

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 2, 2020

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 Monday, November 2, 2020. Notice of the combined meeting was duly posted.

ATTENDANCE

Directors in Attendance:

Zachery C. Cesar
David Paton
Ryan Barnes
Andy Gerk

Directors Absent but Excused:

Jamie E. Baessler

Also in Attendance:

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

CALL TO ORDER

The meeting was called to order at 3:02 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 Paton, seconded by Director Barnes, and upon vote, unanimously carried, it was

RESOLVED to approve the agenda, as presented.

ADMINISTRATIVE
ITEM

August 26, 2020 Regular Meeting Minutes: The Boards reviewed the minutes of the August 26, 2020 regular meeting. Following discussion, upon motion duly made by Director Cesar, seconded by Director Paton and, upon vote, unanimously carried, it was

RESOLVED to approve the August 26, 2020 regular 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 August 2, 2020 through October 23, 2020 in the amount of \$37,259.70. 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 October 23, 2020 in the amount of \$37,259.70, as presented.

Financial Report: Mr. Angle reviewed with the Boards the unaudited Financial Statements for the period ending September 30, 2020. Following review and discussion, upon motion duly made by Director Paton, seconded by Director Gerck and, upon vote, unanimously carried, it was

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RESOLVED to accept the Unaudited Financial Statements for the Period Ending September 30, 2020, as presented.

2020
AMENDED
BUDGET HEARING

Amended 2020 Budget: Director Cesar opened the 2020 Amended Budget Hearing to the public. Ms. Clemens reported that notice of the hearing had been published on October 28, 2020 in accordance with state budget law. There being no public input, upon motion duly made by Director Cesar, 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 Capital Fund: \$3,400,000
Amended Capital Fund: \$3,900,000

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

RESOLVED to approve the Resolution to Adopt the Amended 2020 Budget and appropriate budgeted funds.

2021
BUDGET HEARING

Director Cesar opened the 2021 Budget Hearings for Conestoga Metropolitan District Nos. 1, 2, 3, 4 and 5. Ms. Clemens reported that notice of the budget hearing was published on October 28, 2020 in accordance with state budget law. There being no public input, upon motion duly made by Director Cesar, seconded by Director Gerk and, upon vote, unanimously carried, the public portion of the budget hearing was closed. Mr. Angle reviewed the budgets in detail and answered questions. The budgets by District and fund are as follows:

District No. 1
Mill levy is 10 mills.
General Fund Expenditures: \$154,042
Capital Projects Fund Expenditures: \$6,352,100

District No. 2
Mill levy is 50.272 mills.
General Fund Expenditures: \$19,527
Debt Service Fund Expenditures: \$69,238

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District No. 3
Mill levy is 50.272 mills.
General Fund Expenditures: \$38,937

District No. 4
Mill levy is 50.272 mills.
General Fund Expenditures: \$200

District No. 5
Mill levy is 50.272 mills.
General Fund Expenditures: \$214

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 2021 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, 2020 and approve all other documents related to the 2021 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.

2020 Auditor: Mr. Angle recommended that the Boards consider the engagement of The Adams Group, Haynie & Company, or Marc, James & Associates., PC for the 2020 Audit. Following review and discussion, upon motion duly made by Director Gerk, seconded by Director Paton and, upon vote, unanimously carried, it was

RESOLVED to engage Haynie & Company for the 2020 Audit, in an amount not to exceed \$5800.

MANAGEMENT AND OPERATIONS MATTERS

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

2021 Proposed Regular Meeting Schedule: Ms. Clemens reviewed with the Boards the proposed 2021 regular meeting schedule. The Board provided direction to proceed with the 2021 proposed regular meeting schedule to hold regular meetings the 2nd month of the quarter on the 4th Wednesday of the month at 3:00 p.m.

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

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

2021 Operations and Maintenance Agreements: Ms. Starman presented a Master Service Agreement with Miller Landscape and Lawn Maintenance. 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 a Master Service Agreement with Miller Landscape and Lawn Maintenance, as presented.

LEGAL MATTERS

Conveyance of Tract F and Outlot G from District No. 1 to Conestoga Developers Company, LLC: Mr. O'Leary discussed the need to convey Tract F and Outlot G from District No. 1 to Conestoga Developers Company, LLC. 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 Conveyance of Tract F and Outlot G from District No. 1 to Conestoga Developers Company, LLC.

Public Hearing on Petitions for Exclusion of Property (Outlot G) from District No. 2 and Petition for Inclusion of Property (Outlot G) into District No. 1 and updates to Boundaries: Mr. O'Leary opened the public hearing on petitions for exclusion of property (Outlot G) from District No. 2 and petition for inclusion of property (Outlot G) into District No 1 and updates to boundaries. There being no public input, upon motion duly made by Director Cesar, seconded by Director Gerk and, upon vote, unanimously carried, the public portion of the hearing was closed.

Resolution Approving Petition for Exclusion of Property (Outlot G) from District No. 2: Mr. O'Leary presented to the Boards the Resolution approving petition for exclusion. Following review and discussion, upon motion duly made by Director Paton, seconded by Director Barnes and, upon vote, unanimously carried, it was

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RESOLVED to approve the Resolution Approving Petition for Exclusion of Property (Outlot G) from District No. 2.

Resolution Approving Petition for Inclusion of Property (Outlot G) into District No. 1: Mr. O'Leary presented to the Boards the Resolution approving petition for inclusion. Following review and discussion, upon motion duly made by Director Paton, seconded by Director Barnes and, upon vote, unanimously carried, it was

RESOLVED to approve the Resolution Approving Petition for Inclusion of Property (Outlot G) into District No. 1.

2021 Annual Administrative Matters Resolution: Mr. O'Leary presented the 2021 Annual Administrative Matters Resolution 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 approve the 2021 Annual Administrative Matters Resolution.

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

RESOLVED to approve the Resolution to Exclude from Workers Compensation Coverage, as presented.

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

RESOLVED to approve the 2021 Transparency Notices, as presented.

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

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

Updates to District Fee Resolutions: Mr. O'Leary presented to the Boards the district fee resolutions 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 District Fee Resolutions, as presented.

DIRECTOR'S ITEMS

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

DEVELOPER UPDATES

There were no developer updates brought before the Boards.

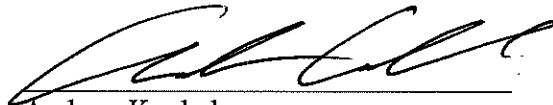
OTHER ITEMS

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 4:13 p.m.

Respectfully submitted,



Andrew Kunkel

Recording Secretary for the Meeting