

**RECORD OF PROCEEDINGS
MINUTES OF THE COORDINATED ORGANIZATIONAL MEETING
OF THE BOARDS OF DIRECTORS OF
LIBERTY DRAW METROPOLITAN DISTRICT NOS. 1-7**

HELD: Monday, December 5, 2022 at 10:00 a.m.
LOCATION: Via WebEx video and teleconference

ATTENDANCE:

The organizational meeting of the Boards of Directors of Liberty Draw Metropolitan District Nos. 1-7, Weld 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:

Mitch Nelson
Zachery Cesar
Andrew Gerk

Directors Tanya Smith and Jay Gardiner were absent and excused.

Also in attendance were Melissa Wheeler from the development company, Lane Melott from Centennial Consulting Group, and David S. O’Leary of Spencer Fane LLP.

CALL TO ORDER:

Mr. O’Leary noted for the record that a quorum was present, and on behalf of the Boards of Directors, called the meeting to order and explained the purpose of the organizational meeting.

AFFIDAVITS OF QUALIFICATION OF BOARD MEMBERS / OATHS OF OFFICE AND BONDS:

Mr. O’Leary discussed the Affidavits of Qualification, Oaths of Office and Bond documents with the Boards.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST:

Mr. O’Leary discussed the state law requirements for disclosure of potential conflicts of interest with the Directors, noting that completed disclosure statements must be filed for each of the Directors with the Secretary of State and Secretary of the Districts at least three days prior to a meeting in which a potential conflict may arise. In addition, each Director is to verbally reveal his or her potential conflicts of interest to the Boards prior to beginning the discussion in which the conflict may arise. The Directors did so. It was noted that all Directors had previously completed Conflict of Interest forms and delivered them to Mr. O’Leary’s office, and the forms were filed with the Secretary of State at least three days prior to the Board meeting.

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APPROVAL OF THE AGENDA:

Upon motion duly made by Director Cesar, seconded by Director Gerk and unanimously carried, the Boards approved the Agenda as presented.

DISCUSSION OF SERVICE PLAN, DISTRICT ORGANIZATION, DISTRICT POWERS AND ELECTION RESULTS:

Mr. O'Leary discussed the Service Plan, District Organization, District Powers and Election Results with the Boards.

DISCUSSION OF OPEN MEETINGS REQUIREMENTS:

Mr. O'Leary described the open meeting and posting requirements for the Districts, noting that any non-social meetings of three or more of the directors constituted an official meeting, and that notice of a meeting for the Districts is to be (1) provided to each Board member, and (2) posted at one location within the Districts at least 24 hours in advance of the meeting. The posting should include specific agenda information, if possible.

ELECTION OF OFFICERS / DUTIES OF BOARD PRESIDENT, SECRETARY AND TREASURER:

Mr. O'Leary reviewed the duties of the Board President, Secretary, and Treasurer with the Boards. Following discussion and the receipt of nominations, upon motion duly by Director Cesar, seconded by Director Gerk and unanimously approved, the Boards elected Mr. Zachery Cesar as President, Mr. Andrew Gerk as Secretary/Treasurer, and Mr. Mitch Nelson, Mr. Jay Gardiner and Ms. Tanya Smith as Vice President / Asst. Secretary / Asst. Treasurer.

ADOPTION OF SEAL:

Upon motion duly made by Director Cesar, seconded by Director Gerk, and upon vote unanimously carried, the Boards adopted a seal consisting of the word "Seal" circled by "Liberty Draw Metropolitan District No. 1, Weld County, Colorado", "Liberty Draw Metropolitan District No. 2, Weld County, Colorado", "Liberty Draw Metropolitan District No. 3, Weld County, Colorado", "Liberty Draw Metropolitan District No. 4, Weld County, Colorado", "Liberty Draw Metropolitan District No. 5, Weld County, Colorado", "Liberty Draw Metropolitan District No. 6, Weld County, Colorado" and "Liberty Draw Metropolitan District No. 7, Weld County, Colorado"

RATIFICATION OF PAST ACTIONS:

Following discussion and upon motion duly made by Director Cesar, seconded by Director Gerk and upon vote unanimously carried, the Boards ratified the past actions of the Board members and the consultants in the organization and operation of the Districts, including without limitation

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actions and notifications taken in furtherance of the election, making and posting notice for this meeting including the location of the posting and the meeting, and in the organization of the Districts.

