

RECORD OF PROCEEDINGS

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

HELD
December 10, 2020

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 10, 2020.

Due to the State of Emergency declared by Governor Polis and the threat to health and safety posed by the COVID-19 pandemic, this meeting was held via MS Teams.

ATTENDANCE

Directors in Attendance: (via teleconference)

David Crowder, President
Tim DePeder, Vice President
Josh Kane, Treasurer
Kim Perry, Secretary

Absent and Excused:

Courtney Parmelee, Asst. Secretary/Asst. Treasurer

Also in Attendance: (via teleconference)

Alan Pogue; Icenogle Seaver Pogue, P.C.
Jeff Breidenbach; McWhinney
Jon Mollenberg; RBC
Ryan Abbott, Shannon McEvoy, Brendan Campbell, Irene McCaffrey,
Casey Milligan, and Elaina Cobb; Pinnacle Consulting Group, Inc.

CALL MEETING TO ORDER

The meeting was called to order at 12:03 p. m. by Director Crowder, noting that a quorum was present. The Directors in attendance confirmed their qualifications.

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.

CONFLICTS OF INTEREST

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

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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 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 Perry, seconded by Director Kane, 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 Minutes—November 12, 2020 Special Meeting.
- B. Ratification of Payables.
- C. Capital Fund Summary.

Upon a 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.

FINANCIAL ITEMS

Finance Mangers Report: Ms. McCaffrey presented the Finance Mangers Report noting the bonds closed on November 19, 2020 and the initial draw that will repay the developer for Centerra East Development, Inc. \$765,532.38 and McWhinney Real Estate Services, Inc. \$343,263.81 will occur by the end of the month.

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CAPITAL INFRASTRUCTURE ITEMS

District Capital Infrastructure Report: Mr. Milligan presented the Capital Infrastructure Report and answered questions noting a public pre-bid meeting for Kinston Phase 1 (ME 10th) and Kinston Phase 1B (ME 11th) was held on October 21, 2020. Mr. Milligan stated twenty-five contractors and subcontractors attended the pre-bid meeting and four bids were received on November 18, 2020. Mr. Milligan noted that Coyote Ridge submitted the lowest bid for both projects.

District Project Manager Update: Mr. Breidenbach provided an overview of ongoing District projects and answered questions.

Public Bid Summary – Kinston Residential Phase 1 (ME 10th): Mr. Milligan reviewed the Bid Summary Memorandum and requested approval of a Construction Contract with Coyote Ridge Construction, LLC. Director Crowder stated the notice to proceed has yet to be issued and will be issued when the developer confirms the first residential lots close. Following discussion and upon a motion duly made by Director Kane, seconded by Director DePeder, and upon vote, it was unanimously

RESOLVED to approve the Construction Contract with Coyote Ridge Construction, LLC for the Kinston Residential Phase 1 (ME 10th) project in an amount not to exceed \$6,333,116.75.

Public Bid Summary – Kinston Residential Phase 1B (ME 11th): Mr. Milligan reviewed the Bid Summary Memorandum and requested approval of a Construction Contract with Coyote Ridge Construction, LLC. Director Crowder stated the notice to proceed has yet to be issued and will be issued when the developer confirms the first residential lots close. Following discussion and upon a motion duly made by Director Kane, seconded by Director DePeder, and upon vote, it was unanimously

RESOLVED to approve the Construction Contract with Coyote Ridge Construction, LLC for the Kinston Residential Phase 1B (ME 11th) in an amount not to exceed \$367,205.30.

Monitoring of Overlot Grading Contract: Director Crowder directed the Project Management team to monitor the overlot grading contractor and let the board know when they are approaching \$250,000 of work completed.

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LEGAL ITEMS

Refunding of 2020 Subordinate Note Assigned to Centerra East Development, Inc. from McWhinney Real Estate Services, Inc. and Authorization of 2021 Subordinate Note for O&M Advances: Mr. Pogue discussed with the Boards and requested approval of Refunding the 2020 Subordinate Note Assigned to Centerra East Development, Inc. from McWhinney Real Estate Services, Inc. and Authorization of 2021 Subordinate Note for O&M Advances. Following discussion and upon a motion duly made by Director Kane, seconded by Director DePeder, and upon vote, it was unanimously

RESOLVED to approve Refunding the 2020 Subordinate Note Assigned to Centerra East Development, Inc. from McWhinney Real Estate Services, Inc., and Authorization of 2021 Subordinate Note for O&M Advances.

DISTRICT MANAGER
ITEMS

Mr. Abbott informed the Board they will be receiving 2021 Board meeting invites from KINMDadmin@pinnacleconsultinggroupinc.com.

BOARD MEMBER
ITEMS

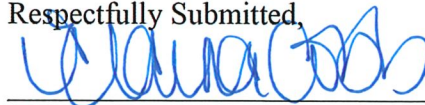
Director Crowder stated he appreciated all staff that has worked on the Kinston project and he is excited to see the residential lots break ground.

ADJOURNMENT

There being no further business to come before the Boards and upon motion and second, the meeting was adjourned at 1:04 p.m.

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

Respectfully Submitted,



Elaina Cobb, Secretary for the Meeting