

**MINUTES OF A SPECIAL MEETING OF  
THE BOARD OF DIRECTORS OF THE  
PALISADE METROPOLITAN DISTRICT NO. 2  
(THE “DISTRICT”)  
HELD  
JULY 15, 2021**

A special meeting of the Board of Directors of the Palisade Metropolitan District No. 2 (referred to hereafter as the “Board”) was convened on Thursday, the 15<sup>th</sup> day of July, 2021, at 9:00 A.M. Due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, the District Board meeting was held and properly noticed to be held by video / telephonic means via Zoom. The meeting was open to the public via video / telephonic means.

ATTENDANCE

Directors In Attendance Were:

Garrett Baum  
William Branyan  
Bonner Gilmore

Following discussion, upon motion duly made by Director Branyan, seconded by Director Gilmore and, upon vote unanimously carried, the absence of Directors Tamra Schneider and Kevin Schneider were excused.

Also In Attendance Were:

Megan Becher, Esq.; McGeady Becher P.C.

Jason Carroll; CliftonLarsonAllen LLP

DISCLOSURE OF  
POTENTIAL  
CONFLICTS OF  
INTEREST

The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State. The members of the Board were requested 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 statute. It was noted by Attorney Becher that disclosures of potential conflicts of interest were filed with the Secretary of State for all directors, and no additional conflicts were disclosed at the meeting.

ADMINISTRATIVE  
MATTERS

Quorum, Meeting Location and Posting of Meeting Notices: A quorum for the special meeting was confirmed. 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 due to concerns

regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, the District Board meeting was held and properly noticed to be held via video / telephonic conference (Zoom), without any individuals (neither District representatives nor the general public) attending in person. The Board further noted that notice providing the Zoom access information was duly posted and that they have not received any objections or any requests that the means of hosting the meeting be changed by taxpaying electors within the District's boundaries.

Agenda: Attorney Becher distributed for the Board's review and approval an Agenda for the District's special meeting. Following discussion, upon motion duly made by Director Branyan, seconded by Director Gilmore and, upon vote, unanimously carried, the Agenda was approved, as amended.

Public Comment: There was no public comment.

Minutes of the April 9, 2021 Special Meeting: The Board reviewed the Minutes of the April 9, 2021 Special Meeting. Following review and discussion, upon motion duly made by Director Baum, seconded by Director Gilmore and, upon vote, unanimously carried, the Board approved the Minutes of the April 9, 2021 Special Meeting.

## FINANCIAL MATTERS

Financial Statements: Mr. Carroll reviewed the District's unaudited financial statements for the period ending March 31, 2021.

Following discussion, upon motion duly made by Director Branyan, seconded by Director Gilmore and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending March 31, 2021.

Claims: Mr. Carroll presented interim claims in the amount of \$1,476,305.73 to be ratified by the Board and current claims in the amount of \$776,171.00 to be considered for approval. Following review, upon motion duly made by Director Branyan, seconded by Director Gilmore and, upon vote, unanimously carried, the Board ratified approval of the payment of interim claims in the amount of \$1,476,305.73 and approved current claims in the amount of \$776,171.00.

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

It was noted that publication of Notice stating that the Board would consider amendment of the 2020 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 the public hearing.

No public comments were received, and the public hearing was closed.

Following discussion, it was determined that an amendment to the 2020 Budget was not necessary.

2020 Audit: Mr. Carroll reviewed the 2020 Audit with the Board. Following discussion, upon motion duly made by Director Branyan, seconded by Director Gilmore, and upon vote unanimously carried, the Board approved the 2020 Audit, subject to final legal review, and authorized execution of the Representations Letter.

## LEGAL MATTERS

Intergovernmental Agreement for Operations Cost Sharing by and between the District and Palisade Metropolitan District No. 1: The Board discussed the status of the Intergovernmental Agreement for Operations Cost Sharing by and between the District and Palisade Metropolitan District No. 1. No action was taken by the Board.

Tract Ownership and Status of Conveyance of Tract(s) to the District: The Board discussed the status of certain tracts intended for District ownership. No action was taken by the Board.

