

# RECORD OF PROCEEDINGS

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## 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  
April 8, 2020

The Coordinated Special Meeting of the Boards of Directors (collectively, "Board") 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 teleconference, on Wednesday, April 8, 2020, at 2:00 p.m.

### ATTENDANCE

#### Directors in Attendance:

Zachery C. Cesar  
David Paton  
Ryan Barnes  
Andy Gerk  
Jamie E. Baessler

#### Also in Attendance:

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

### ADMINISTRATIVE ITEMS

The Coordinated Special Meeting of the Board of Directors of Conestoga Metropolitan District Nos. 1, 2, 3, 4, and 5 was called to order by Director Gerk at 2:02 p.m. He noted that a quorum was present for each of the Boards. All Board Members also confirmed that prior to the meeting they had been notified of the meeting and all Board Members confirmed their qualification to serve on the Boards.

Combined Meetings: The Boards of Directors determined to hold joint meetings of the Districts and to prepare joint minutes of action taken by the Districts at such meetings. Unless otherwise noted herein, all official action reflected in these minutes shall be deemed to be action of all the Districts. Where necessary, action taken by an individual District will be so reflected in these minutes.

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Meeting Notice: Ms. Clemens reported that Notice of the Meeting had been properly posted to the Districts' website at least 24 hours in advance of the meeting. The Notice also included the agenda items.

Conflicts of Interest: Mr. O'Leary discussed the law relating to conflicts of interest and ethical standards for public officials, and the statutory requirements to disclose any potential conflict of interest to the Boards and to the Secretary of State. Mr. O'Leary further advised the Boards regarding the requirements pertaining to general and specific conflicts. Mr. O'Leary indicated that appropriate forms disclosing potential conflicts had previously been sent to and completed by each of the Directors at least 72 hours in advance of the meeting as required by statute. The Board acknowledged all Board Members are employees or affiliated with Baessler Homes, the developer within the Districts. Mr. O'Leary noted that additional potential conflicts and questions should be submitted to Spencer Fane LLP for review and preparation of applicable disclosure statements in advance of each meeting. Mr. O'Leary discussed the obligations of individual Directors to assure that the state law regarding disclosure of potential conflicts of interest is properly satisfied. Mr. O'Leary's office will assist the Directors in filing forms completed by the Directors in connection with each District's meetings at which matters giving rise to potential conflicts are discussed. Following which each Board Member present confirmed the contents of the written disclosures previously made stating the fact and summary nature of any matters as required under Colorado law to permit official action to be taken at the meeting. Additionally, the Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act.

Consider Approval of the Meeting Agenda: The Boards reviewed the meeting agenda. Following discussion, upon motion duly made by Director Gerk, seconded by Director Baessler and, upon unanimous vote, it was

**RESOLVED** to approve the agenda, as presented.

Consider Approval of Meeting Minutes: The minutes of the November 8, 2019 special meeting and December 16, 2019 special meeting were presented for review and consideration of approval by the Boards. Upon motion duly made by Director Gerk, seconded by Director Cesar and, upon unanimous vote, it was

**RESOLVED** to approve the November 8, 2019 special meeting minutes and the December 16, 2019 special meeting minutes as presented.

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### PUBLIC COMMENT

The Boards opened the meeting to public comments. Upon receiving no comments, this portion of the meeting was closed.

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### FINANCIAL ITEMS

Consider Ratification of Payment of Claims: Mr. Angle reviewed with the Board the check register for the period October 12, 2019 through April 1, 2020, totaling \$72,665.55. Following review and discussion, upon motion duly made by Director Paton, seconded by Director Cesar and, upon unanimous vote, it was

**RESOLVED** to ratify approval of the payment of claims for the period ending April 1, 2020, totaling \$72,665.55.

Financial Report: Mr. Angle reviewed with the Boards the unaudited financial statements for the period ending December 31, 2019. Following review and discussion, upon motion duly made by Director Gerk, seconded by Director Baessler and, upon unanimous vote, it was

**RESOLVED** to accept the unaudited financial statements for the period ending December 31, 2019, as presented.

Consider Ratification of Approval of Applications for Audit Exemption District Nos. 3-5: Mr. Angle reviewed with the Board the Applications for Exemption from Audit for District Nos. 3-5 and answered questions. Following review and discussion, upon motion duly made by Director Gerk, seconded by Director Baessler and, upon unanimous vote, it was

**RESOLVED** to ratify approval of the Applications for Exemption from Audit for District Nos. 3-5, as presented.

Status of 2019 Audit for District No. 1 and District No. 2: Mr. Angle informed the Board that Cutler and Associates will begin the audit for District No. 1 and District No. 2 on April 20, 2020.

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### LEGAL ITEMS

Consider Approval of Amended ARC Guidelines for Phase 6: Mr. O'Leary presented the Amended Architectural ARC Guidelines for Phase 6 of the development. 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 the Amended ARC Guidelines for Phase 6, as presented.

