

RECORD OF PROCEEDINGS

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

HELD
August 8, 2024

The Regular Meeting of Kinston Metropolitan District Nos. 1-10 was held via MS Teams and Teleconference on Thursday, August 8, 2024, at 1:00 p.m.

ATTENDANCE

Directors in Attendance:

Kim Perry, President
Josh Kane, Treasurer & Secretary
Wendy Messinger, Secretary
Brad Lenz, Asst. Secretary & Asst. Treasurer

Directors Absent, but Excused:

Tim DePeder, Vice President

Also in Attendance:

Alan Pogue; Icenogle Seaver Pogue, P.C.
Sarah Bromley, Kieyesia Conaway, Christy McCutchen, Irene Buenavista,
Wendy McFarland, Nic Ortiz, and Dillon Gamber; Pinnacle Consulting
Group, Inc.
Jeff Breidenbach and Jim Niemczyk; McWhinney
Kiki Dillie; Altitude Law

ADMINISTRATIVE ITEMS

Declaration of Quorum/Call to Order: Director Perry noted that a quorum was present, with four out of five Directors in attendance. The Regular 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 1:00 p.m.

Coordinated Meetings: The Boards determined to hold joint meetings and to prepare joint minutes of actions taken by the Boards 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.

Director Qualifications/Disclosure of Potential Conflicts of Interest: 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

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associated with the primary landowners and developer within the Districts. Mr. Pogue advised the Boards that pursuant to Colorado law, certain disclosures by 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 Lenz, seconded by Director Messinger, and upon vote, unanimously carried, it was

RESOLVED to approve the agenda, as presented.

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 Messinger, the following items on the consent agenda were unanimously approved, ratified, and adopted:

- A. Approval of Minutes – July 11, 2024, Regular Meeting.
- B. Payment of Claims.
- C. Contract Modifications.

DISTRICT MANAGER ITEMS

Altitude Law Discussion: Ms. Dillie discussed with the Boards the process with Altitude Law and answered questions.

Director Perry left the meeting at this time.

District Managers' Report: Ms. Bromley, Mr. Gamber, and Ms. McCutchen presented the District Managers' Report to the Boards and answered questions.

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CAPITAL
INFRASTRUCTURE
ITEMS

District Capital Infrastructure Report and District Project Manger Update: Mr. Ortiz and Mr. Breidenbach presented the District Capital Infrastructure Report and District Project Manager Update to the Boards and answered questions.

Capital Fund Summary Review: Mr. Ortiz presented the Capital Fund Summary Review to the Boards and answered questions.

Kinston Residential Phase 1 (CFS #2) Purchase Order # 2023-01 with MWater Development, LLC for Centerra Parkway Water Rights: Mr. Ortiz presented the Kinston Residential Phase 1 (CFS #2) Purchase Order # 2023-01 with MWater Development, LLC for Centerra Parkway Water Rights to the Boards and answered questions. Following review and discussion, upon a motion duly made by Director Lenz, seconded by Director Messinger, and upon vote, unanimously carried, it was

RESOLVED to ratify the Kinston Residential Phase 1 (CFS #2) Purchase Order # 2023-01 with MWater Development, LLC for Centerra Parkway Water Rights in the amount of \$120,130.00, as presented.

Kinston Millennium East 14th (CFS #5) Purchase Order # 2024-01 with MWater Development, LLC for Elk River Drive Water Rights, LLC for Elk River Drive Water Right: Mr. Ortiz presented the Kinston Millennium East 14th (CFS #5) Purchase Order # 2024-01 with MWater Development, LLC for Elk River Drive Water Rights, LLC for Elk River Drive Water Right 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 ratify the Kinston Millennium East 14th (CFS #5) Purchase Order # 2024-01 with MWater Development, LLC for Elk River Drive Water Rights, LLC for Elk River Drive Water Right in the amount of \$413,627.40, as presented.

Kinston Millennium East 15th Subdivision (CFS #3) Project Budget Amendment: Mr. Ortiz and Mr. Breidenbach presented the Kinston Millennium East 15th Subdivision (CFS #3) Project Budget Amendment to the Boards and answered questions. Following review and discussion, upon a motion duly made by Director Lenz, seconded by Director Messinger, and upon vote, carried two to one, with Director Kane abstaining, it was

RESOLVED to approve the Kinston Millennium East 15th Subdivision (CFS #3) Project Budget Amendment by increasing \$150,000.00 for a total of \$490,165.75, as presented.

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Kinston Millennium East 15th Subdivision (CFS #3) Bid Memorandum: Mr. Ortiz presented the Kinston Millennium East 15th Subdivision CFS #3) Bid Memorandum to the Boards and answered questions.

Kinston Millennium East 15th Subdivision (CFS #3) Construction Contract with Waterwise: Mr. Ortiz presented the Kinston Millennium East 15th Subdivision (CFS #3) Construction Contract with Waterwise to the Boards and answered questions. Following review and discussion, upon a motion duly made by Director Lenz, seconded by Director Messinger, and upon vote, carried two to one, with Director Kane abstaining, it was

RESOLVED to approve the Kinston Millennium East 15th Subdivision (CFS #3) Construction Contract with Waterwise in the amount of \$708,409.73, as presented.

FINANCIAL ITEMS Finance Manager's Report: Ms. McFarland presented the Finance Manager's report to the Boards and answered questions.

LEGAL ITEMS There were no Legal Items to come before the Boards.

DIRECTOR COMMENT There were no Director Comments to come before the Boards.

ADJOURNMENT There being no further business to come before the Boards, the meeting was adjourned at 2:00 p.m.

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

Respectfully submitted,

Kieyesia Conaway
Kieyesia Conaway, Recording Secretary for the Meeting