

RECORD OF PROCEEDINGS

MINUTES OF THE COORDINATED SPECIAL MEETING OF

CONESTOGA METROPOLITAN DISTRICT NO. 1
CONESTOGA METROPOLITAN DISTRICT NO. 2
CONESTOGA METROPOLITAN DISTRICT NO. 3
CONESTOGA METROPOLITAN DISTRICT NO. 4
CONESTOGA METROPOLITAN DISTRICT NO. 5

HELD
November 5, 2021

The Combined Special Meeting of the Boards of Directors (collectively, “Boards”) of Conestoga Metropolitan District No. 1, Conestoga Metropolitan District No. 2, Conestoga Metropolitan District No. 3, Conestoga Metropolitan District No. 4, and Conestoga Metropolitan District No. 5 (collectively, “Districts”) was held via videoconference, at 3:00 p.m. on Friday, November 5, 2021. Notice of the combined meeting was duly posted.

ATTENDANCE

Directors in Attendance:

Zachery C. Cesar
Andrew Gerk
Ryan Barnes

Directors Absent but Excused:

David Paton
Jamie E. Baessler

Also in Attendance:

David O’Leary, Esq.; Spencer Fane, LLP
Kammy Tinney, Brendan Campbell, Maddie McKean, Doug Campbell,
Dillon Gamber, Kirsten Starman and Andrew Kunkel; Pinnacle
Consulting Group, Inc.
Melissa Wheeler; Baessler Homes
Brad Blair, A. Ferrell, Derek last name unknown, Jacquelyn
Grossnickle, and Rita Hinds; Residents

CALL TO ORDER

The meeting was called to order at 3:06 p.m. by Director Gerk, noting that a quorum was present. The Directors in attendance confirmed their qualifications to serve.

COMBINED MEETING

The Districts are meeting in a combined Board meeting. Unless otherwise noted, the matters set forth below shall be deemed to be the actions of the Conestoga Metropolitan District No. 1, with concurrence by Conestoga Metropolitan District Nos. 2, 3, 4, and 5.

RECORD OF PROCEEDINGS

CONFLICTS
OF
INTEREST
DISCLOSURE

Mr. O’Leary discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Boards of Directors to the Secretary of State. The members of the Boards requested to disclose any potential conflicts of interest regarding 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 Mr. O’Leary that disclosures of potential conflicts of interest were filed with the Secretary of State for all Directors.

AGENDA

The Boards reviewed the agenda. Upon motion duly made by Director Cesar, seconded by Director Barnes and, upon vote, unanimously carried, it was

RESOLVED to approve the agenda, as presented.

MINUTES APPROVAL

The minutes of the July 15, 2021 and September 17, 2021 Special meetings were presented and reviewed. Upon motion duly made by Director Cesar, seconded by Director Barnes and, upon vote, unanimously carried, it was

RESOLVED to approve the July 15, 2021 and September 17, 2021 Special meetings minutes, as presented.

PUBLIC COMMENT

There we no comments made by members of the public.

FINANCIAL ITEMS

Payment of Claims: Mr. Campbell reviewed with the Boards the payment of claims for the period July 9, 2021 through October 28, 2021 in the amount of \$67,202.89. Following review and discussion, upon motion duly made by Director Gerk, seconded by Director Cesar and, upon vote, unanimously carried, it was

RESOLVED to ratify Payment of Claims for Period Ending October 28, 2021 in the amount of \$67,202.89, as presented.

Financial Report: Mr. Campbell reviewed with the Boards the unaudited Financial Statements for the period ending September 30, 2021 and answered questions.

RECORD OF PROCEEDINGS

2021
AMENDED
BUDGET HEARING

Amended 2021 Budget: Director Cesar opened the 2021 Amended Budget Hearing to the public. Ms. Tinney reported that notice of the hearing had been published on October 20, 2021 in accordance with state budget law. There being no public input, upon motion duly made by Director Barnes, seconded by Director Cesar and, upon vote, unanimously carried, the public portion of the budget hearing was closed. Mr. Campbell reviewed the proposed amended budget and answered questions. The amended budget by fund is as follows:

District No. 1
Original Adopted General Fund: \$154,042
Amended General Fund: \$190,092

Following further review and discussion, and upon motion duly made by Director Gerk, seconded by Director Barnes and, upon vote, unanimously carried, it was

RESOLVED to approve the Resolution to Adopt the Amended 2021 Budget and appropriate budgeted funds.