HIRING OF CONSULTANTS AND APPROVAL OF ENGAGEMENT LETTERS:

Mr. O'Leary discussed the need for the hiring of consultants to assist the Districts in its duties. Mr. O'Leary discussed the proposed engagement of Spencer Fane LLP as general counsel to the Districts. Following discussion and upon motion duly made by Director Cesar, seconded by Director Gerck, and upon vote unanimously carried, the Districts approved the engagement letter as presented and discussed engaging CCG as Manager and Accountant and Spencer Fane as District Counsel.

ADMINISTRATIVE MATTERS RESOLUTION (INCLUDING REGULAR MEETINGS, DESIGNATED POSTING LOCATION, AND OFFICIAL CONTACT PERSON):

Mr. O'Leary presented a Resolution Concerning Annual Administrative Matters to the Boards. Following discussion and upon motion duly made by Director Cesar, seconded by Director Nelson, and upon vote unanimously carried, the Resolution was adopted as presented. Within the Annual Administrative Matters Resolution, it was determined that the Boards will hold special meetings as need; the designated posting location for Districts meetings will be at the district entrance and the website; and the office location and contact for the District will be Mr. O'Leary and the office of Spencer Fane LLP, 1700 Lincoln Street, Suite 2000, Denver, Colorado 80203.

RESOLUTION CONCERNING ONLINE POSTING OF MEETING NOTICES:

Mr. O'Leary presented a proposed resolution concerning online posting of meeting notices to the Boards. Following discussion and upon motion duly made by Director Cesar, seconded by Director Gerck and upon vote unanimously carried, the Boards approved the resolution as presented and authorized the creation of a website.

MAY 2023 ELECTION RESOLUTION:

Mr. O'Leary presented a proposed resolution concerning the May 2023 election to the Boards. Following discussion and upon motion duly made by Director Cesar, seconded by Director Nelson and upon vote unanimously carried, the Boards approved the resolution as presented.

PAYMENT OF ORGANIZATIONAL COSTS:

The Boards agreed that the Districts intend to pay the organizational costs once the funds are available.

SPECIAL DISTRICT MAP DISCLOSURE PURSUANT TO C.R.S. § 32-1-104.8:

Mr. O'Leary presented the Disclosure to the Boards. Following discussion and upon motion duly

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made by Director Cesar, seconded by Director Nelson and upon vote unanimously carried, the Disclosure was adopted as presented.

SPECIAL DISTRICT DISCLOSURE RE: COMMON QUESTIONS:

Mr. O'Leary presented the Disclosure to the Boards. Following discussion and upon motion duly made by Director Cesar, seconded by Director Nelson, and upon vote unanimously carried, the Disclosure was adopted as presented.

WORKERS COMPENSATION FOR BOARD MEMBERS:

Mr. O'Leary discussed the need and options for worker's compensation insurance coverage for members of the Boards of Directors. Upon motion duly made by Director Cesar, seconded by Director Gerk and unanimously carried, the Boards approved the resolution as presented.

GOVERNMENTAL IMMUNITY AND INDEMNIFICATION RESOLUTION:

Mr. O'Leary presented a proposed Resolution Providing for the Defense and Indemnification of District Personnel and generally discussed the Colorado Governmental Immunity Act and the need and options for indemnification of employees and members of the Boards of Directors by the Districts. Upon motion duly made by Director Cesar, seconded by Director Nelson and upon vote unanimously carried, the Boards approved the resolution as presented.

RESOLUTION CONCERNING COLORADO OPEN RECORDS ACT FEE SCHEDULE:

Mr. O'Leary presented a proposed Resolution Concerning the Colorado Open Records Act and a related Fee Schedule and explained the Colorado Open Records Act and need to adopt a Fee Schedule with the Boards. Following discussion and upon motion duly made by Director Cesar, seconded by Director Gerk, and upon vote unanimously carried, the Boards approved the resolution as presented.

INSURANCE:

Mr. O'Leary discussed the need and options for general liability and other coverage for the Districts, and directors' and officers' errors and omissions insurance for members of the Boards of Directors. Following discussion and upon motion duly made by Director Cesar, seconded by Director Gerk and upon vote unanimously carried, the Boards approved obtaining insurance coverage when appropriate and authorized any membership and applications by the appropriate representatives.

MEMBERSHIP IN SPECIAL DISTRICT ASSOCIATION:

Mr. O'Leary noted that the District might consider membership in the Special District Association and must join if insurance is obtained through the Association's Pool. Following discussion and upon motion duly made by Director Cesar, seconded by Director Gerk and upon vote unanimously

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carried, the Boards approved obtaining membership in the Special District Association.

