

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF CONESTOGA METROPOLITAN DISTRICT NOS. 1 - 5

HELD
May 22, 2024

The Regular Meeting of Conestoga Metropolitan District Nos. 1 - 5 was held via Zoom and Teleconference on Wednesday, May 22, 2024, at 2:05 p.m.

ATTENDANCE

Conestoga Metropolitan District Nos. 1, 3, 4, & 5 Directors in Attendance:

Zachery C. Cesar, President & Chairperson
Andrew Gerk, Vice Chair & Asst. Secretary/Treasurer
Ryan Barnes, Vice Chair & Asst. Secretary/Treasurer

Conestoga Metropolitan District Nos. 1, 3, 4, & 5 Directors Absent, but Excused:

Jamie E. Baessler, Vice Chair & Asst. Secretary/Treasurer

Conestoga Metropolitan District No. 2 Directors in Attendance:

Adam Ferrell, Secretary & Treasurer
Tyler Bryan, Vice Chair & Asst. Secretary & Asst. Treasurer
Bradley Blair, Vice Chair & Asst. Secretary & Asst. Treasurer
Nicole Riley, Vice Chair & Asst. Secretary & Asst. Treasurer

Conestoga Metropolitan District No. 2 Directors Absent, but Excused:

Jacquelyn Grossnickle, President & Chairperson

Also in Attendance:

David O'Leary and Brenden Desmond, Spencer Fane LLP
Cathy & Steve Fromm & Megan VanCamp, Fromm & Company LLC
Melissa Wheeler, Baessler Homes
Andy Weber, WD Designs & Associates (Poudre Valley Coop)
Bradley Curtis, Town of Ault
7 Members of the Public from District Nos. 3 & 4

ADMINISTRATIVE ITEMS

Call to Order: The Regular Meeting of the Boards of Directors (collectively, the "Boards") of the Conestoga Metropolitan District Nos. 1-5 (collectively, the "District") was called to order by Mr. O'Leary at 2:08 p.m.

Coordinated Meetings: The Districts are meeting in a coordinated Board meeting. Unless otherwise noted, the matters set forth below shall

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be deemed to be the actions of Conestoga Metropolitan District No. 1, with concurrence by Conestoga Metropolitan District Nos. 2, 3, 4, & 5.

Declaration of Quorum/Director Qualifications/Disclosure of Potential Conflicts of Interest: Mr. O’Leary noted that a quorum was present, with three out of five Directors in attendance for District Nos. 1, 3, 4, & 5 and four out of five Directors in attendance for District No. 2. All Board Members confirmed their qualifications to serve on the Boards. 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.

Approval of Agenda: The Boards considered the approval of the Agenda. Following review and discussion, upon a motion duly made by Director Gerk, seconded by Director Cesar, and upon vote, unanimously carried, it was

RESOLVED to approve the Agenda, as presented.

Public Comment: Concerns were expressed pertaining to the irrigation system, landscaping maintenance, enforcement and the ARB Guidelines & Restrictions for the community.

Director Comment: It was noted that the Board would work to get Mrs. Fromm the necessary information in order to set-up the bank account. Director Riley inquired as to the irrigation delay and issues. Mr. Fromm confirmed that warranty work was being done on the system and that Miller Landscaping continues to work with EDI to resolve the issues, but that the system is up and running. Mr. Fromm will continue to follow up.

Approval of Minutes: The Boards considered the approval of the Minutes. Following review and discussion, upon a motion duly made by Director Gerk, seconded by Director Cesar, and upon vote, unanimously carried, it was

RESOLVED to approve the Minutes, as presented.

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DISTRICT MANAGER ITEMS

District Manager's Report: Mrs. Fromm, Mr. Fromm & Mrs. VanCamp presented the District Manager's Report to the Boards and answered questions pertaining to billing and landscaping. Director Gerk noted that the non-potable system is owned and operated by the Town and that the District coordinates with the Town to turn-on and turn-off the system. Mr. Fromm confirmed speaking with the Town in February re the coordination of the system turn-on.

Questions arose re the enforcement of the community and perceived discrepancies between the documents. Mr. O'Leary confirmed that the documents had been reviewed and compared and that there is no discrepancy within the documents, the concerns lie within the enforcement process, which District Management needs clarification on. Mrs. VanCamp and Mrs. Fromm confirmed conflicting information received by the Boards, to include the enforcement schedule, clear violations, and ARB Review Fee. Members of the public voiced confusion and inconsistencies on what was being enforced. Management asked for direction from the Board on how to handle inconsistencies between the Covenants and enforcement in the past, not knowing the predecessor enforcement practices; items such as unapproved landscaping, installation of additional structures, parking of RV's, trailers, large trucks, etc. Further enforcement clarification and direction from the Board is needed. The Board requested that Fromm & Company pull together a current list of what is perceived to be noticeable violations, which will then be presented to the Board at a special meeting. Additional direction and clarification will be made at that time. Board members stated that they felt that enforcement needed to be increased and that Management would need to take a more active role in transmitting out notices and fines accordingly. Once clarification has been received, it was discussed to transmit out an email noting revised enforcement standards and schedule, and to transmit out warning notices for all violations, permitting the residents up to 90 days to correct the issue(s) before the assessment of fines. Mrs. VanCamp was directed to coordinate a special meeting to address enforcement, ARB Guidelines & Restrictions, and ARC Review Fee. All board members agreed that the ARB Review Fee should be reduced from the \$90 amount. Further discussion will ensue on the amended amount after review of the violation report.

