

**RECORD OF PROCEEDINGS
OF THE JOINT SPECIAL MEETING
OF THE BOARDS OF DIRECTORS OF**

PATRIOT PARK METROPOLITAN DISTRICT NOS. 1 AND 2

HELD: Wednesday, November 14, 2018, at 1:30 p.m. at the offices of Spencer Fane LLP, 102 South Tejon Street, Suite 750, Colorado Springs, Colorado

ATTENDANCE:

A joint special meeting of the Boards of Directors of Patriot Park Metropolitan District Nos. 1 and 2, El Paso County, Colorado, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting:

BOARD OF DIRECTORS – NO. 1	OFFICE	CURRENT TERM
Cheryl Flynn	Treasurer	2018-2020
Bradley Brunk	Secretary	2018-2022
Kevin Butcher	Assistant Secretary	2018-2022

BOARD OF DIRECTORS – NO. 2	OFFICE	CURRENT TERM
Bryan Dennis Kniep	Treasurer	2018-2020
Allyn Brown	Secretary	2018-2020
Kevin Butcher	Assistant Secretary	2018-2022
Patrick Jarrett	Assistant Secretary	2018-2022

Absent was Director Cameron (District Nos. 1 and 2) and Director Sloat (District No. 1), absences excused. There are no vacancies on the Boards.

Also in attendance were Ben Houghton of CliftonLarsonAllen LLP and Russell W. Dykstra of Spencer Fane LLP.

CALL TO ORDER:

Mr. Dykstra noted that a quorum was present for each Board for the purpose of conducting a joint regular meeting and called the meeting of the Boards of Directors of the Patriot Park Metropolitan District Nos. 1 and 2 to order at approximately 1:30 p.m.

DISCLOSURE OF POTENTIAL CONFLICT OF INTEREST:

Mr. Dykstra noted that general disclosure statements have been filed on behalf of the members of the Boards of Directors with the office of the Colorado Secretary of State at least three days prior to the meeting. In addition, Mr. Dykstra noted that each Director is to verbally reveal his/her potential conflicts of interest to the Boards prior to beginning the discussion in which a conflict may arise.

APPROVAL OF MINUTES:

The Boards reviewed the draft minutes of the joint regular meeting held on August 8, 2018. Following discussion and upon motion duly made, seconded and unanimously carried, the Boards approved the minutes with noted revisions and authorized the Secretary to sign the minutes as constituting a true and correct record of the proceedings of the meeting.

FINANCIALS:

- a. General Financial Update. Mr. Houghton provided a general financial update to the Boards. Discussion ensued.
- b. Payables. Mr. Houghton presented and reviewed the District's payables to the Boards through November 9, 2018. Following discussion, and upon motion duly made seconded and unanimously carried, the Boards ratified and approved the claims as presented.

2018 BUDGET AMENDMENTS (JOINT PUBLIC HEARING):

Mr. Dykstra declared the public hearing for the consideration of the proposed amendments to the 2018 budgets for Patriot Park Metropolitan District Nos. 1 and 2 open. Mr. Dykstra reported that notice of the public hearing had been published in accordance with statutory requirements. Mr. Houghton distributed and reviewed the 2018 amendments to the Capital Projects Fund for District No. 1 and General Fund and Capital Projects Fund for District No. 2. Following discussion and upon motion duly made, seconded and unanimously carried, the public hearing on the 2018 budget amendments was closed. Upon motion duly made, seconded and unanimously carried, the Boards adopted the resolutions approving the proposed 2018 budget amendments and directed Spencer Fane LLP to file the resolutions with the Division of Local Government as required by statute.

2019 BUDGETS (JOINT PUBLIC HEARING):

Mr. Dykstra declared the public hearing for the consideration of the proposed 2019 Budgets for Patriot Park Metropolitan District Nos. 1 and 2 open. Mr. Dykstra reported that the public hearing had been published in accordance with statutory requirements. There being no public present, upon motion duly made, seconded, and unanimously carried, the public hearing on the proposed 2019 Budgets was closed.

Mr. Houghton distributed and reviewed for the Boards' approval the Districts' proposed 2019 budgets and discussed the operating expenses with the Boards. Following discussion and upon motion duly made, seconded and unanimously carried, the Boards: (1) approved and adopted the 2019 budgets as presented; (2) authorized the appropriation of funds for the expenditures set out in the budgets; (3) approved and adopted the mill levies for certifications to the County, as indicated within the resolutions; (4) authorized Director Brunk, as Secretary and Director Flynn as Treasurer (District No.

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1); and Director Brown, as Secretary and Director Kniep, as Treasurer (District No. 2) to execute the necessary documentation; and (5) directed Spencer Fane LLP, to submit the certifications of the tax levies to the Board of County Commissioners of El Paso County prior to December 15, 2018, and file the 2019 budgets with the Division of Local Government prior to January 31, 2019.

ATTORNEY ITEMS:

- a. Resolution Concerning Annual Administrative Matters for 2019. Mr. Dykstra presented the Resolution for Patriot Park Metropolitan District Nos. 1 and 2 as prepared by Spencer Fane LLP for the Boards' review. After discussion, the following revisions were noted: Seth C. Rollert, as President; Melissa M. Shea, as Secretary; and Mark A. Adams, as Treasurer.
- b. Discussion Regarding Update on Covenant Enforcement. Mr. Dykstra provided an update to the Boards regarding covenant enforcement. General discussion ensued.
- c. Accept Organizational Costs for Reimbursement Agreements. Mr. Dykstra discussed with the Boards the organizational costs associated with the Reimbursement Agreements. Upon motion duly made, seconded and unanimously carried, the Boards approved the organizational costs for Reimbursement Agreements.

DIRECTOR ITEMS:

Director Butcher held a general discussion regarding the Districts.

OTHER BUSINESS:

None.

ADJOURNMENT:

There being no further business to come before the Boards and upon motion duly made, seconded and unanimously carried, the meeting was adjourned at approximately 2:10 p.m.

The foregoing minutes constitutes a true and correct copy of the minutes of the above-referenced meeting and was approved by the Boards of Directors of the Patriot Park Metropolitan District Nos. 1 and 2.


Secretary of the Boards