Additional Legal Costs Associated with Vista Highlands Public Improvements from EVO Consulting Services, Inc. dated May 28, 2020 and authorize reimbursement to Kevamra, LLC: Following discussion, upon motion duly made by Director Branyan, seconded by Director Gilmore and, upon vote, unanimously carried, the Board accepted Additional Legal Costs Associated with Vista Highlands Public Improvements from EVO Consulting Services, Inc. dated May 28, 2020 and authorized reimbursement to Kevamra, LLC pursuant to the Amended and Restated Facilities Funding and Acquisition Agreement by and between the District and Kevamra, LLC, as amended.

Additional Legal Costs Associated with Vista Highlands Public Improvements from EVO Consulting Services, Inc. dated June 12, 2021 and authorize reimbursement to Kevamra, LLC: Following discussion, upon motion duly made by Director Branyan, seconded by Director Gilmore and, upon vote, unanimously carried, the Board accepted Additional Legal Costs Associated with Vista Highlands Public Improvements from EVO Consulting Services, Inc. dated June 12, 2021 and authorized reimbursement to Kevamra, LLC pursuant to the Amended and Restated Facilities Funding and Acquisition Agreement by and between the District and Kevamra, LLC, as amended.

Amendment to County Road 7 Escrow Account Letter Agreement by and

among the District, Palisade Metropolitan District No. 2 and Kevamra, LLC: The Board discussed the need to amend the County Road 7 Escrow Account Letter Agreement by and among the District, Palisade Metropolitan District No. 2 and Kevamra, LLC. Following discussion, upon a motion duly made by Director Branyan, seconded by Director Gilmore and, upon vote, unanimously carried, the Board authorized and directed District General Counsel to prepare the necessary amendment for the Board's consideration.

Eligible Costs for Public Improvements Distribution Request Nos. 86-88 from EVO Consulting Services, Inc. and reimbursement to Kevamra, LLC pursuant to the Facilities Reimbursement Agreement by and among the District, Children's Hospital Colorado and Kevamra, LLC and/or pursuant to the Amended and Restated Facilities Funding and Acquisition Agreement by and between the District and Kevamra, LLC, as amended: Following discussion, upon motion duly made by Director Branyan, seconded by Director Gilmore and, upon vote, unanimously carried, the Board accepted Eligible Costs for Public Improvements Distribution Request Nos. 86-88 from EVO Consulting Services, Inc. and authorized reimbursement to Kevamra, LLC pursuant to the Facilities Reimbursement Agreement by and among the District, Children's Hospital Colorado and Kevamra, LLC and/or pursuant to the Amended and Restated Facilities Funding and Acquisition Agreement by and between the District and Kevamra, LLC, as amended.

Engineer's Letter and Verification of Costs Associated with the Design and Construction of Public Improvements – Children's Hospital from Schedio Group LLC, dated May 25, 2021 and authorize reimbursement to Children's Hospital Colorado, pursuant to the Facilities Reimbursement Agreement by and among the District, Children's Hospital Colorado and Kevamra, LLC: Following discussion, upon motion duly made by Director Branyan, seconded by Director Gilmore and, upon vote, unanimously carried, the Board accepted Engineer's Letter and Verification of Costs Associated with the Design and Construction of Public Improvements – Children's Hospital from Schedio Group LLC, dated May 25, 2021 and authorized reimbursement to Children's Hospital Colorado, pursuant to the Facilities Reimbursement Agreement by and among the District, Children's Hospital Colorado and Kevamra, LLC.

Service Agreement for Cost Verification Services by and between the District and RG and Associates, LLC: Following discussion, upon a motion duly made by Director Branyan, seconded by Director Gilmore and, upon vote, unanimously carried, the Board approved execution of a Service Agreement for Cost Verification Services by and between the District and RG and Associates, LLC.

## CONSTRUCTION MATTERS

District Construction Process: There was no update.


OTHER MATTERS

Proposed Refunding of District Bonds: The Board discussed a potential refunding of the District's bonds.

ADJOURNMENT

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

Respectfully submitted,

By  \_\_\_\_\_  
Secretary for the Meeting