FINANCIAL MATTERS

Payment of Claims. Mrs. Fromm presented the prior claims to be ratified, represented by check numbers 10007 - 10016 in the amount of \$40,295.57. Mrs. Fromm presented the current claims to be approved, represented by check numbers 10017 - 10019, in the amount of \$13,276.50. Discussion ensued. Mrs. Fromm confirmed that that GLH

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payment had been made as requested at the last meeting, as well as the EDI payment, for the Monarch Trees Services. Upon a motion duly made by Director Blair, seconded by Director Bryan, and upon vote, unanimously carried, it was

RESOLVED to approve the payment of claims as presented, in the total amount of \$53,572.07.

Financial Statements. Mrs. Fromm presented the financial statements dated April 30, 2024. Board members stated that they appreciated the updated format of the financial statements and found them easier to follow. Mrs. Fromm reported that additional information would be provided if/when requested, if anything beyond the current statement form is needed. Director Gerk presented questions pertaining to the property taxes collected, and Year to Date numbers. Mrs. Fromm reported that 95% of property taxes will have been collected by June 30th. Upon a motion duly made by Director Gerk, seconded by Director Bryan, and upon vote, unanimously carried, it was

RESOLVED to approve the financial statements, as presented.

LEGAL ITEMS

Poudre Valley Coop Project. Mr. O'Leary reported that there had been a delay within the response to the Town due to additional requests being included that the Board had not discussed. Mr. O'Leary stated that the original request was for an emergency access gate only, with a potential utility easement, but that the additional items received from the Town included several additional requests. Discussion ensued re who to be transmitting the requests to and how to move forwards with the proceedings. Mr. Weber gave an update on the project and answered questions, noting that they were requesting an expanded water & sewer line at the end of Apache, easement access, and a gated emergency access entrance for the Fire Department, to include a potential secondary access site. Discussion ensued re water, fiber optic and gas lines. Mr. Weber reported that the gas line had been marked by the convenience store. Further questions were asked pertaining to ownership of the easements. Mr. Curtis reported that the Town had approved all requested items, but that the Town also needs district approval in order to proceed. Mr. Weber noted that there will be no disturbance to the Conestoga property other than the driveway. Flow rates were also discussed, noting more water at a slower rate. Mr. Weber stated that Poudre Valley Coop would pay for all necessary upgrades. Director Gerk asked whether Poudre Valley expected the District to pay for the necessary easements and access sites and where they were in obtaining CDOT's formal approval. Concerns were expressed re which districts would need to approve the easements

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and the corresponding legal proceedings that would be necessary. It was noted that that second referral that was submitted showed conditional approval by CDOT, which is on the July agenda for review, with the Town. Proposed access points are off of Highway 14 and Apache, and off of Egress. Mr. Curtis provided an update on the drainage of the property and the storm water detention. The Boards again expressed concerns re the drainage upon the property and the discrepancies within the requests received. Mr. Curtis agreed to transmit out the updated information and requests to Fromm and Company instead of transmitting them to Ms. Wheeler. The Town and Mr. Weber were requested to submit all future requests and correspondence through Fromm and Company, who will then coordinate and forward along accordingly. The Boards stated that they would need sewer reports and anything affecting the land. The Boards determined to not take any action on the request at this time and would review the additional information, once received.

Additional questions arose re the storage of trash cans and the revisions to the ARB Guidelines & Restrictions. Mr. O'Leary noted that these items could be discussed further at the next meeting, where the approved changes by the Committee would be presented and reviewed. Mr. Blair noted that the District was not changing the covenants, just implementing approved updates to the Guidelines & Restrictions. Mr. Gerk confirmed this statement. Members of the public requested to be able to review and approve the revisions. Mr. O'Leary stated that the public can access and review the revised documents on the District's website, but that it is the Board's determination on what is approved and implemented. Mrs. VanCamp agreed to follow-up with the Board members re a special meeting in June and would notice and post the agenda accordingly on the District's website at <https://conestogamd.specialdistrict.org>. The public was again encouraged to contact Fromm & Company with further questions.

EXECUTIVE SESSION None was needed.

DIRECTOR
MATTERS There were none.

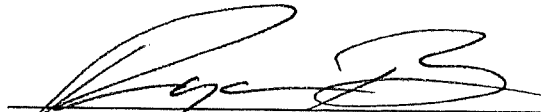
OTHER
MATTERS There were none.

ADJOURNMENT There being no further business to come before the Boards, upon motion duly made by Director Gerk, seconded by Director Ferrell, and upon unanimous vote, the meeting was adjourned at 3:47 p.m.

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The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.

Respectfully submitted,



Secretary for District Nos. 1, 3, 4 & 5



Secretary for District No. 2