

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE JONES DISTRICT COMMUNITY AUTHORITY BOARD

A special meeting of the Board of Directors of the Jones District Community Authority Board (the “CAB”) was held on September 30, 2020 at 3:00 p.m. Due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of COVID-19 by limiting in-person contact, this CAB Board meeting was held via Microsoft Teams videoconference and teleconference call, with at least one person physically present at CliftonLarsonAllen LLP, 8390 E. Crescent Pkwy., Suite 300, Greenwood Village, CO 80111. The meeting was open to the public via video-enabled web conference and telephone conference.

ATTENDANCE

Directors in attendance were:

Dan Metzger (Representative for Jones Metropolitan District Nos. 1-5)
Garrett Honeyman (Representative for Jones Metropolitan District No. 1)
Jason Mitchell (Representative for Jones Metropolitan District No. 1)
James Priestley (Representative for Jones Metropolitan District No. 1)
Andrea Ferber (Representative for Jones Metropolitan District No. 1)

Also in attendance were:

MaryAnn McGeady, Esq. and Suzanne Meintzer, Esq.; McGeady Becher P.C.
Kamille Curylo and Justin Reppe; Kutak Rock LLP
Jason Carroll, Denise Denslow, Zachary Leavitt and Cindy Jenkins;
CliftonLarsonAllen LLP (“CLA”)
Stephanie Chichester and Nick Taylor; North Slope Capital Advisors, for a portion of the meeting
Shelby Turner; D.A. Davidson & Co.
Barrett Marrocco; Independent District Engineering Services, LLC (“IDES”)

ADMINISTRATIVE MATTERS

Disclosure of Potential Conflicts of Interest: Ms. Denslow confirmed quorum and called the meeting to order at 3:06 p.m. The Board noted that disclosures of potential conflict of interest statements for each of the Directors were filed with the Secretary of State seventy-two hours in advance of the meeting. Attorney Meintzer requested that the Directors consider whether they had any additional conflicts of interest to disclose. Attorney Meintzer noted for the record that there were no new disclosures made by the Directors present at the meeting and incorporated for the record those applicable disclosures made by the Board Members prior to this meeting and in accordance with statute.

Agenda, Meeting Location and Posting of Meeting Notices: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the CAB’s Board meetings. Following discussion, and upon motion duly made by Director Mitchell, seconded by Director Metzger and, upon vote, unanimously carried, the Board determined that due to concerns regarding the spread of COVID-19

and the benefit to the control of the spread of COVID-19 by limiting in-person contact, this CAB Board meeting was held via videoconference and teleconference. The Board noted that notice of this meeting was held via videoconference and teleconference, and two people, Daniel Metzger and Denise Denslow, were present at the physical location noted on the posted agenda. The Board noted that notice of this meeting and the videoconference and teleconference meeting information was duly posted and the Board had not received any objections to the videoconference and teleconference meeting or any requests that the meeting be changed by taxpaying electors within the boundaries of the Jones Metropolitan District Nos. 1-5, nor by any taxpaying electors within the CAB's service area. Due to COVID-19, meetings will be held via videoconference and teleconference until determined otherwise.

Following discussion, upon motion duly made by Director Metzger, seconded by Director Ferber and, upon vote, unanimously carried, the Board approved the Agenda, as presented.

Meeting Minutes: The Board deferred action on this item.

FINANCIAL MATTERS

2021 Budget Hearing: Mr. Carroll reported that the draft 2021 Budget was included in the packet to meet the statutory requirement of providing the budget to the Board by the October 15th deadline. He also reported on the process and timelines for adopting the budget. Following discussion, the Board set the public hearing date to consider adoption of the 2021 Budget and consider amending the 2020 Budget for Tuesday, November 24, 2020 at 5:00 p.m.

Public Hearing on Amendment to 2020 Budget: Director Mitchell opened the public hearing to consider an amendment to the 2020 Budget

It was noted that Notice stating the Board would consider amending the 2020 Budget, and the date, time and place of the public hearing was made in a newspaper having general circulation within the boundaries of the Jones Metropolitan District Nos. 1-5 and the CAB's service area. No written objections were received prior to the public hearing, and the public hearing was closed at 3:17 p.m.

Mr. Carroll reviewed the proposed amendments to the 2020 Budget with the Board. Following review and discussion, upon a motion duly made by Director Metzger, seconded by Director Ferber and, upon a motion, unanimously carried, the Board adopted Resolution No. 2020-09-01 to Amend the 2020 Budget.

LEGAL MATTERS

Certificate of External Financial Advisor, Prepared by North Slope Capital Advisors, Relative to the CAB's Special Revenue Convertible Capital Appreciation Bonds, Series 2020A (the "Bonds"): Mr. Taylor provided a report to the Board noting that they are awaiting final pricing and the closing is set for next week. The Board acknowledged the presentation.

