

RECORD OF PROCEEDINGS

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

HELD
September 30, 2020

The Boards of Directors of Kinston Metropolitan District Nos. 1-10 held a coordinated special meeting, open to the public, via MS Teams, at 1:00 p.m., Wednesday, September 30, 2020. Notice of the meeting was posted on the District's website at: www.kinston-metro-district.com.

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
Kim Perry, Secretary

Absent and Excused:

Josh Kane, Treasurer
Courtney Parmelee, Asst. Secretary/Asst. Treasurer

Also in Attendance: (via teleconference)

Alan Pogue, Esq.; Icenogle Seaver Pogue, P.C.
Jeff Breidenbach; McWhinney
Jonathan Heroux and Marc Ragan; Piper Sandler
Jon Moellenberg; RBC
Kim Crawford; Butler Snow LLP
Peggy Dowswell, 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 1:06 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.

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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 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 DePeder, seconded by Director Perry, and upon vote, unanimously carried, the Boards

RESOLVED to approve the agenda, as amended to move Financial Items before Capital Infrastructure Items.

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—August 24, 2020 Special Meeting Minutes.
- B. Ratification of Claims Presented for Payment.
- C. Capital Fund Summary.

Upon a motion duly made by Director DePeder, seconded by Director Perry, and upon vote, unanimously carried, it was

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

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FINANCIAL ITEMS

Bond Finance Update: Mr. Heroux provided an update on the District's 2020 Bond Issuance to the Boards and answered questions. Mr. Heroux noted the preliminary limited offering memorandum will post on October 7, 2020 with a pricing on October 20, 2020 and a closing date of October 29, 2020. Mr. Moellenberg noted there would be a due diligence call on October 6, 2020.

District No. 5 Limited Tax General Obligation Bonds: Ms. Crawford brought to the Boards for consideration the Authorizing Resolution Regarding the Issuance of District No. 5's Limited Tax General Obligation Bonds, Series 2020A and Subordinate Limited Tax General Obligation Bonds, Series 2020B. After review and discussion, and upon motion duly made by Director Perry, seconded by Director DePeder, and upon vote, it was

RESOLVED to approve the Authorizing Resolution Regarding the Issuance of District No. 5's Limited Tax General Obligation Bonds, Series 2020A and Subordinate Limited Tax General Obligation Bonds, Series 2020B, and in connection therewith approving the following and authorizing the execution of same: Indenture of Trust (Senior) with RBC Bank, n.a, Indenture of Trust (Subordinate) with RBC Bank, n.a., Preliminary Limited Offering Memorandum, Senior Capital Pledge Agreement with Kinston Metropolitan District Nos. 1, 2, 3, 4, 5, and 10 and RBC Bank, n.a., Subordinate and RBC Bank, n.a., Continuing Disclosure Agreement with RBC, n.a., Bond Purchase Agreement with Piper Sandler and Co. and All other Financing Documents Related to the Issuance of Series 2020A Bonds and Series 2020B Bonds.

District Nos. 1, 2, 3, 4 and 10 Affirming Senior Capital Pledge Agreement and Subordinate Capital Pledge Agreement with Kinston Metropolitan District No. 5: Ms. Crawford brought to the Boards for consideration the Resolutions of District Nos. 1, 2, 3, 4, and 10 Affirming Senior Capital Pledge Agreement with Kinston Metropolitan District No. 5 and RBC Bank, n.a., and a Subordinate Capital Pledge Agreement with Kinston Metropolitan District No. 5 and RBC Bank, n.a., in connection with District No. 5's Limited Tax General Obligation Bonds, Series 2020A and Subordinate Limited Tax General Obligation Bonds, Series 2020B. After review and discussion, and upon motion duly made by Director Perry, seconded by Director DePeder, and upon vote, it was

RESOLVED to approve the Resolutions of District Nos. 1, 2, 3, 4 and 10 Affirming Senior Capital Pledge Agreement with Kinston Metropolitan District No. 5 and RBC Bank, n.a., and a Subordinate Capital Pledge Agreement with Kinston Metropolitan District No. 5 and RBC

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Bank, n.a., in connection with District No. 5's Limited Tax General Obligation Bonds, Series 2020A and Subordinate Limited Tax General Obligation Bonds, Series 2020B

2020 AMENDED BUDGET HEARING

Director Crowder opened the 2020 amended budget hearing for Kinston District No. 1. at 1:34 p.m. Mr. Abbott reported that notice of the budget hearing had been published on September 29, 2020 in accordance with state budget law. Mr. Campbell reviewed the proposed amended budgets and answered questions. The 2020 budget is to be amended as follows:

District No. 1.
Capital Projects Fund: \$4,606,562

District No. 5.
Debt Service Fund: \$200,000
Capital Projects Fund: \$24,250,000

There being no public input, the public portion of the budget hearing was closed at 1:40 p.m. After further review and discussion, and upon motion duly made by Director Perry, seconded by Director DePeder, and upon vote, unanimously carried it was

RESOLVED to approve the Resolution to Adopt the Amended 2020 Capital Projects Fund budget for Kinston District No.1 and appropriate budgeted funds. And, it was,

FURTHER RESOLVED to approve the Resolution to Adopt the Amended 2020 Debt Service Fund and Capital Projects Fund budget for Kinston District No. 5 and appropriate budgeted funds.

