

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

February 20, 2020

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 2725 Rocky Mountain Avenue, Loveland, Colorado 80538, at 12:00 p.m., Thursday, February 20, 2020.

ATTENDANCE

Directors in Attendance:

Kim Perry, President

David Spaeth, Vice President

Josh Kane, Treasurer & Assistant Secretary (Via Teleconference)

David Crowder, Assistant Secretary & Assistant Treasurer

Courtney Parmelee, Secretary (Via Teleconference)

Also in Attendance:

Alan Pogue; Icenogle Seaver Pogue, P.C.

Troy Kelts; Merrick (Via Teleconference)

Alan Krcmarik; City of Loveland (Via Teleconference)

Kim Newcomer; Slate Communications

Mark Ragan and Jonathan Heroux; Piper Jaffrey (Via Teleconference)

Jeff Breidenbach, and Jim Niemczyk; McWhinney

Peggy Dowswell, Elaina Cobb, Zach Wheatley, Casey Milligan, Irene

McCaffrey, Shannon McEvoy, Brendan Campbell, and Ryan Abbott;

Pinnacle Consulting Group, Inc.

Jim Nikkel and Randall Provencio; Pinnacle Consulting Group, Inc. (Via Teleconference)

CALL MEETING TO ORDER

The meeting was called to order at 12:03 p.m. by Director Perry, noting that a quorum was present. The Directors in attendance confirmed their qualifications to serve.

RECORD OF PROCEEDINGS

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

Alan Pogue, legal counsel, stated 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 Districts. 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 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.

APPROVAL OF AGENDA

The Boards considered the agenda, as amended, to add items:

III. C. i. Master Services Agreement and Work Order #2020-01 with Merrick Company for Civil Engineering Design Services for Parcel 505 in an amount of \$182,750.

III. C. ii. Master Services Agreement and Work Order #2020-01 with HKS for Civil Engineering Design Services for Parcel 504 in an amount of \$136,310.

Upon a motion duly made by Director Kane, seconded by Director Crowder, and upon vote, unanimously carried, it was

RESOLVED to approve the agenda, as amended.

PUBLIC COMMENT

There were no comments made by members of the public.

CONSENT AGENDA ITEMS

The Boards considered the following consent agenda items:

- A. Approval of Minutes—January 16, 2020 Regular Meeting.
- B. Ratification of Payables.
- C. Capital Fund Summary.
- D. Ratification of Contract Modifications.

RECORD OF PROCEEDINGS

E. Financial Statements as of November 30, 2019.

Upon a motion duly made by Director Kane, seconded by Director Crowder, and upon vote, unanimously carried, it was

RESOLVED to ratify and approve the items above, as presented.

CAPITAL INFRASTRUCTURE ITEMS

District Capital Infrastructure Report: Mr. Milligan presented the Capital Infrastructure Report, giving an update on projects being bid and those currently being constructed.

District Project Manager Update: Mr. Breidenbach provided an update on current projects ongoing within the Districts.

Work Order #2020-02 with Merrick & Company: Mr. Niemczyk presented Work Order #2020-02 with Merrick Company for Civil Engineering Design Services for Parcel 505 Phase II. Following review and discussion, upon a motion duly made by Director Crowder, seconded by Director Spaeth, and upon vote, unanimously carried, it was

RESOLVED to approve Work Order #2020-02 with Merrick Company in an amount of \$182,750.

Work Order #2020-02 with Harris Kocher Engineering Group: Mr. Niemczyk presented Work Order #2020-02 with Harris Kocher Engineering Group for Civil Engineering Design Services for Parcel 504 Phase III. Following review and discussion, upon a motion duly made by Director Crowder, seconded by Director Spaeth, and upon vote, unanimously carried, it was

RESOLVED to approve Work Order #2020-02 with Harris Kocher Engineering Group \$136,310.

FINANCIAL ITEMS

Financial Advisor Update: Johnathan Heroux and Marc Ragan provided the Boards with an update on the status of the financial advisors and requested the Boards to hold a Special Board meeting within the next two weeks to approve the contracts of the Financial Advisors.

Finance Manager's Report: Ms. McCaffrey gave an update on the financial status of the Districts making special note of Audit Exemptions stating the exemptions application for Districts 2-5 are in process and will be provided to the Board for review in early March with a deadline of March 31. Ms. McCaffrey also stated the audit preparation will begin in March for District No. 1's audit.

