

# RECORD OF PROCEEDINGS

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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  
November 17, 2016

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, November 17, 2016. 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  
Ben Kendall, Vice-President (via phone)  
Tom Hall, Secretary  
Josh Kane, Treasurer & Assistant Secretary

Also in Attendance:

Alan Pogue; Icenogle Seaver Pogue, P.C.  
David Crowder, Jim Niemczyk, Dave Betley, and Wendi Cudmore;  
McWhinney  
Peggy Dowswell, Brendan Campbell, Jason Woolard, Jim Worley, Shana Morgan, and Darcy Chilton; Pinnacle Consulting Group, Inc.  
Ralph Trenary; Public

CALL MEETING TO  
ORDER

The meeting was called to order at 12:08 p.m. by President Perry, 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.

# RECORD OF PROCEEDINGS

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## 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.

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## BOARD MEMBER APPOINTMENT

Mr. Pogue reported that a call for interested candidates to fill the Board vacancy was published on October 9, 2016. The District did not receive any additional letters of interest to serve on the Boards. David Crowder has agreed to serve and is qualified to serve on the Boards. Upon motion duly made by Director Kane, seconded by Director Hall, and upon vote, unanimously carried, it was

**RESOLVED** to approve the appointment of David Crowder to serve on the Boards of District Nos. 1-5 to fill the term expiring May of 2018.

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## PUBLIC COMMENT

Mr. Trenary stated that the current business and economic development happening in Centerra is thrilling and expressed his appreciation to the Boards and Pinnacle for their continued efforts.

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## CONSENT AGENDA ITEMS

Mr. Worley explained the new agenda format to the Boards, noting that utilizing a Consent Agenda format should add efficiency to meetings. Mr. Worley stated that Board members may pull items from the Consent Agenda and discussed in more detail before acting. Mr. Worley also noted that item II.E. (Ratification of Contract Modifications) will remain on future agendas but does not require any action today. Consent Agenda items are:

- A. Amended November 17, 2016 agenda,
- B. Minutes of the October 20, 2016 regular meeting,
- C. Ratification of Payables: October 1, 2016 through November 4, 2016,
- D. Financial Report through September 30, 2016, and
- E. 2017 Annual Administrative Matters Resolution.

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

# RECORD OF PROCEEDINGS

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**RESOLVED** to approve the Consent Agenda, as presented.

EQUALIZER DAM

Mr. Niemczyk reported that three bids were received for an alternatives re-evaluation analysis and Ecological Resource Consultants is recommended. Upon motion duly made by Director Kane, seconded by Director Hall, and upon vote, unanimously carried, it was

**RESOLVED** to approve the Professional Services Agreement with Ecological Resource Consultants, for an alternatives re-evaluation analysis, in the amount of \$54,460.

PARCEL 206

Mr. Niemczyk reported that paving is complete on the roads and a portion of the surface parking lots. Storm sewer, parking lots and landscaping work will continue to occur through mid-2017.

PARCEL 102  
IMPROVEMENTS

Mr. Woolard revisited the public sidewalk improvements scope requirements with the Board. Following review and discussion and upon motion duly made by Director Kane, seconded by Director Crowder, and upon vote, unanimously carried, it was

**RESOLVED** to approve the Construction Contract with D&D Concrete for Public Sidewalk Improvements in the amount of \$27,750, and designate the Board President to approve change orders within the approved budget for ratification at a future Board meeting.

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

**RESOLVED** to approve a Professional Services Agreement with Northern Engineering, for surveying and staking, in the amount of \$675.

PARCEL 504  
IMPROVEMENTS

Mr. Niemczyk revisited the public improvement design requirements with the Board. Following review and discussion and upon motion duly made by Director Crowder, seconded by Director Kane, and upon vote, unanimously carried, it was

**RESOLVED** to approve a Professional Services Agreement with Harris Kocher Smith for civil engineering services in the amount of \$153,640.

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

# RECORD OF PROCEEDINGS

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**RESOLVED** to approve a Professional Services Agreement with Permantes Group for traffic engineering services in an amount of \$12,100.

## FINANCIAL ITEMS

Mill Levy Comparison Chart: Mr. Campbell reviewed, and the Board discussed, the Mill Levy Comparison Chart.