Consider Approval of Resolution Regarding Imposition of Administrative Fees: Mr. O'Leary presented to the Boards for discussion the imposition of an administrative fee for status request

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letters processed on behalf of the Districts by Pinnacle Consulting Group, Inc. Following review and discussion, upon motion duly made by Director Gerk, seconded by Director Cesar and, upon vote, unanimously carried, it was

**RESOLVED** to adopt the revised Administrative Fees Resolution for processing of status request letters in the amount of \$75.00 each.

Consider Improvement Acquisition Notice and Request for Acceptance of Phase 6 Improvements: Mr. O'Leary presented an Improvement Acquisition Notice for Phase 6 Improvements received from the Developer to the Board, which included a Capital Cost Summary in the amount of \$1,258,200.41 along with certifications from the developer and District consultants. Following review and discussion, upon motion duly made by Director Baessler, seconded by Director Paton and, upon vote, unanimously carried, it was

**RESOLVED** to approve the Improvement Acquisition Notice and Request for Acceptance of Phase 6 Public Improvements and related capital costs and expenses in the amount of \$1,258,200.41 as presented.

Consider Resolution for the District to Reimburse Capital Public Improvement Costs and Expenses: Mr. O'Leary presented Resolution 2020-04-08 for the Districts to reimburse Capital Public Improvement Costs and Expenses and Updates to the 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 adopt Resolution 2020-04-08 for the Districts to reimburse Capital Public Improvement Costs and Expenses and updates to the District Capital Notes for Phase 6 costs in the amount of \$1,258,200.41.

Consider Approval of Conveyance of Tract F of Conestoga Subdivision First Filing Second Replat (Phase 6) to District No. 1: Mr. O'Leary presented the Conveyance of Tract F of Conestoga Subdivision First Filing Second Replat (Phase 6) to District No. 1. 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 Conveyance of Tract F of Conestoga Subdivision First Filing Second Replat (Phase 6) to District No. 1, as presented.

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Electronic Board Meeting Resolution: Mr. O'Leary presented to the Board the Resolution Establishing Electronic Board Meeting Policy During the COVID-19 Pandemic. Following review and discussion, upon motion duly made by Director Paton, seconded by Director Cesar and, upon vote, unanimously carried, it was

**RESOLVED** to adopt the Resolution Establishing Electronic Board Meeting Policy During the COVID-19 Pandemic.

Update Regarding the May 5, 2020 Regular Election: Mr. O'Leary provided an update to the Board regarding the May 5, 2020 Regular Election. The District did not receive more Self-Nomination and Acceptance forms than Directors' positions available at the election, and at the close of business on March 3, 2020, the DEO cancelled the election and declared the candidates elected by acclamation. The Oaths of Office will be administered following the May 5, 2020 regular election date.

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### DEVELOPER UPDATES

Director Gerk reported that Baessler Homes will complete the development of Phase 3A approximately May 15, 2020. Records for District review and acceptance are anticipated to be delivered by July 15, 2020.

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### OTHER MATTERS

Civil Worx Work Order: Ms. Starman updated the Board with the certification status and engineer work order to complete those matters. Ms. Starman presented the CivilWorx Work Order for Capital Cost Acceptance and Engineer Certification Services. Following review and discussion, upon motion duly made by Director Cesar, seconded by Director Paton and, upon vote, unanimously carried, it was

**RESOLVED** to approve the Work Order and any Contracts and related documents for CivilWorx in an amount not to exceed \$2,750.00.

Covenant Enforcement/Architectural Review/Site Inspection updates for October 2019 – March 2020: Ms. Clemens reviewed with the Boards the Covenant Enforcement/Architectural Review/Site Inspection updates for October 2019 through March 2020.

Ms. Tinney further discussed the current projected budget for 2020 and the method for review and performing architectural review, covenant enforcement and site inspections in light of the 2020 budget and the Board's expectations. Ms. Tinney suggested some cost saving measures

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based upon those discussions. The Board discussed amending the Covenant Violation Enforcement Policy. Following review and discussion, upon motion duly made by Director Gerk, seconded by Director Cesar and, upon vote, unanimously carried, it was

**RESOLVED** to amend the Covenant Violation Enforcement Policy to one inspection per month during April through September, otherwise inspections will be driven by homeowner complaints or on an as needed basis.

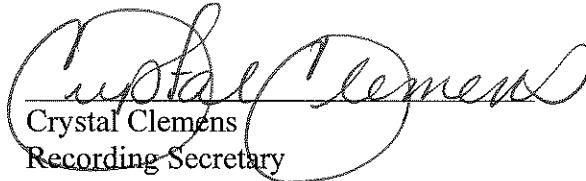
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### ADJOURNMENT

With no further items brought before the Boards and upon motion duly made by Director Gerk, seconded by Director Barnes and, upon unanimous vote, the meeting was adjourned at 3:02 p.m.

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Respectfully submitted,

  
Crystal Clemens  
Recording Secretary