

RECORD OF PROCEEDINGS

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

HELD
July 14, 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, July 14, 2022.

ATTENDANCE

Directors in Attendance: (via teleconference)

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

Directors Absent and Excused:

Kim Perry, Secretary

Also in Attendance: (via teleconference)

Alan Pogue; Icenogle Seaver Pogue, P.C.
Christina Rotella, Samantha Romero, Jim Niemczyk, Lindsey Mercier,
Griffin Barlow, and Jeff Breidenbach; McWhinney
Brendan Campbell, Andrew Kunkel, Irene Buenavista, Doug Campbell,
Casey Milligan, Dillon Gamber, Stanley Holder, Sarah Bromley, Jordan
Wood and Ettie Arnold; Pinnacle Consulting Group, Inc.
Kevin Kimball; Adams Group Inc.

CALL MEETING TO ORDER

The meeting was called to order at 12:03 p.m. by District Manager Andrew Kunkel, noting that a quorum was present. The Directors in attendance confirmed their qualifications to serve.

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.

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

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

RESOLVED to approve the agenda, as presented.

2021 AUDIT

Mr. Kimball reviewed the 2021 Audits for Kinston Metropolitan District No. 1 and Kinston Metropolitan District No. 5 with the Boards and answered questions. Mr. Kimball noted that the audit received a clean unmodified opinion. Following review and discussion, and upon a motion duly made by Director Kane, seconded by Director Kirkbride and, upon vote, unanimously carried, it was

RESOLVED to approve the 2021 Audit for Kinston Metropolitan District No. 1 and Kinston Metropolitan District No. 5 subject to final review from legal counsel and district management.

PUBLIC COMMENT

There were no members of the public present.

CONSENT AGENDA
ITEMS

The Boards considered the following consent agenda items:

- A. Approval of June 9, 2022, Regular Board Meeting Minutes.
- B. Ratification of Payables.
- C. Ratification of Contract Modifications.

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

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

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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 Funding Report Review: Mr. Milligan and Ms. Buenavista reviewed the Capital Fund Summary and Funding Report with the Boards and answered questions.

Millennium East 13th Subdivision: Mr. Milligan presented the Bid Summary Memorandum for Millennium East 13th Subdivision and answered questions. Upon motion duly made by Director DePeder, seconded by Director Kane and, upon vote, it was unanimously

RESOLVED to reject the bid recommendation and to rebid the project based on potential price changes in the following months.

FINANCIAL ITEMS

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

Bond Update: Director Kane provided an update on the status of the bond issuance.

Bond Consultants for 2022 Bond Issuance: Ms. Buenavista recommended that the board engage bond consultants for the 2022 Bond Issuance. Upon motion duly made by Director Kane, seconded by Director Lenz and, upon vote, it was unanimously

RESOLVED to ratify the Bond Consultants for the 2022 Bond Issuance as stated below.

- i. Zonda (Market Study)
- ii. Causey, Demgen & Moore P.C. (Cash Flow)
- iii. Wells Fargo Securities LLC (Underwriter)
- iv. Piper Sandler (FA)
- v. Sherman & Howard LLC (Disclosure Counsel)
- vi. Butler Snow LLP (Bond Counsel)

LEGAL ITEMS

Bridgewater Lot Development Agreement: Mr. Pogue presented the Bridgewater Lot Development Agreement to the Boards and answered

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

RESOLVED to approve the Bridgewater Lot Development Agreement, as presented.

Master Water Purchase Agreement with MWater Development: Mr. Pogue presented the Master Water Purchase Agreement with MWater Development to the Boards and answered questions. Upon motion duly made by Director DePeder, seconded by Director Kane and, upon vote, it was unanimously

RESOLVED to approve the Master Water Purchase Agreement with MWater Development, with non-substantive changes from legal counsel.

Hydrozone Agreement with the City of Loveland for Millennium East 10th Subdivision: Mr. Pogue presented the Hydrozone Agreement with the City of Loveland for Millennium East 10th Subdivision to the Boards and answered questions. Upon motion duly made by Director Kane, seconded by Director Lenz and, upon vote, it was unanimously

RESOLVED to approve the Hydrozone Agreement with the City of Loveland for Millennium East 10th Subdivision, with non-substantive changes from legal counsel.

DISTRICT MANAGER
ITEMS

Manager's Report: Mr. Kunkel presented the Manager's Report to the Boards and answered questions.

ITEMS FROM
DIRECTORS

Mr. Lenz requested a work session be scheduled regarding the Maintenance Agreement between the District and HOA. There were no additional items from Directors presented for the Boards consideration.

OTHER
MATTERS

There were no other matters brought before the Boards.

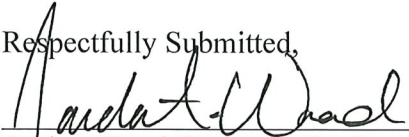
ADJOURNMENT

There being no further business to come before the Boards and upon motion and second, the meeting was adjourned at 1:14 p.m.

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

Respectfully Submitted,



Jordan Wood, Secretary for the Meeting