

# RECORD OF PROCEEDINGS

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

HELD  
December 08, 2022

The Boards of Directors of Kinston Metropolitan District Nos. 1-10 held a coordinated regular meeting, open to the public, via MS Teams, at 12:00 p.m., Thursday, December 08, 2022.

### ATTENDANCE

#### Directors in Attendance:

Abby Kirkbride, President  
Tim DePeder, Vice President  
Josh Kane, Treasurer & Assistant Secretary  
Kim Perry, Secretary  
Brad Lenz, Assistant Secretary & Assistant Treasurer

#### Also in Attendance:

Alan Pogue and Deborah Early; Icenogle Seaver Pogue, P.C.  
Christina Rotella, Samantha Romero, Lindsey Mercier, and Jeff Breidenbach; McWhinney  
Brendan Campbell, Irene Buenavista, Casey Milligan, Dillon Gamber, Sarah Bromley, Wendy McFarland, and Bryan Newby; Pinnacle Consulting Group, Inc.

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### CALL MEETING TO ORDER

The meeting was called to order at 12:01 p.m. by Director Kirkbride, noting that a quorum was present. The Directors in attendance confirmed their qualifications to serve.

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### 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 Kinston Metropolitan District No. 1, with concurrence by the Kinston Metropolitan Districts 2, 3, 4, 5, 6, 7, 8, 9 and 10.

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### CONFLICT OF INTEREST DISCLOSURE

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 all Board Members are employees of McWhinney Real Estate Services, Inc., which is 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

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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 reviewed the agenda. Upon motion duly made by Director DePeder, seconded by Director Lenz and, upon vote, it was unanimously

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

PUBLIC COMMENT

There were no members of the public present.

CONSENT AGENDA  
ITEMS

The Boards considered the following consent agenda items:

- A. Approval of November 10, 2022, Regular Board Meeting Minutes.
- B. Ratification of Contract Modifications.
- C. 2023 Annual Administrative Matters Resolution.
- D. 2023 Election Resolution.
- E. 2023 Meeting Resolution.

Upon motion duly made by Director DePeder, seconded by Director Lenz and, upon vote, it was unanimously

**RESOLVED** to ratify and approve the items above, as presented.

CAPITAL  
INFRASTRUCTURE  
ITEMS

District Capital Infrastructure Report: Mr. Milligan reviewed the District Capital Infrastructure Report with the Boards and answered questions.

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

Capital Fund Summary and Capital Needs Assessment: Mr. Milligan and Mr. Breidenbach reviewed the Capital Fund Summary and Capital Needs Assessment with the Boards and answered questions.

FINANCIAL ITEMS

Finance Manager's Report: Ms. Buenavista presented the Finance Manager's Report to the Boards and answered questions.

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2022 Amended Budget Hearing: Director Kirkbride opened the 2022 Amended Budget Hearing to the public. Ms. Bromley reported that notice of the hearing had been published on November 30, 2022, in accordance with state budget law. No written objections or public comments were received prior to the public hearing. The Boards reviewed the 2022 amended budgets, which detailed estimated revenues and expenditures.

District No. 5:

Debt Service Fund Expenditures: \$645,106

Capital Projects Fund Expenditures: \$2,759,696

There being no public input, the public hearing portion of the budget was closed. Upon motion duly made by Director Kane, seconded by Director DePeder, and upon vote, it was unanimously

**RESOLVED** to approve the Resolution to Amend the 2022 Budgets for Kinston Metropolitan District Nos. 1-10.

2023 Budget Hearing: Director Kirkbride opened the 2023 Budget Hearing to the public. Ms. Bromley reported that notice of the hearing had been published on November 30, 2022, in accordance with state budget law. No written objections or public comments were received prior to the public hearing. The Boards reviewed the 2023 budgets, which detailed estimated revenues and expenditures.

District No. 1:

Mill levy is 0.000 mills.

General Fund Expenditures: \$490,546

Capital Projects Fund Expenditures: \$9,212,292

District No. 2:

Mill levy is 77.000 mills.

General Fund Expenditures: \$14,721

District No. 3:

Mill levy is 77.000 mills.

General Fund Expenditures: \$153

District No. 4:

Mill levy is 77.000 mills.

General Fund Expenditures: \$207

District No. 5:

Mill levy is 77.000 mills.

