

RECORD OF PROCEEDINGS

MINUTES OF THE COORDINATED REGULAR MEETING OF THE BOARD OF DIRECTORS OF

BASELINE METROPOLITAN DISTRICT NOS. 1-9

HELD
February 4, 2021

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, February 4, 2021.

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 vis MS Teams.

ATTENDANCE: Directors in Attendance: (Via Teleconference)
Kim Perry, President & Chairperson
Kyle Harris, Vice President
Wendy Messinger, Secretary/Treasurer
Josh Kane, Assistant Secretary

Directors Absent but Excused:
Courtney Parmelee, Assistant Secretary

Also, in Attendance Were: (Via Teleconference)
Alan Pogue; Icenogle Seaver Pogue, P.C.
Chelsey Green, Irene McCaffrey, Shannon McEvoy, Andrew Kunkel,
Brendan Campbell, Casey Milligan, and Randall Provencio; Pinnacle
Consulting Group, Inc.
Taylor Hazlett, Kevin Murphy, Voneen Macklin, Amanda Dwight, and Jim
Niemczyk; McWhinney
Kim Newcomer; Slate Communications
Tom Wynne; Wells Fargo Securities
Jonathan Heroux; Piper Sandler & Co

CALL MEETING
TO ORDER

The meeting was called to order at 1:05 p.m. by Director Perry, President of the Boards, noting that a quorum was present. The Directors in attendance confirmed their qualifications to serve.

RECORD OF PROCEEDINGS

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 Boards 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 Boards 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 Boards Members might be required prior to taking official action at a meeting. The Boards reviewed the agenda for the meeting, following which each Boards 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. Upon a motion duly made by Director Messinger, seconded by Director Harris, and upon vote, it was unanimously

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

The Boards considered the following items on the consent agenda:

- A. Approval of Minutes – November 5, 2020 District Nos. 1-4 Amended Regular Meeting Minutes, January 7, 2020 District Nos. 1-4 Regular Meeting Minutes, and January 7, 2020 District Nos. 5-9 Organizational Meeting Minutes.
- B. Ratification of Payables.
- C. Ratification of Contract Modifications.
- D. Financial Statements as of December 31, 2020.

RECORD OF PROCEEDINGS

Upon a motion duly made by Director Messinger, seconded by Director Harris, and upon vote, it was unanimously

RESOLVED to approve the consent agenda, as presented.

FINANCIAL ITEMS

Financing Update: Mr. Wynne and Mr. Heroux presented the Finance Manager's Update to the Boards and answered questions.

Market Study Update by Development Strategies: Mr. Campbell recommended that the Boards engage Development Strategies to pursue a market study of the District. Following review and discussion, and upon a motion duly made by Director Harris, seconded by Director Messinger, and upon vote, it was unanimously

RESOLVED to engage Development Strategies to perform a market study update of the District in an amount not to exceed \$3,750.

Finance Manger's Update: Mr. Campbell reviewed with the Boards the unaudited Financial Statements for the period ending December 31, 2020. Director Perry provided direction for Pinnacle staff to correct a clerical error in the MGDA revenue report.

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 Review: Mr. Provencio and Mr. Niemczyk reviewed the Capital Fund Summary and Capital Needs Assessment with the Boards and answered questions. Director Kane provided direction to staff to reformat the Capital Fund Summary and Capital Needs Assessment to display budgeted vs. committed totals. Mr. Pogue recommended that a disclaimer statement be included noting that the Capital Fund Summary and Capital Needs Assessment are for planning purposes only. The Board directed that a disclaimer on the Capital Fund Summary and Capital Needs Assessment be incorporated to state that the documents are for future planning purposes only, and reference the current year adopted budgets for the Districts that reflect the approved and appropriated expenditures.

RECORD OF PROCEEDINGS

East Sheridan Residential Phase 1 (CFS #7): Mr. Niemczyk presented Project Budget in the amount of \$4,194,498.00.

Construction Contract with American West Construction, LLC for East Sheridan Residential Overlot Grading Phase 1 for overlot grading services: Mr. Provencio presented a Construction Contract with American West Construction, LLC for East Sheridan Residential Overlot Grading Phase 1 for overlot grading services. Following review and discussion, and upon a motion duly made by Director Kane, seconded by Director Harris, and upon vote, it was unanimously

RESOLVED to provide notice of approval of a Construction Contract with American West Construction, LLC for East Sheridan Residential Overlot Grading Phase 1 for overlot grading services in an amount of \$1,050,00.00 contingent upon an agreement between the District and developer outlining the terms and conditions pursuant to which the developer be required to reimburse the District an amount not to exceed \$360,000 should the builder closings not occur.

