

# RECORD OF PROCEEDINGS

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## MINUTES OF THE COORDINATED SPECIAL MEETING OF

CENTERRA METROPOLITAN DISTRICT NO. 1  
CENTERRA METROPOLITAN DISTRICT NO. 2

HELD

May 2, 2008

The Boards of Directors of the Centerra Metropolitan District No. 1 and Centerra Metropolitan District No. 2 held a coordinated special meeting, open to the public, at the office of McWhinney, 2725 Rocky Mountain Avenue, Loveland, Colorado 80538, at 11:00 am Friday, May 2, 2008. 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:

Joe Knopinski, Vice President  
Dan Herlihey, Secretary  
Phil Hodgkinson, Vice President/Assistant Secretary

Directors Absent:

Kim Perry, Vice President (Absence Excused)

Also in Attendance:

Rich Shannon, McWhinney, District Manager  
Alan Pogue, Icenogle, Norton, Smith, Blieszner, Gilda, & Pogue  
Peggy Dowswell, Pinnacle Consulting Group, Inc.  
Carla Hawkins, Pinnacle Consulting Group, Inc.

CALL TO  
ORDER

The meeting was called to order at 11:05 am, 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.

CONFLICT OF  
INTEREST

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### DISCLOSURE

Mr. Pogue, legal counsel, noted that notices of potential conflicts of interest for all Board Members were filed, 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 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 and decided to remove line item #4 (Ratification of March 19, 2008 Meeting Minutes). Upon motion duly made by Director Herlihey, seconded by Director Hodgkinson, it was unanimously

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

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### ACCEPTANCE OF CAPITAL COSTS

The Board was presented with the Capital Cost Summary Worksheet for North Centerra Parkway. Ms. Peggy Dowswell noted that of the \$6,307,502.34 capital expenses paid by the developer during 2006 through April 2008, \$6,198,786.54 are eligible to be reimbursable by the District. All invoices have been reviewed by Pinnacle Consulting Group Inc. and verified as acceptable public capital costs for reimbursement by the District. Pinnacle has also verified that the project met all public bidding requirements giving proper notice and awarding the contract as required by the MFA. These public improvements were granted initial acceptance by the City of Loveland on December 12, 2007. After further discussion and upon motion duly made by Director Herlihey and seconded by Director Hodgkinson, it was unanimously

**RESOLVED** to accept the \$6,198,786.54 in capital costs from Centerra Properties West, LLC and issue a Bill of Sale and all required documents for the District to acquire these improvements as reviewed and verified by Pinnacle Consulting Group Inc.

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### DISTRICT MANAGER

Mr. Shannon, District Manager, advised the Board on the progress of negotiations and the desire to create allies with the ambulance district under the URA to work out details in providing a facility for them.

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APPROVAL OF  
ADDENDUM TO  
ASSIGNMENT OF  
REIMBURSEMENT  
AGREEMENT

In previous months District No. 1 had authorized the assignment of the water line improvement from Centerra Properties West, LLC to the City of Loveland in the amount of \$650,000 based on construction estimates; the final actual amount for the water line is \$530,000. Upon motion duly made by Director Hodgkinson, seconded by Director Herlihey, it was unanimously

**RESOLVED** to approve an Addendum to the Assignment of the Water Line Agreement between Centerra Properties West, LLC and the City of Loveland for the final amount of \$530,000.

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PUBLIC  
COMMENTS

The Board opened the meeting to Public Comments. Upon receiving no comment, this portion of the meeting was closed.

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ADJOURNMENT

Prior to adjournment, all present thanked Mr. Shannon for all of his efforts as District Manager during the past six years. There being no further business to come before the Board, the meeting was adjourned at 11:32 am.

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

Respectfully Submitted,



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Carla Hawkins, Secretary for the Meeting