2022
BUDGET HEARING

Director Cesar opened the 2022 Budget Hearings for Conestoga Metropolitan District Nos. 1, 2, 3, 4 and 5. Ms. Tinney reported that notice of the budget hearing was published on October 20, 2021 in accordance with state budget law. There being no public input, upon motion duly made by Director Barnes, seconded by Director Cesar and, upon vote, unanimously carried, the public portion of the budget hearing was closed. Mr. Campbell reviewed the budgets in detail and answered questions from the Board and the public. The budgets by District and fund are as follows:

District No. 1
Mill levy is 0 mills.
General Fund Expenditures: \$309,030
Capital Projects Fund Expenditures: \$1,045,000

District No. 2
Mill levy is 55.339 mills.
General Fund Expenditures: \$43,711
Debt Service Fund Expenditures: \$251,116

District No. 3
Mill levy is 50.339 mills.
General Fund Expenditures: \$74,531

RECORD OF PROCEEDINGS

District No. 4
Mill levy is 55.339 mills.
General Fund Expenditures: \$13,318

District No. 5
Mill levy is 23.000 mills.
General Fund Expenditures: \$931

Following review and discussion, upon motion duly made by Director Gerk, seconded by Director Barnes and, upon vote, unanimously carried, it was

RESOLVED to approve the Resolution to Adopt the 2022 budgets for Conestoga Metropolitan Districts Nos. 1-5, set the mill levies, appropriate budgeted funds upon final certification of value being received by the County of Weld on or before December 15, 2021 and approve all other documents related to the 2022 budgets. The District Manager and/or Accountant is authorized to make minor modifications that may be necessary following receipt of final assessed values and file the necessary documents with the state and the county regarding the approval of the final budgets.

FINANCIAL
ITEMS, CONT.

Engagement of Auditor for 2021 Audit – District No. 1 and District No. 2: Mr. Campbell recommended that the Boards consider the engagement of Haynie & Company for performance of the 2021 Audit for District No. 1 and District No. 2. Following review and discussion, upon motion duly made by Director Gerk, seconded by Director Barnes and, upon vote, unanimously carried, it was

RESOLVED to engage Haynie & Company for performance of the 2021 Audit for District No. 1 and District No. 2.

LEGAL MATTERS

Acceptance of Phase 5 Public Infrastructure Capital Costs and Expenses: Mr. O’Leary presented the Phase 5 Public Infrastructure Capital Costs and Expenses in the amount of \$2,262,468.10 for the Boards consideration. Following review and discussion, upon motion duly made by Director Cesar, seconded by Director Barnes and, upon vote, unanimously carried, it was

RESOLVED to approve and accept the Phase 5 Public Infrastructure Capital Costs and Expenses in the amount of \$2,262,468.10.

RECORD OF PROCEEDINGS

Resolution of the Districts to Reimburse Capital Public Improvement Costs and Expenses and Updates to District Capital Notes: Mr. O’Leary presented the Resolution of the Districts to Reimburse Capital Public Improvement Costs and Expenses and Updates to District Capital Notes for the Boards consideration. Following review and discussion, upon motion duly made by Director Gerk, seconded by Director Barnes and, upon vote, unanimously carried, it was

RESOLVED to approve the Resolution of the Districts to Reimburse Capital Public Improvement Costs and Expenses and Updates to District Capital Notes.

Updates to District Promissory Notes for Capital and Operations: Mr. O’Leary presented to the Boards updates to District Promissory Notes for Capital and Operations. Following review and discussion, upon motion duly made by Director Gerk, seconded by Director Cesar and, upon vote, unanimously carried, it was

RESOLVED to approve the Updates to District Promissory Notes for Capital and Operations, as presented.

