the operations carveout from the pledged revenue for the Bonds.

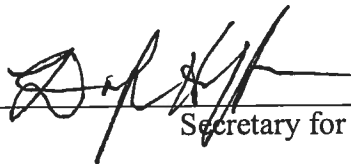
The Board reviewed and discussed the Capital Pledge Agreement with Ms. Leichman and a resolution authorizing various terms of the bond issuance and the execution of the Capital Pledge Agreement for District No. 2. The Board requested Ms. Leichman reduce the authorized interest rate described in the Resolution from the electorally-authorized 18% to a maximum interest rate of 7%. Ms. Leichman confirmed she will make that change, noting that interest is expected to be lower than 7% at the time of closing. After review and discussion of the Resolution and Capital Pledge Agreement and other documents related to the Bonds, and upon motion by Director Hogue, seconded by Director Carlson and unanimously carried (with Director Hall abstaining from discussion and vote), the Board adopted the Resolution and approved the Capital Pledge Agreement with final updates to be made prior to the closing date for the Bonds.

District Manager Report

Mr. Wagner updated the Board regarding District operations, stating that the District No. 2 meter endpoint installation project is complete. Full activation of the meter endpoints will occur once Windsor begins supplying water to the irrigation system for the 2022 season. Mr. Wagner informed the Board that Centennial Consulting Group has billing software that would assist with invoicing customers for water usage. District No. 1 is anticipated to consider utilizing the system to facilitate water usage invoicing and will consider the proposal at a future meeting.

Adjournment

There being no other business to come before the Board, the meeting was adjourned at approximately 7:25 p.m.



Secretary for the Meeting