Southeast Industrial (CFS #15): Mr. Niemczyk presented Project Budget in the amount of \$4,330,593.00.

Construction Contract with Hall Contracting, LLC for Southeast Industrial Offsite Roadway Public Landscape Improvements: Mr. Provencio presented a Construction Contract with Hall Contracting, LLC for Southeast Industrial Offsite Roadway Public Landscape Improvements for landscaping services. Following review and discussion, and upon a motion duly made by Director Kane, seconded by Director Harris, and upon vote, it was unanimously

RESOLVED to approve a Construction Contract with Hall Contracting, LLC for Southeast Industrial Offsite Roadway Public Landscape Improvements for landscaping services in an amount of \$161,716.85.

Southlands (CFS #17): Mr. Niemczyk presented the Project Budget in the amount of \$606,140.00.

Work Order #2021-01 with Harris Kocher Engineering Group, Inc for Southlands for civil engineering services: Mr. Provencio presented Work Order #2021-01 with Harris Kocher Engineering Group, Inc for civil engineering services. Following review and discussion, and upon a motion

RECORD OF PROCEEDINGS

duly made by Director Harris, seconded by Director Kane, and upon vote, it was unanimously

RESOLVED to approve a Work Order #2021-01 with Harris Kocher Engineering Group, Inc for Southlands for civil engineering services in an amount of \$406,640.00, subject to an agreement between the District and developer outlining the developer's responsibility to reimburse the District should the builder closings not occur.

Work Order #2021-01 with Norris Design, Inc for Southlands for landscape architectural services: Mr. Provencio presented Work Order #2021-01 with Norris Design, Inc for landscape architectural services Following review and discussion, and upon a motion duly made by Director Harris, seconded by Director Kane, and upon vote, it was unanimously

RESOLVED to approve a Work Order #2021-01 with Norris Design, Inc for Southlands for landscape architectural services in an amount of \$169,500.00, subject to an agreement between the District and developer outlining the developer's responsibility to reimburse the District should the builder closings not occur.

LEGAL ITEMS

Loan Agreement with Baseline Metropolitan District No. 1 and McWhinney CCOB Land Investments, LLC: Mr. Pogue presented the loan agreement between Baseline Metropolitan District No. 1 and McWhinney CCOB Land Investments, LLC. 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 Loan Agreement with Baseline Metropolitan District No. 1 and McWhinney CCOB Land Investments, LLC., as presented.

Third Amended and Restated Managed Growth and Development Agreement: Tabled.

First Amendment to Improvement Acquisition and Reimbursement Agreement with NP Distribution A, LLC: Mr. Pogue presented the first amendment to Improvement Acquisition and Reimbursement Agreement with NP Distribution A, LLC. Following review and discussion, and upon a motion duly made by Director Harris, seconded by Director Kane, and upon vote, it was unanimously

RECORD OF PROCEEDINGS

RESOLVED to approve the First Amendment to Improvement Acquisition and Reimbursement Agreement with NP Distribution A, LLC., as presented.

DISTRICT
MANAGER ITEMS

MSA and Work Order #2021-01 with Slate Communications for District Public Relations Services: Ms. Green presented the MSA and Work Order #2021-01 with Slate Communications for district public relations services. Following review and discussion, and upon a motion duly made by Director Harris, seconded by Director Kane, and upon vote, it was unanimously

RESOLVED to approve the MSA and Work Order #2021-01 with Slate Communications for District Public Relations Services in an amount of \$13,075.00.

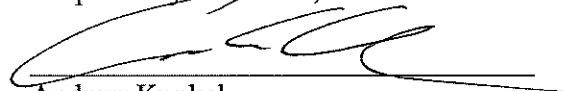
General Mapping Service with Harris Kocher Smith (HKS): Ms. Green presented the HKS Scope of Work for Ownership and Maintenance Mapping Services, reported that the appropriated expenditures were included in the General Fund 2021 Adopted Budget, and requested approval to engage HKS in an amount not to exceed \$6,000. Following review and discussion, and upon a motion duly made by Director Harris, seconded by Director Kane, and upon vote, it was unanimously

RESOLVED to approve the HKS for Ownership and Maintenance Mapping Services, not to exceed \$6,000.

ADJOURNMENT

There being no further business to come before the Boards, the meeting was adjourned at 2:32 p.m.

Respectfully submitted,



Andrew Kunkel
Recording Secretary for the Meeting