

RECORD OF PROCEEDINGS

MINUTES OF THE COORDINATED REGULAR 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
August 26, 2020

The Combined Regular 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 2:00 p.m. on Wednesday, August 26, 2020. Notice of the combined meeting was duly posted.

ATTENDANCE

Directors in Attendance:

Zachery C. Cesar
David Paton (joined at 2:31 p.m.)
Ryan Barnes (joined at 2:30 p.m.)
Andy Gerk
Jamie E. Baessler (left at 2:45 p.m.)

Also in Attendance:

David O'Leary, Esq.; Spencer Fane, LLP
Ron Angle, Andrew Kunkel, Kirsten Starman, and Crystal Clemens;
Pinnacle Consulting Group, Inc.
Melissa Wheeler; Baessler Homes

CALL TO ORDER

The meeting was called to order at 2:04 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.

CONFLICT 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

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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 Gerk, seconded by Director Cesar, and upon vote, unanimously carried, it was

RESOLVED to approve the agenda, as amended to include item

III. C. Consideration and Approval of a Master Service Agreement with Miller Landscape and Lawn Maintenance.

ADMINISTRATIVE ITEM

Election of Officers: The Boards agreed to retain the current slate of officers. Following discussion, upon motion duly made by Director Gerk, seconded by Director Baessler, upon vote, unanimously carried, it was

RESOLVED to retain the current slate of officers, as presented.

April 8, 2020 Special Meeting Minutes: The Boards reviewed the minutes of the April 8, 2020 special meeting. Following discussion, upon motion duly made by Director Gerk, seconded by Director Cesar and, upon vote, unanimously carried, it was

RESOLVED to approve the April 8, 2020 special meeting minutes, as presented.

November 25, 2020 Board Meeting: Due to the Thanksgiving Holiday on November 26, 2020 the consensus of the Board was to reschedule the November 25, 2020 Meeting to early November.

PUBLIC COMMENT

There were no comments made by members of the public.

FINANCIAL ITEMS

Payment of Claims: Mr. Angle reviewed with the Boards the payment of claims for period April 2, 2020 through August 1, 2020 in the amount of \$28,945.65. Following review and discussion, upon motion duly made by Director Cesar, seconded by Director Gerk and, upon unanimous vote, it was

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RESOLVED to Ratify payment of claims for period ending August 1, 2020, as presented.

Financial Report: Mr. Angle reviewed with the Boards the unaudited Financial Statements for the period ending June 30, 2020. Following review and discussion, upon motion duly made by Director Gerk, seconded by Director Cesar and, upon unanimous vote, it was

RESOLVED to Accept the unaudited financial statements for the period ending June 30, 2020, as presented.

Approval of 2019 Audit: Mr. Angle gave an update to the Boards on the District No. 1 and District No. 2 2019 Audits and answered questions. Following review and discussion, upon motion duly made by Director Gerk, seconded by Director Cesar and, upon unanimous vote, it was

RESOLVED to approve the 2019 audit for District No. 1 and District No. 2, upon revisions made by Baessler Homes staff by August 28th, 2020.

2021 Budget Timeline and Loan Draw: Mr. Angle reviewed the 2021 budget timeline with the Boards and discussed the assessed valuation and threshold requirements for future loan draws. Due to current assessed valuation no draw will occur in 2020.

MANAGEMENT AND
OPERATIONS MATTERS

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

2020 Independent Contractor Agreements and Contract Modifications Report: Ms. Clemens presented the 2020 independent contractor agreements and contract modifications report to the Boards and answered questions. Following review and discussion, upon motion duly made by Director Gerk, seconded by Director Paton and, upon vote, unanimously carried, it was

RESOLVED to Ratify the 2020 independent contractor agreements, as presented.

Master Service Agreement with Miller Landscape and Lawn Maintenance: Ms. Starman presented the Master Service Agreement with Miller Landscape and Lawn Maintenance to the Boards and answered questions. Work orders under this agreement will be subject to review by Director Cesar. Following review and discussion, upon motion duly made by Director Gerk, seconded by Director Barnes and,

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upon vote, unanimously carried, it was

RESOLVED to approve the Master Service Agreement with Miller Landscape and Lawn Maintenance.

LEGAL MATTERS

Phase 3A Public Infrastructure Capital Costs and Expenses: Mr. O'Leary presented to the Boards and requested acceptance of Phase 3A Public Infrastructure capital costs and expenses in the amount of \$2,482,754.13. Following review and discussion, upon motion duly made by Director Gerk, seconded by Director Paton and, upon vote, unanimously carried, it was

RESOLVED to accept the Phase 3A Public Infrastructure capital costs and expenses in the amount of \$2,482,754.13.

Resolution of the Districts to Reimburse Capital Public Improvement Costs and Expenses: Mr. O'Leary presented to the Boards the resolution to reimburse capital public improvement costs and expenses and answered questions. Following review and discussion, upon motion duly made by Director Gerk, seconded by Director Paton and, upon vote, unanimously carried, it was

RESOLVED to approve the resolution to reimburse capital public improvement costs and expenses, as presented.

Updates to District Promissory Notes for Capital and Operations: Mr. O'Leary presented to the Boards an update to the district promissory notes for capital and operations and answered questions. Following review and discussion, upon motion duly made by Director Gerk, seconded by Director Paton and, upon vote, unanimously carried, it was

RESOLVED to approve the updates to the district promissory notes for capital and operations, as presented.

Resolution Concerning the Imposition of District Services Fees: Mr. O'Leary presented to the Boards an update to the resolution concerning the imposition of district services fees to include the \$225.00 quarterly fee for Townhomes and raise the ARC application fee from \$50.00 to \$90.00 and answered questions. Pinnacle will also be the primary contact on Phase 2 & 6 ARC applications and responses. 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 amendment and updates to

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resolution concerning the imposition of district service fees, with changes as discussed at the meeting.

DIRECTOR'S ITEMS

There were no director's items brought before the Boards.

DEVELOPER UPDATES

Director Gerk provide an update to the boards and answered questions.

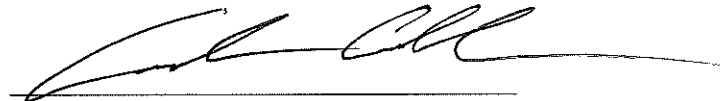
OTHER ITEMS

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

ADJOURNMENT

There being no further business to come before the Boards, the meeting adjourned at 3:14 p.m.

Respectfully submitted,



Andrew Kunkel
Recording Secretary for the Meeting