

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE CITYSET METROPOLITAN DISTRICT NO. 2 HELD NOVEMBER 28, 2023

A Special Meeting of the Board of Directors (hereinafter referred to as the “Board”) of CitySet Metropolitan District No. 2 (hereinafter referred to as the “District”) was held on Tuesday, November 28, 2023, at 12:00 p.m. This District Board Meeting was held by conference call without any individuals (neither district representatives nor the general public) attending in person. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

William G. Martinic
Ashley Dimond
Mark Lionberger (for a portion)
Catherine Clark

Also In Attendance Were:

David Solin; Special District Management Services, Inc. (“SDMS”)

Paula Williams, Esq.; McGeady Becher P.C.

Kimberly Johannis; Simmons & Wheeler, P.C.

Mark Hays; Stonebridge Hospitality Management

Zach Lane, Board candidate

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes (“C.R.S.”) to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board and to the Secretary of State. Mr. Solin noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. No new conflicts of interest were disclosed, and Attorney Williams reported that all Directors’ Disclosure Statements had been filed by the statutory deadline.

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ADMINISTRATIVE MATTERS

Agenda: The Board reviewed the proposed Agenda for the District's Special Meeting.

Following discussion, upon motion made by Director Martinic, seconded by Director Lionberger and, upon vote, unanimously carried, the Board approved the Agenda, as amended.

Approval of Meeting Location: 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, upon motion duly made by Director Martinic, seconded by Director Lionberger and, upon vote, unanimously carried, the Board determined that the District Board meeting was held, and properly noticed to be held, via Zoom. The Board further noted that notice providing the Zoom information was duly posted and that it had not received any objections or any requests that the means of hosting the meeting be changed by tax paying electors within the District's boundaries.

Resignation of Mark Hays: Following discussion, upon motion duly made by Director Martinic, seconded by Director Lionberger and, upon vote, unanimously carried, the Board acknowledged the resignation of Mark Hays from the Board of Directors effective November 2, 2023.

Board Appointment: The Board discussed the vacancy on the Board.

Following discussion and upon motion duly made by Director Martinic, seconded by Director Lionberger, and, upon vote, unanimously carried, the Board appointed Zach Lane to fill the vacancy on the Board. The Oath of Director was administered.

Appointment of Officers: Following discussion, upon motion duly made by Director Martinic, seconded by Director Lionberger and, upon vote, unanimously carried, the following slate of officers was appointed:

President	William G. Martinic
Treasurer	Zach Lane
Secretary	David Solin
Assistant Secretary	Ashley Dimond
Assistant Secretary	Catherine Clark
Assistant Secretary	Mark Lionberger

Minutes: The Board reviewed the Minutes of the September 7, 2023 Special Meeting.

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Following discussion, upon motion duly made by Director Martinic, seconded by Director Lionberger and, upon vote, unanimously carried, the Board approved the Minutes of the September 7, 2023 Regular Meeting.

Resolution No. 2023-11-01; Establishing 2024 Regular Meeting Dates, Time and Location and Designating Location for Posting of 24-Hour Notices: The Board discussed the business to be conducted in 2024 and Resolution No. 2023-11-01; Establishing 2024 Regular Meeting Dates, Time and Location and Designating Location for Posting of 24-Hour Notices.

Following discussion, upon motion duly made by Director Martinic, seconded by Director Lionberger and, upon vote, unanimously carried, the Board adopted Resolution No. 2023-11-01; Establishing 2024 Regular Meeting Dates, Time and Location and Designating Location for Posting of 24-Hour Notice and scheduled regular meetings for June 27, 2024 and November 28, 2024 at 12:00 to be held via Zoom.

Insurance Matters: The Board discussed Insurance matters.

Cyber Security and Increased Crime Coverage: The Board discussed cyber security and increased crime coverage.

Insurance Committee: The Board discussed the establishment of the insurance committee. Following discussion, it was determined that an Insurance Committee was not needed.

Renewal of the District's insurance and Special District Association ("SDA") membership for 2024: The Board discussed the renewal of the District's insurance and SDA membership for 2024.

Following discussion, upon motion duly made by Director Martinic, seconded by Director Lionberger and, and, upon vote, unanimously carried, the Board authorized the renewal of the District's insurance and SDA membership for 2024, and an increase to the District's crime coverage to \$250,000.

Section 32-1-809, C.R.S., Reporting Requirements, Mode of Eligible Elector Notification for 2024: The Board entered into discussion regarding Section 32-1-809, C.R.S., Transparency Notice reporting requirements and mode of eligible elector notification for 2024.

Upon motion duly made by Director Martinic, seconded by Director Lionberger and, and, upon vote, unanimously carried, the Board directed staff to post the required information to the SDSA website, and the District's website.

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PUBLIC COMMENT

There was no public comment.

FINANCIAL MATTERS

Claims: The Board reviewed and considered ratifying approval of payment of claims for the periods ending as follows:

Fund	Period Ending June 30, 2023	Period Ending July 31, 2023	Period Ending Aug. 31, 2023	Period Ending Sept. 30, 2023
General	\$ 36,836.41	\$ 19,807.65	\$ 24,712.46	\$ 17,197.49
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 36,836.41	\$ 19,807.65	\$ 24,712.46	\$ 17,197.49

Fund	Period Ending Oct. 31, 2023
General	\$ 27,230.89
Debt Service	\$ -0-
Capital Projects	\$ -0-
Total Claims	\$ 27,230.89

Following review, upon motion duly made by Director Martinic, seconded by Director Lionberger and, upon vote, unanimously carried, the Board ratified approval of the payment of claims, as presented and authorized Directors Clark and Lane as signers on the District bank account.

