

RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL MEETING OF KINSTON METROPOLITAN DISTRICT NOS. 1-10

HELD
November 3, 2023

The Special Meeting of Kinston Metropolitan District Nos. 1-10 was held via MS Teams and Teleconference on Friday, November 3, 2023, at 12:00 p.m.

ATTENDANCE

Directors in Attendance:

Kim Perry, President
Tim DePeder, Vice President
Josh Kane, Treasurer & Secretary
Brad Lenz, Asst. Secretary & Asst. Treasurer

Also in Attendance:

Alan Pogue; Icenogle Seaver Pogue, P.C.
Bryan Newby, Kieyesia Conaway, Brendan Campbell, Irene Buenavista,
Wendy McFarland, and Casey Milligan; Pinnacle Consulting Group, Inc.
Jeff Breidenbach and Laura Wright; McWhinney.

ADMINISTRATIVE ITEMS

Call to Order: The Special Meeting of the Boards of Directors (collectively, the “Boards”) of the Kinston Metropolitan District Nos. 1-10 (collectively, the “District”) was called to order by Director Perry at 12:02 p.m.

Coordinated Meetings: The Boards determined to hold joint meetings of the Districts and to prepare joint minutes of actions taken by the Districts at such meetings. Unless otherwise noted below, the matters set forth below shall be deemed to be the actions of the Board of Directors of Kinston Metropolitan District No. 1, with concurrence by the Boards of Directors of Kinston Metropolitan District Nos. 2, 3, 4, 5, 6, 7, 8, 9 and 10.

Declaration of Quorum/Director Qualifications/Disclosure of Potential Conflicts of Interest: Director Perry noted that a quorum was present, with four out of four Directors in attendance. All Board Members confirmed their qualifications to serve on the Boards. Alan Pogue, legal counsel, stated that notices of potential conflicts of interest for all Board Members were filed with the Colorado Secretary of State’s Office, disclosing potential conflicts as Board Members are employees of McWhinney Real Estate Services, Inc. and Land Asset Strategies, which are associated with the primary landowners and developer within the Districts. Mr. Pogue advised the Boards that pursuant to Colorado law, certain disclosures by

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the Board Members might be required prior to taking official action at a meeting. The Boards reviewed the agenda for the meeting, 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 Boards determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Boards to act.

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

RESOLVED to approve the agenda, as amended to move agenda section V to precede agenda section III.

Public Comment: There were no Public Comments received.

Director Comment: There were no Director Comments received.

CONSENT AGENDA

Director Perry reviewed the items on the consent agenda with the Boards. Director Perry advised the Boards that any item may be removed from the consent agenda to the regular agenda upon the request of any Director. No items were requested to be removed from the consent agenda. Upon a motion duly made by Director Lenz, Seconded by Director DePeder, the following items on the consent agenda were unanimously approved, ratified, and adopted:

- A. Approval of Minutes – October 12, 2023, Regular Meeting.
- B. Payment of Claims.
- C. Contract Modifications.
- D. 2024 Annual Administrative Matters Resolution.
- E. 2024 Meeting Resolution.
- F. First Amendment to Amended and Restated Public Records Policy.

2023 AMENDED BUDGET HEARING

Director Perry opened the 2023 Amended Budget Hearing for Kinston Metropolitan District Nos. 1 - 10. Mr. Newby reported that notice of the budget hearing was published on October 20, 2023, in the Loveland Reporter-Harold, in accordance with state budget law. There being no public input, the public portion of the budget hearing was closed. Ms.

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Buenavista reviewed the amended budgets in detail and answered questions. The budgets for the District are as follows:

District No. 1
Capital Projects Fund: \$10,233,574

Following review and discussion, upon a motion duly made by Director Lenz, seconded by Director DePeder, and upon vote, unanimously carried, it was

RESOLVED to approve the Resolutions to Adopt the 2023 Amended Budgets and appropriate funds for Kinston Metropolitan District Nos. 1- 10 and authorize such further actions of the officers and consultants necessary to sign related documents and submit and file such documents required to finalize the amended budgets.

