

# RECORD OF PROCEEDINGS

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## ADOPTED AMENDED MINUTES OF THE SPECIAL MEETING OF

LOVELAND MIDTOWN METROPOLITAN DISTRICT

HELD

April 25, 2011

The Board of Directors (collectively, "Board") of the Loveland Midtown Metropolitan District, ("District") held a special meeting, open to the public, at the offices of Loveland Commercial, LLC, 1043 Eagle Drive, Loveland, Colorado 80537; at 9:00 am on Monday, April 25, 2011. Notice of the meeting has been duly posted with the Larimer County Clerk and Recorder and in three public places within the boundaries of the District.

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### ATTENDANCE

#### Directors in Attendance:

Don Marostica, President  
Nathan Klein, Vice President  
Blaine Rappe, Secretary/Treasurer  
Eric Holsapple, Asst. Secretary/Treasurer

#### Also in Attendance:

Deborah Early, Icenogle, Seaver, Pogue, P.C. (via conference call)  
Kirsten Starman, Pinnacle Consulting Group, Inc. (via conference call)  
Peggy Dowswell, Pinnacle Consulting Group, Inc. (via conference call)  
Mike McGinnis, Brownstein, Hyatt, Farber, Schreck (via conference call)  
Marybeth Jones, Brownstein, Hyatt, Farber, Schreck (via conference call)  
Harry Crosby, Property Owner at 1702 11<sup>th</sup> St.

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### CALL TO ORDER

The meeting was called to order at 9:00 am by Director Marostica, noting that a quorum was present. The directors in attendance confirmed their qualifications to serve.

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### CONFLICT OF INTEREST DISCLOSURE

Ms. Early noted that conflicts of interest for all Board Members have been filed. Ms. Early 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 Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act.

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### AGENDA

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

**RESOLVED** to approve the agenda as presented.

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### APPROVAL OF MINUTES

Ms. Starman presented the minutes of the November 17, 2010 and the December 1, 2010 meetings. Upon motion duly made by Director Rappe and seconded by Director Holsapple, it was unanimously

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**RESOLVED** to approve the November 17, 2010 and December 1, 2010 meeting minutes as presented.

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## APPROVAL OF PAYABLES/FINANCIAL REPORT

Ms. Starman presented for ratification the Check Detail for payments made since the last Board meeting, totaling \$75,698.97, including checks #1319-1342. Upon motion duly made by Director Rappe and seconded by Director Holsapple, it was unanimously

**RESOLVED** to ratify the Check Detail in the amount noted above.

Ms. Dowswell reviewed the Balance Sheet and Statement of Revenues and Expenditures through March 31, 2011. Mr. Crosby joined the meeting at this time. Upon motion duly made by Director Rappe and seconded by Director Klein, it was unanimously

**RESOLVED** to accept the Loveland Midtown Metropolitan District Balance Sheet and Statement of Revenues and Expenditures through March 31, 2011 prepared by Pinnacle Consulting Group.

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## BOND DISCUSSION

Mr. McGinnis stated Brownstein, Hyatt, Farber, Schreck had provided the Board an engagement letter and proposal to act as bond counsel for an upcoming Developer bond issue. Discussion ensued and Mr. McGinnis stated that an acceptable timeframe for issuance was 30-60 days. The Board asked Pinnacle to provide Mr. McGinnis with the Five Year Projection presented at the December 1, 2010 meeting. Upon motion duly made by Director Rappe and seconded by Director Holsapple, it was unanimously

**RESOLVED** to accept the engagement letter provided by Brownstein, Hyatt, Farber, Schreck.

Additionally, the Board authorized the team to move forward with any items necessary for a Developer bond issue. A term sheet from the Developer will be provided for consideration at the next meeting. Pinnacle will provide an estimate on costs of issue, which will include the cost for an independent feasibility analysis and legal.

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## PUBLIC COMMENTS

The Board opened the meeting to Public Comments. Mr. Crosby stated concern over placement of the required agenda postings throughout the District, claiming they were not as visible as they could be. Ms. Starman responded that efforts would be made to increase the visibility of agenda postings in the future. Mr. Crosby also relayed concern that the trees on the north side of the property along the City of Loveland trail did not appear to be receiving enough water. Ms. Starman responded that the landscape maintenance contractor would be asked to verify the drip lines were working properly to irrigate the area.

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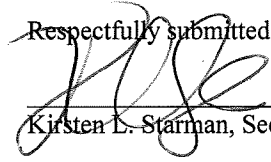
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ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned.

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

Respectfully submitted,



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Kirsten L. Starman, Secretary for the Meeting