2022 Annual Administrative Matters Resolution: Mr. O’Leary presented the 2022 Annual Administrative Matters Resolution to the Boards and answered questions. Following review and discussion, upon motion duly made by Director Gerk, seconded by Director Barnes and, upon vote, unanimously carried, it was

RESOLVED to approve the 2022 Annual Administrative Matters Resolution.

Resolution Calling May 2022 Regular Election: Mr. O’Leary presented the Resolution Calling May 2022 Regular Election to the Boards. Following review and discussion, upon motion duly made by Director Gerk, seconded by Director Barnes and, upon vote, unanimously carried, it was

RESOLVED to approve the Resolution Calling May 2022 Regular Election.

Resolution to Exclude from Workers Compensation Coverage: Mr. O’Leary presented the Resolution to Exclude from Workers Compensation Coverage to the Boards. Following review and discussion, upon motion duly made by Director Barnes, seconded by Director Cesar and, upon vote, unanimously carried, it was

RECORD OF PROCEEDINGS

RESOLVED to approve the Resolution to Exclude from Workers Compensation Coverage.

Updates to Transparency Notices: Mr. O’Leary presented to the Boards the annual transparency notices. Following review and discussion, upon motion duly made by Director Barnes, seconded by Director Cesar and, upon vote, unanimously carried, it was

RESOLVED to approve the 2022 Transparency Notices.

Updates to Developer Funding Agreements and Related Promissory Notes: Mr. O’Leary presented to the Boards updates to developer funding agreements and related promissory notes. Following review and discussion, upon motion duly made by Director Gerck, seconded by Director Barnes and, upon vote, unanimously carried, it was

RESOLVED to approve the Updates to Developer Funding Agreements and Related Promissory Notes.

MANAGEMENT AND
OPERATIONS MATTERS

District Management Report: Ms. Tinney presented the Management Report to the Boards and answered questions.

ARC Committee: Ms. Tinney recommended to the Boards the assignment of Pinnacle Consulting Group, Inc. to the ARC Committee and removal of Crystal Clemens. Following review and discussion, upon motion duly made by Director Gerck, seconded by Director Barnes and, upon vote, unanimously carried, it was

RESOLVED to assign Pinnacle Consulting Group, Inc. to the ARC Committee and to remove Crystal Clemens.

2022 Proposed Regular Meeting Schedule: Ms. Tinney reviewed with the Boards the proposed 2022 regular meeting schedule. The Board provided direction to proceed with the 2022 proposed regular meeting schedule to hold regular meetings the 2nd month of the quarter on the 4th Wednesday of the month.

2022 Operations and Maintenance Agreement: Ms. Starman presented a 2022 Operations and Maintenance Agreement for the Boards consideration.

- i. Miller Landscape and Lawn Maintenance.

Following review and discussion, upon motion duly made by Director Gerck, seconded by Director Barnes and, upon vote, unanimously

RECORD OF PROCEEDINGS

carried, it was

RESOLVED to approve the 2022 Operations and Maintenance Agreement, as presented.

Ratification of 2021 Independent Contractor Agreements and Contract Modifications: Ms. Starman presented the 2021 Independent Contractor agreements and contract modifications with the Boards and answered questions. Following review and discussion, upon motion duly made by Director Barnes, seconded by Director Cesar and, upon vote, unanimously carried, it was

RESOLVED to approve the Independent Contractor Agreements and Contract Modifications, as amended.

DIRECTOR'S ITEMS

There were no Director's Items presented to the Boards.

DEVELOPER UPDATE

Director Gerk provided an update on current developments within the Districts.

OTHER ITEMS

There were no other items brought before the Boards for consideration.

ADJOURNMENT

There being no further business to come before the Boards, upon motion duly made by Director Gerk, seconded by Director Cesar and, upon vote, unanimously carried, the meeting was adjourned at 3:57 p.m.

Respectfully submitted,



Andrew Kunkel
Recording Secretary for the Meeting