

## RECORD OF PROCEEDINGS

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### MINUTES OF THE COORDINATED ORGANIZATIONAL MEETING OF FOUNDRY LOVELAND METROPOLITAN DISTRICT

HELD  
March 16, 2017

The Board of Directors of Foundry Loveland Metropolitan District held a coordinated organizational meeting, open to the public, at 1627 E. 18<sup>th</sup> Street, Loveland, Colorado 80538, at 3:00 p.m., Thursday, March 16, 2017. Notice of the meeting has been duly posted with the Larimer County Clerk and Recorder and posted in three public places within the boundaries of the District.

ATTENDANCE

Directors in Attendance:

Shannon Stearman  
Jay Hardy  
Peter Yoo  
Rachael Jeane  
Scott Ranweiler (joined meeting at 3:20 p.m.)

Also in Attendance:

Alan Pogue, Esq.; Icenogle Seaver Pogue, P.C.  
Tom Flock, Amanda Castle, Brendan Campbell and Peggy Dowswell,  
Austin Southard, and Darcy Chilton; Pinnacle Consulting Group, Inc.

CALL MEETING  
TO ORDER

The meeting was called to order at 3:08 p.m. by Ms. Stearman, as acting chairperson.

QUALIFICATION  
OF BOARD  
MEMBERS/  
OATHS OF OFFICE  
AND BONDS/  
CONFLICT OF  
INTEREST  
DISCLOSURE

Mr. Pogue discussed the process of qualifying Board members, affirmed that Oaths of Office had been administered and filed per Colorado law, and confirmed that Performance Bonds had been obtained for the Directors and Treasurer of the District, as required by law, and filed with the District Court and Division of Local Government.

Mr. Pogue further discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. It was noted by Mr. Pogue that

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disclosures of potential conflicts of interest were filed with the Secretary of State for all Directors.

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AGENDA/  
LOCATION OF  
MEETING/  
POSTING MEETING  
NOTICES/QUORUM

The Board reviewed the agenda. Upon motion duly made by Director Hardy, seconded by Director Stearman, and upon vote, unanimously carried, it was

**RESOLVED** to approve the agenda, as amended.

Mr. Flock noted that notice of this location was duly posted and that it has not received any objections to the location or requests that the meeting place be changed by taxpaying electors within the District's boundaries.

Mr. Flock affirmed that notice of the meeting had been posted at three locations within the boundaries of each District and with the Larimer County Clerk and Recorder.

Mr. Pogue confirmed that a quorum was present with four of the five Board members in attendance. Upon the arrival of Director Ranweiler, five of five Board members were in attendance.

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ORGANIZATIONAL  
DOCUMENTS

Mr. Pogue reported that the District held an Organizational Election November 8, 2016, with the majority voters voting in favor of organizing the District. Mr. Pogue also reported that the Findings, Order and Decrees organizing the District were entered by the District Court on December 7, 2016 and certified copies of each Decree have been recorded with the Larimer County Clerk and Recorder, and will be filed with the Division of Local Government and Larimer County Assessor.

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APPOINTMENT OF  
OFFICERS

Appointment of Officers: The Board then turned to the issue of selecting Officers for the District and discussed the duties of the Board, and the offices of President, Secretary and Treasurer. Upon motion duly made by Director Hardy, seconded by Director Jeane, and upon vote, unanimously carried, the Officers of the District were elected and approved as follows:

President & Chairman- Shannon Stearman  
Vice President – Jay Hardy  
Secretary – Rachael Jeane  
Asst. Secretary/Treasurer – Scott Ranweiler  
Treasurer – Peter Yoo

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ORGANIZATIONAL  
RESOLUTION

Mr. Pogue reviewed the Organizational Resolution with the Board. Upon motion duly made by Director Hardy, seconded by Director Jeane, and upon vote, unanimously carried, it was

**RESOLVED** to adopt the Organizational Resolution, approving the payment of Director's Fees in the amount of \$100 per meeting, not to exceed \$250 per year.

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INDEMNIFICATION  
RESOLUTION

Mr. Pogue reviewed the Resolution Providing for the Defense and Indemnification of Directors and Employees of the District. Upon motion duly made by Director Hardy, seconded by Director Yoo, and upon vote, unanimously carried, it was

**RESOLVED** to approve the Resolution Providing for the Defense and Indemnification of Directors and Employees of the District.

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MEETING  
RESOLUTION

Mr. Pogue reviewed the Resolution Establishing Regular Meeting Dates, Times and Locations, and Designating Locations for Posting of 72-Hour Notices. Upon motion duly made by Director Hardy, seconded by Director Ranweiler, and upon vote, unanimously carried, it was

**RESOLVED** to approve the Resolution Establishing Regular Meeting Dates, Times and Locations, and Designating Locations for Posting of 72-Hour Notices.

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PUBLIC COMMENT

The meeting was opened to public comment. Hearing no public comment, this portion of the meeting was closed.