2024
BUDGET HEARING

Director Perry opened the 2024 Budget Hearing for Kinston Metropolitan District Nos. 1-10. Mr. Newby reported that notice of the budget hearing was published on October 20, 2023, in the Loveland Reporter-Harold, in accordance with state budget law. Ms. Buenavista reviewed the mill levies, estimated revenues, and expenditures in detail and answered questions. The budgets for the District are as follows:

District No. 1
General Fund: \$501,642
Capital Projects Fund: \$30,497,485

District No. 2
Mill Levy: 78.267
General Fund: \$620,234

District No. 3
Mill Levy: 84.583
General Fund: \$161

District No. 4
Mill Levy: 84.583
General Fund: \$220

District No. 5
Mill Levy: 80.113
General Fund: \$2,313
Debt Service Fund: \$637,629

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District No. 6
Mill Levy: 27.885
General Fund: \$100

District No. 7
Mill Levy: 27.885
General Fund: \$100

District No. 8
Mill Levy: 27.885
General Fund: \$100

District No. 9
Mill Levy: 27.467
General Fund: \$ 113

District No. 10
Mill Levy: 34.301
General Fund: \$990

There being no public input, the public portion of the budget hearing was closed. After further review and discussion, upon a motion duly made by Director Kane, seconded by Director DePeder, and upon vote, unanimously carried, it was

RESOLVED to approve the Resolutions to Adopt the 2024 Budgets for Kinston Metropolitan District Nos. 1-10, set the mill levies, and appropriate budgeted funds upon final certification of values being received by the County of Larimer on or before December 15, 2023, and approve all other documents related to the 2024 budgets. The District Manager is authorized to make minor modifications that may be necessary following receipt of final assessed values.

FINANCIAL ITEMS

Approval of Adams Group for 2023 Audit: Ms. Buenavista presented the Adams Group for 2023 Audit to the Boards and answered questions. Following review and discussion, upon a motion duly made by Director DePeder, seconded by Director Lenz, and upon vote, unanimously carried, it was

RESOLVED to approve Adams Group for 2023 Audit, not to exceed \$14,000.00.

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DISTRICT MANAGER Items District Manager's Report: Mr. Newby presented the District Manager's Report to the Boards and answered questions.

2024 Master Service Agreements with Operations and Maintenance Service Contractors: Mr. Newby and Mr. Milligan presented the 2024 Master Service Agreements with Operations and Maintenance Service Contractors to the Boards and answered questions.

- i. All Sweep
- ii. Environmental Designs Inc.
- iii. Fiske Electric
- iv. High Plains Environmental Center
- v. McWhinney Real Estate Services
- vi. SWPPP Colorado

Following review and discussion, upon a motion duly made by Director Kane, seconded by Director Lenz, and upon vote, unanimously carried, it was

RESOLVED to approve the 2024 Master Service Agreements with Operations and Maintenance Service Contractors within the Approved 2024 Budget, as presented.

Authorization of District Manager to Execute 2024 Work Orders with Approved Operations and Maintenance Service Contractors within the Approved 2024 Budget: Mr. Newby requested the Boards consider delegating authority to the District Manager to Execute 2024 Work Orders with Approved Operations and Maintenance Service Contractors within the Approved 2024 Budget. Following review and discussion, upon a motion duly made by Director Kane, seconded by Director Lenz, and upon vote, unanimously carried, it was

RESOLVED to authorize the District Manager to Execute 2024 Work Orders with Approved Operations and Maintenance Service Contractors within the Approved 2024 budget, as presented.

CAPITAL
INFRASTRUCTURE
Items

District Project Manager Update: Mr. Milligan and Mr. Breidenbach presented the District Project Manager Update to the Boards and answered questions.

