

RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL MEETING OF FOUNDRY LOVELAND METROPOLITAN DISTRICT

HELD

November 29, 2018

The Board of Directors of the Foundry Loveland Metropolitan District held a special meeting, open to the public, at the offices of Pinnacle Consulting Group, Inc. at 550 West Eisenhower Boulevard, Loveland, Colorado 80537; at 2:00 p.m. Thursday, November 29, 2018.

ATTENDANCE

A special meeting of the Board of Directors of Foundry Loveland Metropolitan District was called and held as shown above and in accordance with the applicable statues of the State of Colorado. The following directors, having confirmed their qualifications to serve on the Board, were in attendance:

Directors in Attendance:

Shannon Stearman, President
Jay Hardy, Vice President (via teleconference)
Peter Yoo, Treasurer
Ashley Davidson, Secretary
Jordan Swisher, Assistant Secretary

Also in Attendance:

Alan Pogue, Esq; Icenogle Seaver Pogue, P.C.
Peggy Dowswell, and Shannon McEvoy; Pinnacle Consulting Group, Inc.
Jason Woolard; Pinnacle Consulting Group, Inc. (via teleconference)

CALL TO ORDER

The meeting was called to order at 2:03 p.m. by Director Stearman.

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's office and with the District's Board. Mr. Pogue advised the Board that pursuant to Colorado law, certain disclosures by the Board Members might be required prior to taking official action at a meeting. The Board 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

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Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act.

APPROVAL OF
AGENDA

The Board reviewed the agenda. Upon motion duly made by Director Yoo, and seconded by Director Swisher, it was unanimously

RESOLVED to approve the agenda, as presented.

APPROVAL OF
MINUTES

The minutes of the regular meeting held on September 20, 2018 were presented. Upon motion duly made by Director Swisher, and seconded by Director Davidson, it was unanimously

RESOLVED to approve the minutes of the September 20, 2018 meeting, as presented.

PUBLIC COMMENT

There were no comments made by members of the public.

FINANCIAL ITEMS

Ratification and approval of Payables: Ms. Dowswell presented, and the Board reviewed, the check detail for the period June 21, 2018 through November 28, 2018 for ratification and approval. Following review and discussion, and upon a motion duly made by Director Swisher, seconded by Director Davidson and, upon vote, unanimously carried, it was

RESOLVED to approve payables in the amount of \$25,339.77 and ratify payables in the amount of \$8,290.19.

Acceptance of Financial statements: Ms. Dowswell presented the financial statements for the period ending July 31, 2018 and answered questions. Following review and discussion, upon motion duly made by Director Yoo, seconded by Director Davidson and, upon vote, unanimously carried, it was

RESOLVED to accept the financial statements for the period ending July 31, 2018.

2018 BUDGET
AMENDMENT

Director Stearman opened the 2018 Amended Budget Hearing for the Foundry Loveland Metropolitan District to the public. Ms. Dowswell reported that notice of the hearing had been published on November 22, 2018 in accordance with state budget law. There being no public input, the public hearing portion of the budget discussions was closed.

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Ms. Dowswell presented the Foundry Loveland Metropolitan District Amended 2018 Budget and answered questions. The 2018 budget is to be amended as follows:

General Fund Expenditures: \$94,227
Capital Fund Expenditures: \$851,000

After further review and discussion, and upon motion made by Director Swisher, and seconded by Director Davidson, it was unanimously

RESOLVED to approve the Foundry Loveland Metropolitan District 2018 Budget Amendment Resolution and appropriate budgeted funds.

2019 BUDGET HEARING

Director Stearman opened the 2019 Budget Hearing for the Foundry Loveland Metropolitan District. Ms. Dowswell reported that notice of the budget hearing had been published on November 22, 2018 in accordance with state budget law. Ms. Dowswell reviewed the budgets in detail, and answered questions pertaining to the mill levy and estimated revenues and expenditures. The budgets by fund are as follows.

Mill Levy is 50.00 mills
General Fund Expenditures: \$203,141
Debt Service Fund Expenditures: \$48,842

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

RESOLVED to approve the Resolution to Adopt the 2019 budgets for the Foundry Loveland Metropolitan District, set the mill levies, appropriate budgeted funds upon final certification of value being received by the County of Larimer on or before December 10, 2018 and approve all other documents related to the 2019 budget. The District Manager is authorized to make minor modifications that may be necessary following receipt of final assessed values.

FINANCIAL ITEMS, CONT.

District's Limited Tax General Obligation 2018 Loan: The Board discussed the issuance of the District's 2018 loan. The service plan may need to be amended to close the loan.

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LEGAL ITEMS

Service Plan Amendment: Mr. Pogue provided an update on the status of the Service Plan Amendment, stating the Amendment has been submitted to the City of Loveland. Director Stearman will follow-up with the City regarding the status of the Amendment.

Patio Discussion: The Board discussed patio management, tenant, encroachment and use of the patio, turn over of improvements to the District, and light installation.

License and Encroachment Agreement with The Foundry Cleveland, LLC: Mr. Pogue presented the License and Encroachment Agreement with The Foundry Cleveland, LLC and answered questions. Following review and discussion, and upon motion duly made by Director Swisher, and seconded by Director Davidson, it was unanimously

RESOLVED to ratify the License and Encroachment Agreement with The Foundry Cleveland, LLC.

License and Encroachment Agreement with The Foundry Lincoln, LLC: Mr. Pogue presented the License and Encroachment Agreement with The Foundry Lincoln, LLC and answered questions. Following review and discussion, and upon motion duly made by Director Swisher, and seconded by Director Davidson, it was unanimously

RESOLVED to ratify the License and Encroachment Agreement with The Foundry Lincoln, LLC.