CAPITAL INFRASTRUCTURE ITEMS

District Capital Infrastructure Report: Mr. Milligan presented the Capital Infrastructure Report.

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

Project Budgets and Amended Project Budgets: Mr. Breidenbach reviewed and requested approval of District Project Budgets and Amended Project Budgets. After review and discussion, and upon motion duly made by Director DePeder, seconded by Director Perry, and upon vote, it was

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RESOLVED to approve the Project Budgets and Amended Project Budgets in an amount of \$3,548,933.

Public Bid Summary: Mr. Milligan reviewed the Bid Summary Memorandum and answered questions.

Construction Contract with Coyote Ridge Construction: Mr. Milligan presented and requested approval of a Construction Contract with Coyote Ridge Construction for Kinston Residential Phase 1 Overlot Grading. After review and discussion, and upon motion duly made by Director DePeder, seconded by Director Perry, and upon vote, it was

RESOLVED to approve the Construction Contract with Coyote Ridge Construction for Kinston Residential Phase 1 Overlot Grading in an amount of \$1,306,203.20 subject to closing on District Bonds or an amendment to the funding and reimbursement agreements with the Developer.

Contract Addendum with Pinnacle Consulting Group, Inc: Mr. Milligan presented and requested approval of a Contract Addendum with Pinnacle Consulting Group, Inc. for Project Administration Services. Following discussion and upon a motion duly made by Director DePeder, seconded by Director Perry, and upon vote, unanimously carried it was

RESOLVED to approve the Contract Addendum with Pinnacle Consulting Group, Inc. for Project Administration Services in an amount of \$45,630.00.

Master Services Agreement and Work Order 2020-01 with Kumar & Associates: Mr. Milligan presented and requested approval of a Master Services Agreement and Work Order 2020-01 with Kumar & Associates for Construction Materials Testing and Observation Services. Following discussion and upon a motion duly made by Director DePeder, seconded by Director Perry, and upon vote, unanimously carried it was

RESOLVED to approve the Master Services Agreement and Work Order 2020-01 with Kumar & Associates for Construction Materials Testing and Observation Services an amount of \$7,930.00.

Master Services Agreement and Work Order 2020-01 with Ridgetop Engineering & Surveying: Mr. Milligan presented and requested approval of a Master Services Agreement and Work Order 2020-01 with Ridgetop Engineering & Surveying for Survey and Staking Services. Following

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

RESOLVED to approve the Master Services Agreement and Work Order 2020-01 with Ridgetop Engineering & Surveying for Survey and Staking Services in an amount of \$24,880.00.

Master Services Agreement and Work Order 2020-01 with CMS Environmental Solutions: Mr. Milligan presented and requested approval of a Master Services Agreement and Work Order 2020-01 with CMS Environmental Solutions for Storm Water Administration Services. Following discussion and upon a motion duly made by Director DePeder, seconded by Director Perry, and upon vote, unanimously carried it was

RESOLVED to approve the Master Services Agreement and Work Order 2020-01 with CMS Environmental Solutions for Storm Water Administration Services in an amount of \$4,550.00.

Master Services Agreement and Work Order 2020-01 with SWPPP Colorado: Mr. Milligan presented and requested approval of a Master Services Agreement and Work Order 2020-01 with SWPP Colorado for Storm Water Maintenance. Following discussion and upon a motion duly made by Director DePeder, seconded by Director Perry, and upon vote, unanimously carried it was

RESOLVED to approve the Master Services Agreement and Work Order 2020-01 with SWPPP Colorado for Storm Water Maintenance in an amount not to exceed \$12,000.00.

LEGAL ITEMS

Intergovernmental Agreement Concerning District Operations: Mr. Pogue discussed with the Boards and requested approval of the Amended and Restated Intergovernmental Agreement Concerning District Operations. Following discussion and upon a motion duly made by Director DePeder, seconded by Director Perry, and upon vote, unanimously carried it was

RESOLVED to approve the Amended and Restated Intergovernmental Agreement Concerning District Operations.

DISTRICT MANAGER ITEMS

Mr. Abbott brought to the Boards attention the next Regular Kinston Board meeting is scheduled for October 8, 2020 noting that the staff did not have anything to bring before the Boards and requested to cancel this

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meeting. Mr. Pogue also noted legal did not have anything to bring before the Boards. With direction from Director Crowder the October 8, 2020 Regularly scheduled Kinston Board Meeting will be canceled.

ADJOURNMENT

There being no further business to come before the Boards and upon motion and second, the meeting was adjourned at 2:25 p.m.

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

Respectfully Submitted,



Elaina M. Cobb, Secretary for the Meeting