RECORD OF PROCEEDINGS

LEGAL ITEMS

Intergovernmental Agreement Regarding Allocation of Cost of Public Improvements between Centerra Metropolitan District No. 1 and Kinston Metropolitan District No. 1.: Mr. Pogue presented an Intergovernmental Agreement Regarding Allocation of Cost of Public Improvements between Centerra Metropolitan District No. 1 and Kinston Metropolitan District No. 1. Following review and discussion and upon a motion duly made by Director Crowder, seconded by Director Kane, and upon vote, unanimously carried, it was

RESOLVED to approve an Intergovernmental Agreement Regarding Allocation of Cost of Public Improvements between Centerra Metropolitan District No. 1 and Kinston Metropolitan District No. 1.

Waiver of Potential Conflict of Interest Regarding Legal Representation in connection with IGA with Kinston Metropolitan District No. 1.: Mr. Pogue presented a Waiver of Potential Conflict of Interest Regarding Legal Representation in connection with IGA with Kinston Metropolitan District No. 1. Following review and discussion and upon a motion duly made by Director Crowder, seconded by Director Kane, and upon vote, unanimously carried, it was

RESOLVED to approve a Waiver of Potential Conflict of Interest Regarding Legal Representation in connection with IGA with Kinston Metropolitan District No. 1.

Authorization of Legal Counsel to Proceed with Service Plan Amendment to Permit Inclusion of Former Lone Star Site to Centerra Metropolitan District No. 2 and Centerra Metropolitan District No. 4.: Mr. Pogue requested Authorization for Legal Counsel to Proceed with Service Plan Amendment to Permit Inclusion of Former Lone Star Site to Centerra Metropolitan District No. 2 and Centerra Metropolitan District No. 4. Following review and discussion and upon a motion duly made by Director Crowder, seconded by Director Spaeth, and upon vote, unanimously carried, it was

RESOLVED to approve Authorization of Legal Counsel to Proceed with Service Plan Amendment to Permit Inclusion of Former Lone Star Site to Centerra Metropolitan District No. 2 and Centerra Metropolitan District No. 4.

Exclusion Hearing of Centerra Metropolitan District No. 2 to Exclude Real Property Owned by CPW, LLC (Parcel 311) and Consideration and Approval of Resolution to Exclude said property.: At 12:59 pm, Director Perry opened the public hearing for the Exclusion Hearing of Centerra Metropolitan District

RECORD OF PROCEEDINGS

No. 2 to Exclude Real Property Owned by CPW, LLC (Parcel 311) and Consideration and Approval of Resolution to Exclude said property.

There being no public input, the public portion of the Exclusion Hearing was closed. After further review and discussion, and upon motion duly made by Director Crowder, seconded by Director Spaeth, and upon vote, it was unanimously

RESOLVED to approve the Resolution to Exclude Said Property.

Exclusion Hearing of Centerra Metropolitan District No. 4 to Exclude Real Property Owned by CPW, LLC (Parcel 311) and Consideration and Approval of Resolution to Exclude said property.: At 1:00 pm, Director Perry opened the public hearing for the Exclusion Hearing of Centerra Metropolitan District No. 4 to Exclude Real Property Owned by CPW, LLC (Parcel 311) and Consideration and Approval of Resolution to Exclude said property.

There being no public input, the public portion of the Exclusion Hearing was closed. After further review and discussion, and upon motion duly made by Director Crowder, seconded by Director Spaeth, and upon vote, it was unanimously

RESOLVED to approve the Resolution to Exclude Said Property.

ITEMS FROM
DISTRICT MANAGER

Public Relations Update: Ms. Newcomer presented the Public Relations update to the Boards and answered questions. Ms. Newcomer noted the Districts website would be updated regularly regarding District information and updates to the Water Wise Program.

Manager's Report: Mr. Abbott presented the Manager's Report to the Boards. He reported the District received qualifications from MRES and Ditesco which detail the firms' capabilities, capacity, and experience. Pinnacle will reach back out to both firms and request proposals which will include detailed scope of work, fee structure, and invoicing structure. A recommendation will be presented at the March 19, 2020 Board Meeting.

WaterWise Update: Mr. Wheatley updated the Boards on the WaterWise program.

Elections Update: Mr. Pogue briefed the Boards regarding the status of the upcoming elections.

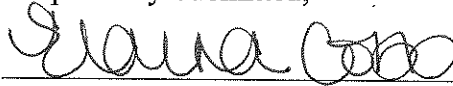
RECORD OF PROCEEDINGS

ADJOURNMENT

There being no further business to come before the Boards and upon motion and second, the meeting was adjourned at 1:16 p.m.

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

Respectfully Submitted,



Elaina M. Cobb, Secretary for the Meeting