Deed of Easement with The Foundry Cleveland, LLC: Mr. Pogue presented the Deed of Easement with The Foundry Cleveland, LLC and answered questions. Following review and discussion, and upon motion duly made by Director Davidson, and seconded by Director Yoo, it was unanimously

RESOLVED to ratify the Deed of Easement with The Foundry Cleveland, LLC.

Deed of Easement with 4th Street Properties, LLC: Mr. Pogue presented the Deed of Easement with 4th Street Properties, LLC and answered questions. Following review and discussion, and upon motion duly made by Director Davidson, and seconded by Director Yoo, it was unanimously

RESOLVED to ratify the Deed of Easement with 4th Street Properties, LLC.

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Deed of Easement with Foundry Theater, LLC: Mr. Pogue presented the Deed of Easement with Foundry Theater, LLC and answered questions. Following review and discussion, and upon motion duly made by Director Davidson, and seconded by Director Yoo, it was unanimously

RESOLVED to ratify the Deed of Easement with Foundry Theater, LLC.

Deed of Easement with The Foundry Lincoln, LLC: Mr. Pogue presented the Deed of Easement with The Foundry Lincoln, LLC and answered questions. Following review and discussion, and upon motion duly made by Director Davidson, and seconded by Director Yoo, it was unanimously

RESOLVED to ratify the Deed of Easement with The Foundry Lincoln, LLC.

License Agreement for 222 East 4th Street: Mr. Pogue presented the License Agreement with The City of Loveland for 222 East 4th Street, Loveland, Colorado and answered questions. Following review and discussion, and upon motion duly made by Director Swisher, and seconded by Director Davidson, it was unanimously

RESOLVED to approve the License Agreement with The City of Loveland for 222 East 4th Street, Loveland, Colorado.

License Agreement for 255 East 2nd Street: Mr. Pogue presented the License Agreement with The City of Loveland for 255 East 2nd Street, Loveland, Colorado and answered questions. Following review and discussion, and upon motion duly made by Director Swisher, and seconded by Director Davidson, it was unanimously

RESOLVED to approve the License Agreement with The City of Loveland for 255 East 2nd Street, Loveland, Colorado.

License Agreement for 320 N. Cleveland Avenue: Mr. Pogue presented the License Agreement with The City of Loveland for 320 N. Cleveland Avenue, Loveland, Colorado and answered questions. Following review and discussion, and upon motion duly made by Director Swisher, and seconded by Director Davidson, it was unanimously

RESOLVED to approve the License Agreement with The City of Loveland for 320 N. Cleveland Avenue, Loveland, Colorado.

Second Amendment to 2017 Foundry Reimbursement Agreement: Mr. Pogue presented the Second Amendment to 2017 Foundry

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Reimbursement Agreement with The Foundry Loveland, LCC, and Authorizing the Refunding of the 2018 Promissory Note and Issuance of 2019 Promissory Note for Operational Advances. Following review and discussion, and upon motion duly made by Director Davidson, and seconded by Director Stearman, it was unanimously

RESOLVED to approve the Second Amendment to 2017 Foundry Reimbursement Agreement with The Foundry Loveland, LCC, and Authorizing the Refunding of the 2018 Promissory Note and Issuance of 2019 Promissory Note for Operational Advances.

Improvement Acquisition and Reimbursement Agreement: Mr. Pogue presented the Improvement Acquisition and Reimbursement Agreement. Following review and discussion, and upon motion duly made by Director Stearman, and seconded by Director Davidson, it was unanimously

RESOLVED to approve the Improvement Acquisition and Reimbursement Agreement with The Foundry Loveland, LLC. subject to the City of Loveland's approval of the Service Plan Amendment.

2019 Annual Administrative Matters Resolution: Mr. Pogue presented the 2019 Administrative Matters Resolution to the Boards. Upon motion duly made by Director Stearman, and seconded by Director Davidson, it was unanimously

RESOLVED to approve the 2019 Annual Administrative Matters Resolution.

Data Security Resolution: Mr. Pogue presented the Data Security Resolution to the Boards. Upon motion duly made by Director Stearman, and seconded by Director Davidson, it was unanimously

RESOLVED to approve the Data Security Resolution.

2018 Legislative Update: Mr. Pogue reviewed the 2018 Legislative Update with the Boards and answered questions.

DISTRICT
MANAGER ITEMS

Service Agreement with Interwest Consulting Group: Ms. Dowswell brought to the Board for consideration the Service Agreement with Interwest Consulting Group for District Acceptance Services. Following discussion and upon a motion duly made by Director Davidson, seconded by Director Swisher, and upon vote, unanimously carried, it was

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RESOLVED to approve the Service Agreement with Interwest Consulting Group for District Acceptance Services in an amount not to exceed \$10,000.

Contract Addendum with Pinnacle Consulting Group, Inc.: Ms. Dowswell brought to the Board for consideration the Contract Addendum with Pinnacle Consulting Group, Inc. for District Acceptance Services. Following discussion and upon a motion duly made by Director Yoo, seconded by Director Swisher, and upon vote, unanimously carried, it was

RESOLVED to approve the Contract Addendum with Pinnacle Consulting Group, Inc. for District Acceptance Services in an amount of \$9,375.

ITEMS FROM
DIRECTORS

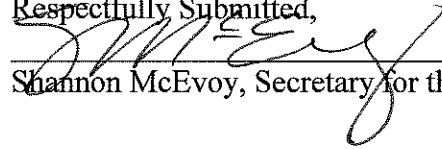
Snow Removal: The Board discussed the division of responsibility regarding snow removal in the District.

ADJOURNMENT

There being no further business to come before the Board at this time the meeting was adjourned at 3:28 p.m.

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

Respectfully Submitted,



Shannon McEvoy, Secretary for the Meeting