Long-Term Capital Improvement Plan (“LTCP”) for the CAB: Attorney Meintzer presented the LTCP to the Board. Attorney McGeady noted that the LTCP is not a requirement of the Service Plans for the Jones Metropolitan District Nos. 1-5 (collectively, the “Service Plans”), but that the LTCP relates to the Service Plans because it generally describes the Public Improvements authorized by the Service Plans to serve The Jones District Development over several years. Ms. Curylo acknowledged that the LTCP helps explain the relationship between the Capital Pledge Agreements related to the Bonds by generally describing the Public Improvements to be financed, constructed, or installed using the revenue pledged to the CAB under the Capital Pledge Agreements. Following review and discussion, upon a motion duly made by Director Metzger, seconded by Director Ferber and, upon a vote, unanimously carried, the Board approved the LTCP as presented.

Engagement Letter with CliftonLarsonAllen LLP (“CLA”) to Prepare the Financial Forecast for the Bonds, in the Amount of \$21,000: Mr. Carroll briefed the Board on the Engagement Letter. Following discussion, upon a motion duly made by Director Metzger, seconded by Director Priestly and, upon vote, unanimously carried, the Board ratified approval of the Engagement Letter with CliftonLarsonAllen LLP to prepare the Financial Forecast.

PIF Collection Agent Agreement between the CAB and CLA: Mr. Carroll briefed the Board on the PIF Collection Agent Agreement. Following review and discussion, upon a motion duly made by Director Metzger, seconded by Director Mitchell and, upon vote, unanimously carried, the Board ratified approval of the PIF Collection Agent Agreement.

Operation Funding Agreement (“OFA”) between the CAB and The Jones District, L.L.C.: Attorney Meintzer briefed the Board on the OFA and reported that the Board had already approved a previous version, but that it has been updated in accordance with the Service Plan for fiscal year 2020. Ms. Chichester noted that their team is working closely with D.A. Davidson in the coming days to set a final interest rate which they will provide to the Board. Following review and discussion, upon a motion duly made by Director Metzger, seconded by Director Ferber and, upon vote, unanimously carried, the Board ratified approval of the OFA.

Facilities Funding and Acquisition Agreement (“FFAA”) between the CAB and The Jones District, L.L.C.: Attorney Meintzer briefed the Board on the FFAA, noting it has been updated in accordance with the Service Plan and in response to comments received from The Jones District, L.L.C. Ms. Chichester noted that their team is working closely with D.A. Davidson in the coming days to set a final interest rate which they will provide to the Board. Following review and discussion, upon a motion duly made by Director Metzger, seconded by Director Ferber and, upon vote, unanimously carried, the Board ratified approval of the FFAA.

Cost Certification Report No.1: Mr. Marrocco reviewed Cost Certification Report No. 1 with the Board. Following review and discussion, upon a motion duly made by Director Metzger, seconded by Director Mitchell and, upon vote, unanimously carried, the Board approved Cost Certification Report No. 1 in the amount of \$165,275, as presented.

Certified Organizational Costs Report: Mr. Carroll reported that he reviewed invoices totaling \$224,766.68, for reimbursable organizational costs. He will prepare a letter or report for the Board describing the amount of reimbursable organizational costs. The Board deferred action on this item.

Long-Term Operations and Maintenance Budget Analysis (“Long-Term O&M Analysis”): Mr. Carroll and Ms. Denslow reviewed the Long-Term O&M Analysis with the Board. Attorney McGeady explained that the purpose of preparing a Long-Term O&M Analysis is to plan for the budgeting of operations and maintenance costs of various Public Improvements by the CAB over a period of years once constructed or installed. The Board noted that it would need to periodically review the Long-Term O&M Analysis in order to assess whether it should be updated or revised. Following review and discussion, upon a motion duly made by Director Metzger, seconded by Director Ferber and, upon vote, unanimously carried, the Board directed General Counsel to prepare a Multiple Fiscal Year Operations Funding Agreement, based on the Long-Term O&M Analysis, for the Board’s consideration.

Developer Assignment Agreement by and between the CAB and The Jones District, L.L.C.: Attorney Meintzer briefed the Board on the Developer Assignment Agreement. Following review and discussion, upon a motion duly made by Director Mitchell, seconded by Director Metzger and, upon vote, unanimously carried, the Board approved the Developer Assignment Agreement as presented.

Resolution No. 2020-09-02, Resolution Authorizing a Construction Reserve Fund: Attorney Meintzer presented the Resolution, explaining that this Resolution would establish a Construction Reserve Fund in the amount of \$250,000, using a portion of the proceeds from the Bonds. The purpose of the Construction Reserve Fund is for funds to be readily available to pay for urgent construction-related invoices, such as permitting fees. Attorney McGeady reported that the Construction Reserve Fund is set up to be replenished with proceeds from the Bonds, but that the Board can choose to not have it replenished. Following review and discussion, upon a motion duly made by Director Metzger, seconded by Director Honeyman and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-09-02, Resolution Authorizing a Construction Reserve Fund.

