

---

---

# RECORD OF PROCEEDINGS

---

---

MINUTES OF THE COORDINATED  
REGULAR MEETING OF  
CENTERRA METROPOLITAN DISTRICT NO. 1  
CENTERRA METROPOLITAN DISTRICT NO. 2  
CENTERRA METROPOLITAN DISTRICT NO. 3  
CENTERRA METROPOLITAN DISTRICT NO. 4  
CENTERRA METROPOLITAN DISTRICT NO. 5

HELD  
September 18, 2014

The Boards of Directors of Centerra Metropolitan District No. 1, Centerra Metropolitan District No. 2, Centerra Metropolitan District No. 3, Centerra Metropolitan District No. 4, and Centerra Metropolitan District No. 5 held a coordinated regular meeting, open to the public, at the office of McWhinney, 2725 Rocky Mountain Avenue, Loveland, Colorado 80538, at 12:00 p.m., Thursday, September 18, 2014. 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 each District.

ATTENDANCE:

Directors in Attendance:

Kim Perry, President  
Jay Hardy, Vice President & Assistant Secretary  
Tom Hall, Secretary  
Julie Den Herder, Assistant Secretary & Assistant Treasurer  
Josh Kane, Treasurer & Assistant Secretary (via phone)

Also in Attendance:

Alan Pogue, Icenogle Seaver Pogue, P.C.  
Brendan Campbell, Peggy Dowswell, Jim Worley, Carla Hawkins, & Jason Woolard, Pinnacle Consulting Group, Inc.  
Brent Worthington, City of Loveland (arrived at 12:11 p.m.)

---

CALL MEETING TO  
ORDER

The meeting was called to order at 12:04 p.m. by Director Perry, President, noting that a quorum was present. The directors in attendance confirmed their qualifications to serve.

---

COMBINED  
MEETING

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

---

CONFLICT OF  
INTEREST  
DISCLOSURE

Mr. Pogue, legal counsel, noted that notices of potential conflicts of interest for all Board Members were filed with the Colorado Secretary of State's Office, disclosing potential conflicts as all Board Members are employees of McWhinney Real Estate Services, Inc., which is associated with the primary landowners and developer within the District. 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

---

---

## RECORD OF PROCEEDINGS

---

---

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.

---

AGENDA

The Boards reviewed the agenda. Upon motion duly made by Director Kane and seconded by Director Hall it was unanimously

**RESOLVED** to approve the revised agenda.

---

APPROVAL OF  
MINUTES

The minutes of the August 21, 2014 and September 8, 2014, meetings were presented. Upon motion duly made by Director Hall and seconded by Director Den Herder, it was unanimously

**RESOLVED** to approve the August 21, 2014 and September 8, 2014 minutes as presented.

---

ITEMS FROM PROJECT  
MANAGEMENT REPORTS

**Hahns Peak II**

Mr. Woolard asked the District No. 1 Board to ratify the Professional Services Agreement for engineering services between Centerra Metropolitan District No. 1 and Tait & Associates for Hahn Peak II water line extension. After discussion and upon motion duly made by Director Den Herder and seconded by Director Hardy, it was unanimously

**RESOLVED** to approve the Professional Service Services Agreement with Tait & Associates in the amount of \$7,070.

**Parcel 222**

Mr. Woolard noted the invitation to bid had been published and bids are to be submitted on October 7<sup>th</sup> for the public infrastructure improvements associated with Parcel 222. Lamp Rynearson & Associates is the engineer on this project and is anticipated to assist with construction administration for the project. The owner of Parcel 222 plans to construct a self-storage facility and they are currently in the design review process with the Centerra DRC. Mr. Woolard stated the construction time frame is November 15, 2014 to March 15, 2015 and noted a potential schedule challenge with paving during the winter months. The property owner's onsite construction will be under the same constraint and weather conditions. The consensus of the District No. 1 Board is that the District's infrastructure work will not commence until the on-site work begins. The District No. 1 Board authorized moving forward on the bidding process. Upon motion duly made by Director Hall and seconded by Director Den Herder, it was unanimously

**RESOLVED** to approve Pinnacle Consulting Group and Lamp Rynearson & Associates to proceed with the bidding scope of work for a total amount not to exceed \$9,000.