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LEGAL ITEMS

Approval of Fourth Amendment to 2020 Funding and Reimbursement Agreement with Centerra East Development, Inc. (“CED”) and, in connection therewith, Refunding Subordinate Note and Issuance of new Subordinate Note for CED for Operating Advances: Mr. Pogue presented the Fourth Amendment to 2020 Funding and Reimbursement Agreement with Centerra East Development, Inc. (“CED”) and, in connection therewith, Refunding Subordinate Note and Issuance of new Subordinate Note for CED for Operating Advances to the Boards and answered questions. Following review and discussion, upon a motion duly made by Director Kane, seconded by Director Lenz, and upon vote, unanimously carried, it was

RESOLVED to approve the Fourth Amendment to 2020 Funding and Reimbursement Agreement with Centerra East Development, Inc. (“CED”) and, in connection therewith, Refunding Subordinate Note and Issuance of new Subordinate Note for CED for Operating Advances.

Approval of Fifth Amendment to Improvement Acquisition, Advance and Reimbursement Agreement with CD and, in connection therewith, Refunding Subordinate Note and Issuance of new Subordinate Note with CED for Capital Advances: Mr. Pogue presented the Fifth Amendment to Improvement Acquisition, Advance and Reimbursement Agreement with CD and, in connection therewith, Refunding Subordinate Note and Issuance of new Subordinate Note with CED for Capital Advances to the Boards and answered questions. Following review and discussion, upon a motion duly made by Director Kane, seconded by Director Lenz, and upon vote, unanimously carried, it was

RESOLVED to approve the Fifth Amendment to Improvement Acquisition, Advance and Reimbursement Agreement with CD and, in connection therewith, Refunding Subordinate Note and Issuance of new Subordinate Note with CED for Capital Advances.

Approval of First Amendment to Intergovernmental Agreement Concerning District Operations: Mr. Pogue Presented the First Amendment to Intergovernmental Agreement Concerning District Operations to the Boards and answered questions. Following review and discussion, upon a motion duly made by Director Kane, seconded by Director Lenz, and upon vote, unanimously carried, it was

RESOLVED to approve the First Amendment to Intergovernmental Agreement Concerning District Operations.

Ratification of Addendum No. 5 to Intergovernmental Agreement Regarding Allocation of Costs of Public Improvements between District

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No. 1 and Centerra Metropolitan district No. 1 for Regional Pond: Mr. Pogue presented the Addendum No. 5 to Intergovernmental Agreement Regarding Allocation of Costs of Public Improvements between District No. 1 and Centerra Metropolitan district No. 1 for Regional Pond to the Boards and answered questions. Following review and discussion, upon a motion duly made by Director Lenz, seconded by Director Kane, and upon vote, unanimously carried, it was

RESOLVED to ratify the Addendum No. 5 to Intergovernmental Agreement Regarding Allocation of Costs of Public Improvements between District No. 1 and Centerra Metropolitan district No. 1 for Regional Pond.

Ratification of Addendum No. 6 to Intergovernmental Agreement Regarding Allocation of Costs of Public Improvements between District No. 1 and Centerra Metropolitan District No. 1 for Public Improvements: Mr. Pogue Presented the Addendum No. 6 to Intergovernmental Agreement Regarding Allocation of Costs of Public Improvements between District No. 1 and Centerra Metropolitan District No. 1 for Public Improvements to the Boards and answered questions. Following review and discussion, upon a motion duly made by Director Lenz, seconded by Director Kane, and upon vote, unanimously carried, it was

RESOLVED to ratify the Addendum No. 6 to Intergovernmental Agreement Regarding Allocation of Costs of Public Improvements between District No. 1 and Centerra Metropolitan District No. 1 for Public Improvements.

DIRECTOR
MATTERS

There were no Director Items to come before the Boards.

OTHER
MATTERS

There were no Other Matters to come before the Boards.

ADJOURNMENT

There being no further business to come before the Boards, the meeting was adjourned at 1:00 p.m.

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

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Respectfully submitted,

Kieyesia Conaway
Kieyesia Conaway, Recording Secretary for the Meeting