

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
February 24, 2021

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, February 24, 2021. Notice of the combined meeting was duly posted.

ATTENDANCE

Directors in Attendance:

Zachery C. Cesar

Ryan Barnes

Andy Gerk

Directors Absent but Excused:

Jamie E. Baessler

David Paton

Also in Attendance:

David O'Leary, Esq.; Spencer Fane, LLP

Crystal Clemens, Andrew Kunkel, Brendan Campbell, Kirsten Starman,
and Ron Angle; Pinnacle Consulting Group, Inc.

Melissa Wheeler; Baessler Homes

CALL TO ORDER

The meeting was called to order at 2:01 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.

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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 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 Gerk and, upon vote, unanimously carried, it was

RESOLVED to approve the agenda, as presented.

ADMINISTRATIVE
ITEM

Minutes Approval: The Boards reviewed the minutes of the November 2, 2020 Special Meeting. 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 November 2, 2020 special meeting minutes, as presented.

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 October 24, 2020 through February 12, 2021 in the amount of \$45,221.48. Following review and discussion, upon motion duly made by Director Cesar, seconded by Director Barnes and, upon vote, unanimously carried, it was

RESOLVED to ratify payment of claims for period ending February 12, 2021 in the amount of \$45,221.48, as presented.

Financial Report: Mr. Angle reviewed with the Boards the unaudited Financial Statements for the period ending December 31, 2021. Following review and discussion, upon motion duly made by Director Gerk, seconded by Director Cesar and, upon vote, unanimously carried, it was

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RESOLVED to accept the unaudited financial statements for the period ending December 31, 2021, as presented.

2021
AMENDED
BUDGET HEARING

Amended 2021 Budget: Director Gerk opened the 2021 Amended Budget Hearing to the public. Ms. Clemens reported that notice of the hearing had been published on February 19, 2021 in accordance with state budget law. There being no public input, upon motion duly made by Director Gerk, seconded by Director Barnes and, upon vote, unanimously carried, the public portion of the budget hearing was closed. Mr. Angle 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

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

RESOLVED to approve the resolution to amend the 2021 budget and appropriate budgeted funds.

FINANCIAL
ITEMS, CONT.

Approval of 2020 Applications for Exemption from Audit for District Nos. 2-5: Mr. Angle reported that if revenues or expenditures for a District are less than \$750,000 in 2020 the District may file an Application for Exemption from Audit on or before March 31st. District Nos. 2, 3, 4 & 5 each qualify. 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 applications for exemption from audit for District Nos. 2-5, subject to final review of the Boards.

District Bank Accounts: The Boards considered opening a ColoTrust account for District No. 1 and District No. 2. Following review and discussion, upon motion duly made by Director Cesar, seconded by Director Gerk and, upon vote, unanimously carried, it was

RESOLVED to approve opening a ColoTrust account for District No. 1 and District No. 2.

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LEGAL MATTERS

Phase 4 Public Infrastructure Capital Costs and Expenses: Mr. O’Leary presented to the Boards and requested acceptance of Phase 4 Public Infrastructure Capital Costs and Expenses in the amount of \$1,848,979.74. Following review and discussion, upon motion duly made by Director Gerk, seconded by Director Cesar and, upon vote, unanimously carried, it was

RESOLVED to accept the phase 4 public infrastructure capital costs and expenses in the amount of \$ 1,848,979.74.

Resolution to Reimburse Capital Public Improvement Costs and Expenses and Updates to District Capital Notes: Mr. O’Leary presented the Resolution to Reimburse Capital Public Improvement Costs and Expenses and Updates to District Capital Notes. 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 resolution to reimburse capital public improvement costs and expenses and updates to district capital notes, as presented.

Updates to the District Promissory Notes for Capital and Operations: Mr. O’Leary presented to the Boards the updates to the 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 the district promissory notes for capital and operations, as presented.

MANAGEMENT AND OPERATIONS MATTERS

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

2021 Independent Contractor Agreements and Contract Modifications Report: Ms. Starman presented the 2021 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 Cesar and, upon vote, unanimously carried, it was

RESOLVED to ratify the independent contractor agreements and contract modifications, as presented.

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DIRECTOR'S ITEMS

Director Gerk reported that residents of the district have been experiencing connectivity issues with their internet service because TDS was utilizing an incorrect map. The internet issues are anticipated to be corrected within the new few weeks. Director Gerk also reported increased theft within the district to homes under construction along Highway 14. The developer has hired a security firm to patrol the area.

DEVELOPER UPDATES

Director Gerk reported that the District is anticipated to be fully built out by October 1, 2021.

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 was adjourned at 3:08 p.m.

Respectfully submitted,



Andrew Kunkel
Recording Secretary for the Meeting