

RECORD OF PROCEEDINGS

MINUTES OF THE COORDINATED REGULAR MEETING OF THE BOARD OF DIRECTORS OF BASELINE METROPOLITAN DISTRICT NOS. 1-9

HELD
November 3, 2022

The Boards of Directors of the Baseline Metropolitan District Nos. 1-9 held a coordinated regular meeting, open to the public, via MS Teams at 1:00 p.m. on Thursday, November 3, 2022.

ATTENDANCE: Directors in Attendance: (District Nos. 1,2,4-9)
Kim Perry, President & Chairperson
Kyle Harris, Vice President
Josh Kane, Secretary
Tim DePeder, Assistant Secretary
Karen McShea, Treasurer

Directors in Attendance: (District No. 3)
Kim Perry, President & Chairperson
Kyle Harris, Vice President
Josh Kane, Secretary
Tim DePeder, Assistant Secretary
Susan Brunkhardt, Secretary/Treasurer

Also, in Attendance Were:
Alan Pogue and Deborah Early; Icenogle Seaver Pogue, P.C.
Griffin Barlow, Jim Niemczyk, Christina Rotella, Mike McBride,
Samantha Romero, and Amanda Dwight; McWhinney
Andrew Kunkel, Shannon Randazzo, Jordan Wood, Randall Provencio,
Doug Campbell, Brendan Campbell, Kirsten Starman, Adam Brix, Nic
Ortiz, and Jason Woolard; Pinnacle Consulting Group, Inc.

CALL TO ORDER The meeting was called to order at 1:04 p.m. by Director Perry, President of
the Boards, noting that a quorum was present. The Directors in attendance
confirmed their qualifications to serve.

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COMBINED
MEETING

The Districts met in a combined Board meeting. Unless otherwise noted, the matters set forth below shall be deemed to be the actions of the Baseline Metropolitan District No. 1, with concurrence by Baseline Metropolitan Districts Nos. 2, 3, 4, 5, 6, 7, 8, and 9.

CONFLICT OF
INTEREST
DISCLOSURE

Mr. Pogue noted that notices of potential conflicts of interest for all Board Members were filed with the Colorado Secretary of State at least 72 hours in advance of the meeting, disclosing that potential conflicts of interest may exist, as all Board Members are employees of McWhinney Real Estate Services, Inc. which is associated with the primary landowner and developer of land 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 agenda. Following review and discussion, and upon motion duly made by Director Harris, seconded by Director Kane and, upon vote, it was unanimously

RESOLVED to approve the agenda, as amended to remove item III D 1.

PUBLIC COMMENT

There were no members of the public present.

CONSENT
AGENDA

The Boards considered the following items on the consent agenda:

- A. Approval of Minutes – October 6, 2022, Regular Meeting Minutes.
- B. Ratification of Payables.
- C. Ratification of Contract Modifications.
- D. Approval of June 30, 2022, Financial Statements.

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- E. Approval of 2023 Annual Administrative Matters Resolutions.
- F. Approval of 2023 Meeting Resolution.
- G. Approval of 2023 Election Resolution.

Following review and discussion, and upon motion duly made by Director Harris, seconded by Director Kane and, upon vote, it was unanimously

RESOLVED to approve the consent agenda, as presented.

CAPITAL
INFRASTRUCTURE
ITEMS

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

District Project Manager Update: Mr. Niemczyk presented the District Project Manager Update with the Boards and answered questions.

Capital Fund Summary and Capital Needs Assessment: Mr. Provencio and Mr. Niemczyk reviewed the Capital Fund Summary and Capital Needs Assessment with the Boards and answered questions.

MRES Project Management Fee for Parkside West Phase 2 (CFS#23): This item was tabled.

2022 AMENDED
BUDGET HEARING

Director Perry opened the 2022 Amended Budget Hearing for Baseline Metropolitan Districts Nos. 1- 9. The Board discussed amending the 2022 budget for District No. 2 & 3. The amended budgets are as follows:

District No. 2
General Fund Expenditures: \$206,830

District No. 3
General Fund Expenditures: \$31,434

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

RESOLVED to approve the Resolution to Adopt the Amended 2022 Budgets for Baseline Metropolitan District Nos. 2 and 3.