SELECTION OF BANK, DESIGNATION OF OFFICIAL CUSTODIAN, PDPA APPLICATION:

Mr. O'Leary discussed the need for the Boards to select a banking institution for the Districts. Following discussion and upon motion duly made by Director Cesar, seconded by Director Nelson, and upon vote unanimously carried, the Boards approved designated Spencer Fane LLP as the custodian and directed Spencer Fane LLP to file the PDPA applications.

FEDERAL EMPLOYERS' IDENTIFICATION NUMBER AND SALES TAX IDENTIFICATION NUMBER:

Following discussion and upon motion duly made by Director Cesar, seconded by Director Gerk, and upon vote unanimously carried, the Boards authorized the execution of the application for Federal Employers Identification Number and sales tax identification number for the Districts and directed Spencer Fane LLP to file the applications with the Internal Revenue Service and Colorado Department of Revenue.

INTENT TO LEVY:

Mr. O'Leary presented the intent to levy the Boards. Following discussion and upon motion duly made by Director Cesar, seconded by Director Gerk, and upon vote unanimously carried, the Boards approved the document as presented.

2022 BUDGETS:

Mr. O'Leary reported that proper publication had been made in order for the Districts to conduct a joint public hearing on the 2022 budgets. Upon motion duly made by Director Cesar, seconded by Director Gerk, and unanimously carried, the public hearing was opened. There being no public present to comment, the public hearing was closed. Upon motion duly made by Director Cesar, seconded by Director Gerk, and upon vote unanimously carried, the Boards approved the 2022 budgets and the execution of the 2022 budget resolutions as presented.

2023 BUDGETS:

Mr. O'Leary reported that proper publication had been made in order for the Districts to conduct a combined public hearing on the 2023 budgets for the Districts. Upon motion duly made by Director Cesar, seconded by Director Gerk, and unanimously carried, the public hearing was opened. There being no public present to comment, the public hearing was closed. Upon motion duly made by Director Cesar, seconded by Director Gerk, and unanimously carried, the Boards approved the 2023 budgets and the execution of the 2023 budget resolutions as presented and authorized a mill levy of 60.000.

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RESOLUTION CONCERNING DATA PRIVACY POLICY:

Mr. O’Leary presented a proposed resolution concerning the data privacy policy to the Boards. Following discussion and upon motion duly made by Director Cesar, seconded by Director Gerk, and upon vote unanimously carried, the Boards approved the resolution as presented.

FUNDING AND REIMBURSEMENT AGREEMENT FOR OPERATIONS BETWEEN DISTRICTS AND DEVELOPER:

Mr. O’Leary presented and discussed the proposed Funding and Reimbursement Agreement with the Boards and the Developer. Following discussion and upon motion duly made by Director Cesar, seconded by Director Gerk, and upon vote unanimously carried, the Boards approved the agreement as presented.

ADVANCE AND REIMBURSEMENT AGREEMENT FOR CAPITAL COSTS BETWEEN DISTRICTS AND DEVELOPER:

Mr. O’Leary presented and discussed the proposed Advance and Reimbursement Agreement with the Boards and the Developer. Following discussion and upon motion duly made by Director Cesar, seconded by Director Gerk, and upon vote unanimously carried, the Boards approved the agreement as presented.

IMPROVEMENT ACQUISITION AGREEMENT:

Mr. O’Leary presented and discussed the proposed Improvement Acquisition Agreement with the Boards and the Developer. Following discussion and upon motion duly made by Director Cesar, seconded by Director Gerk, and upon vote unanimously carried, the Boards approved the agreement as presented.

REIMBURSEMENT RESOLUTION:

Mr. O’Leary presented and discussed the proposed Reimbursement Resolution with the Boards. Following discussion and upon motion duly made by Director Cesar, seconded by Director Gerk, and upon vote unanimously carried, the Boards approved the resolution as presented.

BYLAWS:

Mr. O’Leary presented and discussed the proposed Bylaws with the Boards. Following discussion and upon motion duly made by Director Cesar, seconded by Director Gerk, and upon vote unanimously carried, the Boards approved the Bylaws as presented.

OTHER BUSINESS:

The Boards discussed future development in the districts. Mr. O’Leary presented and discussed the proposed Fee Resolution for Operations and Administrative Costs with the Boards. Following

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discussion and upon motion duly made, seconded and upon vote unanimously carried, the Boards approved the resolution with no fee being initially designated for 2023 currently. The Boards will review and consider any updates to the proposed resolution at the next board meeting of the Districts.

ADJOURNMENT:

There being no further business to come before the Boards and upon motion duly made by Director Cesar, seconded by Director Gerk, and unanimously carried, the meeting was adjourned.

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 Liberty Draw Metropolitan District Nos. 1 - 7.

Secretary to the Boards