## RECORD OF PROCEEDINGS

---

### FINANCIAL MATTERS

#### Financial Report and Approval of Payables

Mr. Campbell presented for ratification the August Capital Schedule of Payables dated August 29, 2014 in the amount of \$360,663.43; including checks 5562 through 5566 and for approval of the September Schedule of Payables through September 30, 2014 in the amount of \$132,191.43; including checks 5567 through 5593. Upon motion duly made by Director Kane and seconded by Director Hardy, it was unanimously

**RESOLVED** to ratify the August Capital Schedule of Payables and approve the September Schedule of Payables, in the amounts and the check numbers noted above.

#### Review of Capital Funding Summary

Mr. Campbell presented the Capital Fund Summary as of September 17, 2014, summarizing all capital project budget and expense totals. The Boards discussed the various projects and timing of the projects in 2014 and 2015.

#### Additional Borrowing and Approval of Term Sheet with Bank Group

Director Kane and Ms. Dowswell updated the Boards on the request for additional money and modifications to the existing 2011 loan. The District is still trying to close by September 30, 2014.

#### Financial Services Agreements with Piper Jaffrey & Co.

Mr. Pogue requested the Board consider approval of two financial services agreements between Centerra Metropolitan District No. 1 and Piper Jaffrey & Co for a total of \$115,000. Upon motion duly made by Director Hardy and seconded by Director Den Herder, it was unanimously

**RESOLVED** to approve the Financial Services Agreements as noted above.

#### Pinnacle Consulting Group Addendum.

Ms. Dowswell requested the District No. 1 Board consider approval of Pinnacle Consulting Group Addendum for additional 2014 loan services. Upon motion duly made by Director Hall and seconded by Director Hardy, it was unanimously

**RESOLVED** to approve the Pinnacle Consulting Group Financing Addendum in the amount of \$24,300.

The McWhinney Real Estate Services contract addendum is anticipated to be approximately \$40,000.

#### Engagement Letter with Kutak Rock for Bond Counsel Services

Mr. Pogue requested approval of the engagement letter with Kutak Rock for bond counsel services for the 2014 finance deal. Upon motion duly made by Director Den Herder and seconded by Director Hardy, it was unanimously

**RESOLVED** to approve the engagement letter with Kutak Rock for Bond Counsel Services not to exceed \$100,000.

## RECORD OF PROCEEDINGS

---

---

Ms. Dowsell is tracking the loan expenses noted above and the cost will be part of the total cost of issuance amount upon closing. Mr. Pogue noted that a special Boards of Directors meeting will be called a couple of days prior to closing the loan for approval of the loan resolution and for document signing.

---

ITEMS FROM DISTRICT  
MANAGER

Operations and Maintenance Report

Manager Worley stated Brickman is moving in the right direction and improved their performance since last month with a score of 91 on the recent inspection. Manager Worley relayed there is a meeting September 24, 2014 to meet with Brickman Group representatives to discuss future services and to review their request for a 16% increase in the contract amount.

---

LEGAL ITEMS

Mr. Pogue did not have any new information to report.

---

OTHER MATTERS

Director Hall mentioned that he appreciated the efforts of the capital infrastructure team in keeping Boyd Lake Avenue open during construction. Mr. Woolard noted that this was due to the efforts of contractor, Coulson Excavating Co.

---

PUBLIC COMMENTS

The Boards opened the meeting to public comments. Mr. Worthington noted the City had recently hired a new Public Works Director and Fire Chief. The City anticipates the search for a new City Attorney to take nine months to a year. After no further comments, this portion of the meeting was closed.

---

ADJOURNMENT

There being no further business to come before the Boards, the meeting was adjourned at 12:55 p.m.

---

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

Respectfully Submitted,



---

Carla Hawkins, Secretary for the Meeting