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2023 PROPOSED
BUDGET HEARING

Director Perry opened the 2023 Budget Hearing for Baseline Metropolitan Districts Nos. 1-9. Mr. Brendan Campbell reviewed the budgets in detail and answered questions pertaining to the mill levy and estimated revenues and expenditures. The budgets by District and fund are as follows:

District No. 1:
General Fund: \$833,829.00
Debt Service Fund: \$5,919,749.00
Capital Fund Expenditures: \$57,959,674.00

District No. 2:
Mill levy is 45 mills
General Fund: \$51,201.00

District No. 3:
Mill levy is 50.219 mills.
General Fund: \$18,195.00

District No. 4:
Mill levy is 15 mills.
General Fund: \$63,170.00

District No. 5:
Mill levy is 15 mills
General Fund: \$1.00

District No. 6:
Mill levy is 45 mills.
General Fund: \$2.00

District No. 7:
Mill levy is 50 mills.
General Fund: \$2.00

District No. 8:
Mill levy is 15 mills.
General Fund: \$1.00

District No. 9:
Mill levy is 42 mills.
General Fund: \$2.00

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FINANCIAL ITEMS. 2022 Auditor: The Boards reviewed the 2022 Audit Proposal Summary. After further review and discussion, and upon motion duly made by Director Kane, seconded by Director Harris and, upon vote, it was unanimously

RESOLVED to engage John Cutler for the 2022 audit.

LEGAL ITEMS Second Amendment to Public Improvement Advance and Reimbursement Agreement with NP Distribution, Inc., and in connection therewith, the Refunding of Subordinate Note and Issuance of new Subordinate Promissory Note to NPD for capital advances: Mr. Pogue reviewed with the Board the Second Amendment to Public Improvement Advance and Reimbursement Agreement with NP Development, Inc., and in connection therewith, Refunding of Subordinate Note and Issuance of new Subordinate Promissory Note to NPD for capital advances to secure the District's repayment of capital advances. Upon motion duly made by Director Kane, seconded by Director Harris and, upon vote, it was unanimously

RESOLVED to approve the Second Amendment to Public Improvement Advance and Reimbursement Agreement with NP Development, Inc., and in connection therewith, Refunding of Subordinate Note and Issuance of new Subordinate Promissory Note to NPD for capital advances to secure the District's repayment of capital advances.

Consideration and Approval of Maintenance Cost Sharing Agreement with Baseline Community Association: Mr. Pogue discussed the Cost Sharing Agreement with Baseline Community Association and answered questions. Following review and discussion, and upon motion duly made by Director DePeder, seconded by Director Harris, it was unanimously

RESOLVED to approve the Cost Sharing Agreement with Baseline Community Association.

DISTRICT
MANAGER ITEMS Consideration and Approval of 2023 Master Service Agreements with Operations and Maintenance Service Contractors: Mr. Woolard presented the Operations and Maintenance Service Contractors:

- i. Environmental Designs, Inc. (EDI)
- ii. High Plains Environmental Center (HPEC)

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- iii. OLM
- iv. Frontier Environmental
- v. Affordable Pest Control (APC)
- vi. Fiske Electric
- vii. Star Playgrounds

Following review and discussion, upon a motion duly made by Director Harris, seconded by Director DePeder, upon vote, it was unanimously

RESOLVED to approve the 2023 Master Service Agreements with Operations and Maintenance Service Contractors.

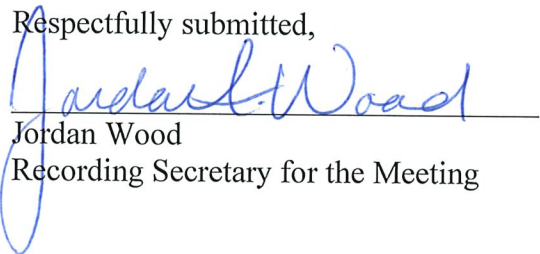
Consider Authorization to Execute 2023 Work Orders with Approved Operations and Maintenance Service Contractors within the Approved 2023 Budget: Mr. Woolard discussed with the Board to allow the District Manager approve work orders within the 2023 Approved Budget. Following discussion and a motion duly made by Director Harris, seconded by Director Perry and, upon vote, unanimously carried, it was

RESOLVED to approve the authorization to execute 2023 Work Orders with Approved Operations and Maintenance Service Contractors within the Approved 2023 Budget.

ADJOURNMENT

There being no further business to come before the Boards, the meeting was adjourned at 2:35 p.m.

Respectfully submitted,


Jordan Wood
Recording Secretary for the Meeting