Resolution No. 2020-09-03 Authorizing the Issuance of the CAB’s Special Revenue Convertible Capital Appreciation Bonds, Series 2020A (the “Bonds”) in a maximum aggregate principal of up to \$46,500,000 (value at conversion date), for the purpose of paying, reimbursing and financing certain public improvements and paying the costs incidental to the issuance of the Bonds; and, in connection therewith, approving an Indenture of Trust to be entered into by the CAB with UMB Bank, n.a. as Trustee thereunder (the “Trustee”); respective Capital Pledge Agreements by and among the CAB, the Trustee and each of the Jones Metropolitan District Nos. 1, 2, 3, 4 and 5; and other related documents and instruments (collectively, the “Financing Documents”); authorizing the execution and delivery of the Financing Documents and performance by the CAB under the Financing Documents; approving, ratifying and confirming other actions; making determinations and findings as to other matters related to such financing; authorizing incidental action; and repealing prior inconsistent actions: Ms. Curylo and Mr. Reppe reviewed the Financing Documents and procedures with the Board and noted that the Bonds are anticipated to price on October 7th, and to close on October 14th. Following review and discussion, upon a motion duly made by Director Metzger, seconded by Director Priestley and, upon vote, unanimously carried, the

Board adopted Resolution No. 2020-09-03, authorizing the issuance of the Bonds in a maximum aggregate principal of up to \$46,500,000, and authorizing and approving the execution and delivery of the Financing Documents and performance by the CAB under the Financing Documents; approving, ratifying and confirming other actions; making determinations and findings as to other matters related to such financing; authorizing incidental action; and repealing prior inconsistent actions.

Resolution No. 2020-09-04 Regarding Continuing Disclosure Policies and Procedures: Attorney McGeady presented the Resolution, noting that certain continuing disclosure items need to be done every year after the Bonds close, and that this Resolution states who is responsible, what needs to be done, and what the deadlines are. Following review and discussion, upon a motion duly made by Director Metzger, seconded by Director Ferber and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-09-04 as presented.

Schedule for Processing Invoices: Attorney McGeady reviewed the Schedule for Processing Invoices with the Board. She reported that IDES and CLA are coordinating the process for the invoices. CLA will work with the CAB Board Members to see who will be authorized to release payments of the draw requests as the invoices need to be paid within 30 days. Following review and discussion, upon a motion duly made by Director Metzger, seconded by Director Mitchell and, upon vote, unanimously carried, the Board approved the Schedule for Processing Invoices.

CONSTRUCTION MATTERS

General Contractor Phase I Construction Bids: Director Honeyman and Mr. Marrocco reported on the status of the construction bids, reporting that a total of eight bids were received. Director Honeyman and Mr. Marrocco noted that addendum to the bid documents may need to be sent out to the bidders due to a potential discrepancy in the bids based on whether the bids included the cost savings of using certain base fill materials that were already onsite. The Board noted it would like to be able to issue a Notice to Proceed to the lowest responsible bidder on October 19th and given that the next Board meeting is scheduled for October 22, the Board determined to continue this special meeting to October 9th at 12:30 p.m., as discussed below.

Construction Contract Documents for Phase I Construction Work, Including but not Limited to: Grading, Erosion Control, Utilities, Concrete, and Paving, and Discuss and Consider Authorizing IDES or the Program Manager to Issue the Notice of Award and Notice to Proceed: The Board deferred action on this item.

BBCP MDPM, LLC (“BBCP”) Proposal Regarding Program Management Services: The Board discussed the BBCP proposal for Project Management Services. Mr. Marrocco noted that the proposal was received following publication of an invitation to bid and that it was the only proposal received. Following review and discussion, upon a motion duly made by Director Honeyman, seconded by Director Ferber and, upon vote, unanimously carried, the Board approved the BBCP proposal and directed General Counsel to prepare a Service Agreement with BBCP, for the Board’s consideration at the October 9th continued meeting.

Proposal from Harris Kocher Engineering Group, Inc. d/b/a Harris Kocher Smith (“HKS”) for Dry Utility Design and Planning Services: Attorney Meintzer reviewed the proposal with the Board. Following review and discussion, upon a motion duly made by Director Honeyman, seconded by Director Ferber and, upon vote, unanimously carried, the Board approved the proposal from HKS for Dry Utility Design and Planning Services and directed General Counsel to prepare a Master Service Agreement with HKS, for the Board’s consideration at the October 9th continued meeting.

OTHER BUSINESS

None.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Metzger, seconded by Director Ferber and, upon vote unanimously carried, the meeting was continued to Friday, October 9, 2020 at 12:30 p.m.

The foregoing record constitutes a true and correct copy of the Minutes of the above-referenced meeting.

Respectfully submitted,



Secretary for the Meeting