2017 Budget: Director Perry opened the 2017 Budget Hearing to the public. Ms. Morgan reported that notice of the hearing had been published on November 10, 2016 in accordance with state budget law. Mr. Campbell reviewed the budget in detail and answered questions pertaining to the mill levy, and estimated revenues and expenditures. The budgets by District and fund are as follows:

District No. 1, Service District:

Mill levy is 0 mills.

General Fund Expenditures: \$1,495,106

Debt Service Fund Expenditures: \$11,254,324

Capital Fund Expenditures: \$7,240,778

District No. 2

Financing District Mill levy is 47.6 mills.

Bond Only:

2004 Bond Series Mill levy is 12.6 mills.

2008 Bond Series Mill levy is 35 mills.

General Fund Expenditures: \$456,005

District No. 3, Financing District

Mill levy is 5 mills.

General Fund Expenditures: \$279

District No. 4, Financing District

Mill levy is 0 mills.

General Fund Expenditures: \$0

District No. 5, Financing District

Mill levy is 15 mills.

General Fund Expenditures: \$1,830

There being no public input, the public hearing portion of the budget was closed. The Board discussed director fees for 2017 and determined to continue with the current director fees of \$100 per District per year. After further review and discussion, and upon motion duly made by Director Kane, seconded by Director Crowder, and upon vote, unanimously carried, it was

## RECORD OF PROCEEDINGS

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**RESOLVED** to approve the Resolution to Adopt the 2017 Budgets with adjustments to the Mill Levies as discussed, and Appropriate budgeted funds upon final certification of value being received from the County on or before December 10, 2016, and approve all other documents related to the 2017 budgets. Pinnacle Consulting Group Inc., as District Manager, is authorized to make minor modifications necessary following receipt of final assessed values.

2016 Financing Items: Director Kane, Attorney Pogue and Ms. Dowsell provided an update on the 2016 financing noting that the bond closing is scheduled sometime before March 1, 2017.

ITEMS FROM  
DISTRICT  
MANAGERS

Operations and Maintenance Report: Mr. Worley noted that the District is in off-season operations as water has been turned off and the system winterized. Director Hall noted that half of the lights to the sign at Boyd Lake Avenue and Hwy 34 are out and may be due to the construction at the intersection.

Designated Board Representative: Mr. Worley requested the Board consider authorizing the Board President as Board representative to approve contract modifications (task orders, work orders and change orders) within approved budgets. Upon motion duly made by Director Kane, seconded by Director Hall, and upon vote, unanimously carried, it was

**RESOLVED** to authorize the Board President to approve contract modifications (task orders, work orders and change orders) within approved budgets, for ratification at future Board meetings.

Motorplex Sign Repairs: Mr. Worley updated the Boards on the accident that damaged the monument sign at Motorplex. Following review and discussion and upon motion duly made by Director Hall, seconded by Director Kane, and upon vote, unanimously carried, it was

**RESOLVED** to approve a Services Agreement with E3 Signs, for repairs to the monument sign at Motorplex, in the amount of \$2,930.40.

Pest Control: Mr. Worley reported that RiteCorp had sold to Terminix and recommended the District engage Affordable Pest Control for pest control services. Following review and discussion and upon motion duly made by Director Kane, seconded by Director Hall, and upon vote, unanimously carried, it was

## RECORD OF PROCEEDINGS

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**RESOLVED** to approve a Services Agreement with Affordable Pest Control in the amount of \$500, for the remainder of 2016.

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### LEGAL ITEMS

Mr. Pogue provided a summary of the legislative actions affecting Special Districts in 2016.

Snow Removal – Parcel 206: Mr. Pogue discussed the snow removal options on the Parcel 206 parking lot with the Boards noting two options: 1) the District could enter into an Agreement with the tenant to remove the snow, or 2) the District would remove the snow and the tenant could reimburse the District. Further discussion is needed on this item.

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### OTHER MATTERS

Director Crowder discussed a letter that was received from the Town of Johnstown requesting coordination on the installation of a traffic signal at US Highway 34 and Larimer Parkway.

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### ADJOURNMENT

There being no further business to come before the Boards and upon motion and second, the meeting was adjourned at 1:51 p.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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Shana L. Morgan, Secretary for the Meeting