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COLORADO OPEN  
RECORDS ACT  
RESOLUTION

Mr. Pogue reviewed the Resolution Regarding a Public Records Retention Schedule, Appointing an Official Custodian, and Adopting Policies and Fees Schedule for the Handling of Records Requests Under the Colorado Open Records Act ("CORA"). Upon motion duly made by Director Stearman, seconded by Director Yoo, and upon vote, unanimously carried, it was

**RESOLVED** to approve the Resolution Regarding a Public Records Retention Schedule, Appointing an Official Custodian, and Adopting Policies and Fees Schedule for the Handling of Records Requests Under the Colorado Open Records Act ("CORA")

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### ENGAGEMENT OF CONSULTANTS

The Board considered the engagement of District Legal Counsel, District Manager, District Accountant, District Project Administrator and District Engineer. Upon motion duly made by Director Hardy, seconded by Director Ranweiler and, upon vote, unanimously carried, the Board approved engagement of the following consultants:

Icenogle Seaver Pogue P.C.; District Legal Counsel  
Pinnacle Consulting Group, Inc.; District Manager, Accountant and Project Administrator  
King Surveyors; District Engineer

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### INSURANCE COVERAGE

Insurance Coverage: Mr. Pogue discussed the insurance requirements with the Board and presented Resolution No. 2017-03-01, to obtain insurance coverage through the Colorado Special Districts Property and Liability Pool and join the Special District Association. Upon motion duly made by Director Hardy seconded by Director Yoo, and upon vote, unanimously carried, it was

**RESOLVED** to approve insurance coverage for Public Official's Liability, General Liability, Directors and Officers Liability, including Workers' Compensation, and membership to the Colorado Special District Association.

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### GOVERNMENTAL IMMUNITY MEMO

Mr. Pogue reviewed with the Board the Governmental Immunity Memorandum.

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### RATIFICATION OF PAST ACTIONS

Following review and discussion and upon motion duly made by Director Stearman, seconded by Director Hardy, and upon vote, unanimously carried, it was

**RESOLVED** to ratify past actions.

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### PINNACLE CONSULTING GROUP, INC. WEBSITE

The Board gave direction to list the District on the Pinnacle Consulting Group, Inc website for public viewing.

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### FINANCIAL ITEMS

PDPA Numbers, FEIN and State Tax Exemption Numbers: Ms. Castle discussed the Public Deposit Protection Act Numbers (PDPA), Federal Employer Identification Number (FEIN) and the Colorado State Tax Exemption Numbers and stated that they would need to be requested and assigned for the District by the Colorado Department of Regulatory Agencies' Division of Banking, the Federal Department of Treasury, and the Colorado Tax Division, respectively. Upon motion duly made by Director Yoo, seconded by Director Hardy, and upon vote, unanimously carried, it was

**RESOLVED** to authorize and ratify the execution of the applications for assignment of PDPA numbers for public funds deposited in banks, applications for FEIN's, and applications for Sales Tax Exemption for Colorado.

Selection of Bank: The Board discussed the establishment of a District operating account authorizing all Board Members to be signers on the account. Upon motion duly made by Director Hardy, seconded by Director Ranweiler, and upon vote, unanimously carried, it was

**RESOLVED** to establish a policy regarding two signatures on all checks and to direct Pinnacle Consulting Group Inc. to take the necessary steps to open an operating account with First Bank, following receipt of the FEIN and PDPA numbers.

2017 Budget Preparation: Following review and discussion, upon motion duly made by Director Yoo, seconded by Director Ranweiler and, upon vote, unanimously carried, the Board ratified the appointment of Pinnacle Consulting Group, Inc. as the Budget Officer to prepare the 2017 budget.

2017 Budget Hearing: The public hearing to consider the proposed 2017 budget was opened. Mr. Flock reported that publication of Notice stating that the Board would consider adoption of the budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections or public comments were received prior to this public hearing. There being no public input, the public hearing was closed.

The Board reviewed the 2017 budget, which detailed estimated revenues and expenditures for the District for the 2017 tax year.

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District No. 1:  
 General Fund Expenditures \$151,750  
 Mill levy is 0 mills.

Following review and discussion and upon motion duly made by Director Yoo, seconded by Director Ranweiler, and upon vote, unanimously carried, it was

**RESOLVED** to approve the Resolution to Adopt the 2017 Budget, set the Mill Levies, and appropriate sums of money.

Policy Authorizing Investments: Mr. Pogue reviewed with the Board the Resolution for the Establishment of an investment policy per state statute. Upon motion duly made by Director Hardy, seconded by Director Ranweiler and, upon vote, unanimously carried, it was

**RESOLVED** to approve the Resolution establishing of a policy authorizing investments, in accordance with statutes.

Approval of Application for Exemption from 2016 Audit: Ms. Castle reviewed with the Board the Application for Exemption from the 2016 Audit. Upon motion duly made by Director Hardy, seconded by Director Ranweiler and, upon vote, unanimously carried, it was

**RESOLVED** to approve the Application for Exemption from the 2016 Audit, as presented.

ITEMS FROM  
LEGAL COUNSEL

Funding and Reimbursement Agreement: Mr. Pogue reviewed the Funding and Reimbursement Agreement for the advancement of funds for O&M expenditures, and in connection therewith, the issuance of a promissory note evidencing the District's reimbursement obligation. Upon motion duly made by Director Yoo, seconded by Director Hardy, and upon vote, unanimously carried, it was

**RESOLVED** to approve the Funding and Reimbursement Agreement for the advancement of funds for O&M expenditures, and the issuance of a promissory note at a rate of prime plus 2% or whichever is greater.

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CONTINUATION

Upon a motion by Director Hardy, seconded by Director Stearman, and unanimous vote, the meeting is continued to Wednesday, April 5<sup>th</sup> at 11:00 a.m.

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

Respectfully Submitted,



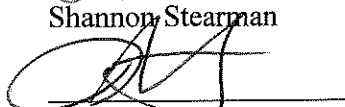
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Tom Flock, Recording Secretary



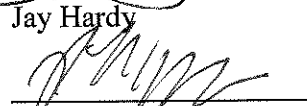
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Shannon Stearman



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Jay Hardy



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Peter Yoo



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Rachael Jeane



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Scott Ranweiler