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General Fund Expenditures: \$153  
Capital Projects Fund Expenditures: \$0

District No. 6:  
Mill levy is 25.000 mills.  
General Fund Expenditures: \$100

District No. 7:  
Mill levy is 25.000 mills.  
General Fund Expenditures: \$100

District No. 8:  
Mill levy is 25.000 mills.  
General Fund Expenditures: \$100

District No. 9:  
Mill levy is 25.000 mills.  
General Fund Expenditures: \$112

District No. 10:  
Mill levy is 33.000 mills.  
General Fund Expenditures: \$105

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

**RESOLVED** to approve the Resolution to Adopt the 2023 budgets for Kinston Metropolitan Districts Nos. 1-10, set the mill levies, appropriate budgeted funds upon final certification of value being received by the County of Larimer on or before December 15, 2022 and approve all other documents related to the 2023 budgets. The District Manager is authorized to make minor modifications that may be necessary following receipt of final assessed values.

The Adams Group for District 1 and 2 Auditor: Ms. Buenavista discussed engaging The Adams Group to perform the 2022 audit for District No. 1 and No. 2 with the Boards and answered questions. Upon motion duly made by Director Kane, seconded by Director DePeder, and upon vote, it was unanimously

**RESOLVED** to engage The Adams Group to perform the 2022 audit for District No. 1 and No. 2.

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MRES for Financial Services Related to Bond Issuances: Mr. Pogue presented the MRES for Financial Services Related to Bond Issuances to the Boards and answered questions. Upon motion duly made by Director Lenz, seconded by Director Perry and, upon vote, it was unanimously

**RESOLVED** to approve the MRES for Financial Services Related to Bond Issuances.

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### LEGAL ITEMS

Third 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 to CED for Operating Advances: Mr. Pogue presented the Third 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 to CED for Operating Advances to the Boards and answered questions. Upon motion duly made by Director Kane, seconded by Director Perry and, upon vote, it was unanimously

**RESOLVED** to approve the Third 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 to CED for Operating Advances, as presented.

Fourth Amendment to Improvement Acquisition, Advance, and Reimbursement Agreement with CED and, in connection therewith, Refunding Subordinate Note and Issuance of new Subordinate Note to CED for Capital Advances: Mr. Pogue presented the Fourth Amendment to Improvement Acquisition, Advance and Reimbursement Agreement with CED and, in connection therewith, Refunding Subordinate Note and Issuance of new Subordinate Note to CED for Capital Advances to the Boards and answered questions. Upon motion duly made by Director Kane, seconded by Director Perry and, upon vote, it was unanimously

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

Maintenance Cost Sharing Agreement with Kinston Community Association: Mr. Pogue presented the Maintenance Cost Sharing Agreement with Kinston Community Association to the Boards and

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answered questions. Upon motion duly made by Director Kane, seconded by Director Perry and, upon vote, it was unanimously

**RESOLVED** to approve the Maintenance Cost Sharing Agreement with Kinston Community Association, as presented.

Resolution Imposing Operations and Maintenance Fees: Mr. Pogue presented the Resolution Imposing Operations and Maintenance Fees to the Boards and answered questions. Upon motion duly made by Director Kane, seconded by Director Kirkbride and, upon vote, it was unanimously

**RESOLVED** to approve the Resolution Imposing Operations and Maintenance Fees, subject to drafting from legal counsel.

DISTRICT MANAGER  
ITEMS

Manager's Report: Ms. Bromley presented the Manager's Report to the Boards and answered questions.

Authorization to Execute 2023 Work Orders with Approved Operations and Maintenance Service Contractors within the Approved 2023 Budget: Mr. Gamber discussed with the Boards the 2023 Work Orders with Approved Operations and Maintenance Service Contractors and answered questions. Upon motion duly made by Director Kane, seconded by Director Lenz, and upon vote, it was unanimously

**RESOLVED** to authorize the Execution of the 2023 Work Orders with Approved Operations and Maintenance Service Contractors within the Approved 2023 Budget.

2023 Master Service Agreements with Operations and Maintenance Service Contractors: Ms. Bromley discussed with the Boards the 2023 Master Service Agreements with Operations and Maintenance Service Contractors and answered questions.

ITEMS FROM  
DIRECTORS

Director DePeder expressed the need to prepare teams to initiate bond issuance procedures in January 2023.

OTHER  
MATTERS

There were no other matters brought before the Boards.

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### ADJOURNMENT

There being no further business to come before the Boards and upon motion by Director Kirkbride, the meeting was adjourned at 1:23 p.m.

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

Respectfully Submitted,

*Bryan Newby*

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Bryan Newby, Secretary for the Meeting