Unaudited Financial Statements: Ms. Johanns reviewed the unaudited financial statements through the period ending September 30, 2023.

Following review and discussion, upon motion duly made by Director Martinic, seconded by Director Lionberger and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending September 30, 2023.

2023 Audit: The Board discussed the proposal from Haynie & Company for 2023 audit services for an amount not to exceed \$7,300.

Following review and discussion, upon motion duly made by Director Martinic, seconded by Director Lionberger and, upon vote, unanimously carried, the Board approved the engagement of Haynie & Company to perform the 2023 audit for an amount not to exceed \$7,300.

2023 Budget Amendment Hearing: The President opened the public hearing to consider amending the 2023 Budget.

It was noted that publication of Notice stating that the Board would consider amendment of the 2023 Budget and the date, time, and place of the public hearing was made in a newspaper having general circulation within the District. No written

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objections were received prior to this public hearing. There were no comments from the public in attendance and the public hearing was closed.

Following review and discussion, Director Martinic moved to adopt the Resolution to Further Amend 2023 Budget, Director Clark seconded the motion and, upon vote, unanimously carried, the Board adopted Resolution to Further Amend the 2023 Budget.

2024 Budget Hearing: The President opened the public hearing to consider the proposed 2024 Budget.

It was noted that publication of Notice stating that the Board would consider adoption of the 2024 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No public comments were received and the public hearing was closed.

Ms. Johanns reviewed the estimated 2023 expenditures and the proposed 2024 expenditures with the Board.

Upon motion duly made by Director Martinic, seconded by Director Clark and, upon vote unanimously carried, the Board approved the 2024 Budget, as discussed, and considered adoption of Resolution No. 2023-11-03 to Adopt the 2024 Budget and Appropriate Sums of Money and Resolution No. 2023-11-04 to Set Mill Levies (0.000 mills). Following discussion, upon vote unanimously carried, the Board adopted the Resolutions and authorized execution of the Certification of Budget. The District Accountant was directed to transmit the Certification of Tax Levies to the Board of County Commissioners of Arapahoe County, subject to receipt of final Certification of Assessed Valuation. Mr. Solin was directed to transmit the Certification of Budget to the Division of Local Government no later than January 31, 2024.

DLG-70 Mill Levy Certification Form: The Board considered authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

Following discussion, upon motion duly made by Director Martinic, seconded by Director Clark and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

2025 Budget Preparation: The Board entered into discussion regarding appointing the District Accountant to prepare the 2025 Budget and setting the date for a Public Hearing to adopt the 2025 Budget for November 28, 2024.

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Following discussion, upon motion duly made by Director Martinic, seconded by Director Clark and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2025 Budget; directed that the form of the 2025 draft budget be the same as the 2024 adopted budget unless a Board Member provides input to adjust those assumptions, and set the date for a Public Hearing to adopt the 2025 Budget for November 28, 2024.

LEGAL MATTERS

Amendment to 2023 Operation Funding Agreement between the District and Oxbridge Properties, Inc.: The Board reviewed the First Amendment to the 2023 Operation Funding Agreement between the District and Oxbridge Properties, Inc.

Following review and discussion, upon motion duly made by Director Martinic, seconded by Director Clark and, upon vote, unanimously carried, the Board approved the Amendment to the 2023 Operation Funding Agreement between the District and Oxbridge Properties, Inc.

2024 Operation Funding Agreement between the District and Oxbridge Properties, Inc.: The Board reviewed the 2024 Operation Funding Agreement between the District and Oxbridge Properties, Inc.

Following review and discussion, upon motion duly made by Director Martinic, seconded by Director Clark and, upon vote, unanimously carried, the Board approved the 2024 Operation Funding Agreement between the District and Oxbridge Properties, Inc.

Resolution No. 2023-11-05 Amending Policy Regarding Colorado Open Records Act Requests: The Board discussed Resolution No. 2023-11-05; Resolution Amending Policy Regarding Colorado Open Records Act Requests.

Following discussion, upon motion duly made by Director Martinic, seconded by Director Dimond and, upon vote, unanimously carried, the Board adopted Resolution No. 2023-11-05; Resolution Amending Policy Regarding Colorado Open Records Act Requests.

PROJECTS OPERATIONS/ MAINTENANCE/ CAPITAL REPAIRS

2024 Services: Mr. Solin discussed with the Board the services to be performed in 2024 and noted he will be obtaining proposals for landscape enhancements, snow removal and holiday lighting.

Change Order No. 2 from Generator Source, LLC for 2023 Annual Preventative Maintenance: The Board discussed Change Order No. 2 from Generator Source, LLC for 2023 Annual Preventative Maintenance.

Following discussion, upon motion duly made by Director Martinic, seconded by Director Dimond and, upon vote, unanimously carried, the Board ratified approval

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of Change Order No. 2 from Generator Source, LLC for 2023 Annual Preventative Maintenance.

Landscape Committee: The Board deferred discussion at this time.

OTHER MATTERS

There were no other matters for discussion.

ADJOURNMENT

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

Respectfully submitted,

By 

Secretary for the Meeting