

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
May 16, 2019

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, May 16, 2019. 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
David Spaeth, Vice President
David Crowder, Assistant Secretary & Assistant Treasurer (Via Teleconference)
Josh Kane, Treasurer & Assistant Secretary (Via Teleconference)

Directors Absent but Excused:

Courtney Parmelee, Secretary

Also in Attendance:

Alan Pogue; Icenogle Seaver Pogue, P.C. (Via Teleconference)
Alan Krcmarik; City of Loveland (Via Teleconference)
Jeff Breidenbach, Tim DePeder, and Jim Niemczyk; McWhinney
Ryan Abbott, Brendan Campbell, Shannon McEvoy, and Casey Milligan;
Pinnacle Consulting Group, Inc.
Jason Woolard; Pinnacle Consulting Group, Inc. (Via Teleconference)

CALL MEETING TO
ORDER

The meeting was called to order at 12:01 p.m. by Director 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

RECORD OF PROCEEDINGS

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

RESOLVED to approve the agenda, as presented.

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—March 21, 2019,
- B. Ratification of Payables,
- C. Capital Fund Summary,
- D. Ratification of Contract Modifications, and
- E. Financial Statements as of March 31, 2019.

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

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

RECORD OF PROCEEDINGS

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. Niemczyk provided an update on current projects ongoing within the Districts. Discussion regarding future capital projects ensued. The Boards directed staff to form a sub-committee to begin discussion regarding future capital projects.

Mr. Niemczyk then briefed the Boards regarding proposed changes to Equalizer Dam and possible uses of the land reclaimed from its relocation.

Chapungu Park Permanent Stage Structure: After discussion on current and future capital priorities of the District, this item was tabled indefinitely.

Ecological Resource Consultants Master Service Agreement and Work Order No. 2019-01 for an Equalizer Reservoir Grading Study: Mr. Milligan presented Ecological Resource Consultants Master Service Agreement and Work Order No. 2019-01 for an Equalizer Reservoir Grading Study. Following discussion and upon a motion duly made by Director Spaeth, seconded by Director Crowder, and upon vote, unanimously carried, it was

RESOLVED to approve Ecological Resource Consultants Master Service Agreement and Work Order No. 2019-01 for an Equalizer Reservoir Grading Study in an amount of \$16,850.

Merrick & Company Work Order No. 2019-04 for the Centerra East Master Traffic Plan: Mr. Breidenbach presented Merrick & Company Work Order No. 2019-04 for the Centerra East Master Traffic Plan. Following discussion and upon a motion duly made by Director Kane, seconded by Director Spaeth, and upon vote, unanimously carried, it was

RESOLVED to approve Merrick & Company Work Order No. 2019-04 for the Centerra East Master Traffic Plan in an amount of \$26,200.

Nine Dot Arts Work Order No. 2019-01 for Public Art Consultation for the I-25 CDOT Bus Transit Enhancements and Kendall Parkway Underpass: Mr. Milligan presented, and Director Perry elaborated upon, Nine Dot Arts Work Order No. 2019-01 for Public Art Consultation for the Kendall Parkway Underpass. Following discussion and upon a motion duly made by Director Crowder, seconded by Director Spaeth, and upon vote, unanimously carried, it was

RECORD OF PROCEEDINGS

RESOLVED to approve Nine Dot Arts Work Order No. 2019-01 for Public Art Consultation for the I-25 CDOT Bus Transit Enhancements and Kendall Parkway Underpass in an amount of \$10,000.

FINANCIAL ITEMS

Finance Manager's Report: Mr. Campbell gave an update regarding the financial position of the District.

2018 AMENDED
BUDGET HEARING

Director Perry opened the 2018 amended Budget hearing for Centerra District No. 1. Mr. Abbott reported that notice of the budget hearing had been published on May 14, 2019 in accordance with state budget law. Mr. Campbell reviewed the proposed amended budgets and answered questions. The 2018 budget is to be amended as follows:

District No. 1.
Debt Service Fund: \$10,671,825

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

RESOLVED to approve the Resolution to Adopt the Amended 2018 Debt Service Fund budget for Centerra District No. 1, and appropriate budgeted funds.

FINANCIAL ITEMS,
CONT.

2018 Application for Exemption from Audit: Mr. Campbell presented and reviewed the 2018 Application for Exemption from Audit for Districts Nos. 2-5. Following review and discussion, upon motion duly made by Director Spaeth, seconded by Director Crowder and, upon vote, unanimously carried, it was

RESOLVED to ratify the 2018 Application for Exemption from Audit for Districts Nos. 2-5.

LEGAL ITEMS

Development Agreement, Millennium NW 13th Subdivision: Mr. Pogue presented a Development Agreement relating to the Millennium NW 13th Subdivision. Following discussion and upon a motion duly made by Director Crowder, seconded by Director Spaeth, and upon vote, unanimously carried, it was

RECORD OF PROCEEDINGS

RESOLVED to approve a Development Agreement relating to the Millennium NW 13th Subdivision.

ITEMS FROM
DISTRICT MANAGER

Manager's Report: Mr. Abbott presented the Manager's Report to the Boards. Mr. Abbott reported on the status of the damaged sculpture at Chapungu Park. The party—Titan Machinery—responsible for damaging the sculpture has requested the sculpture in exchange for a \$30,000 payment. Roy Guthrie, the owner of the damaged sculpture, has agreed to the terms.

Hydrozone Agreement with the City of Loveland for McWhinney Boulevard Roadway Improvements: Mr. Abbott presented the Hydrozone Agreement with the City of Loveland for McWhinney Boulevard Roadway Improvements dated December 4, 2018 to the Boards. Upon a motion duly made by Director Spaeth, seconded by Director Crowder, and upon vote, unanimously carried, it was

RESOLVED to ratify the Hydrozone Agreement with the City of Loveland for McWhinney Boulevard Roadway Improvements dated December 4, 2018.

Hydrozone Agreement with the City of Loveland for Millennium East Subdivision, Tract 1 (Interchange Lift Station): Mr. Abbott presented the Hydrozone Agreement with the City of Loveland for Millennium East Subdivision, Tract 1 (Interchange Lift Station) dated December 4, 2018 to the Boards. Upon a motion duly made by Director Spaeth, seconded by Director Crowder, and upon vote, unanimously carried, it was

RESOLVED to ratify the Hydrozone Agreement with the City of Loveland for Millennium East Subdivision, Tract 1 (Interchange Lift Station) dated December 4, 2018.

Hydrozone Agreement with the City of Loveland for Boyd Lake Avenue (Long Pine Lake Dr to Trapper Dr.): Mr. Abbott presented the Hydrozone Agreement with the City of Loveland for Boyd Lake Avenue (Long Pine Lake Dr to Trapper Dr.) dated May 16, 2019 to the Boards. Upon a motion duly made by Director Spaeth, seconded by Director Crowder, and upon vote, unanimously carried, it was

RESOLVED to approve the Hydrozone Agreement with the City of Loveland for Boyd Lake Avenue (Long Pine Lake Dr to Trapper Dr.) dated May 16, 2019.

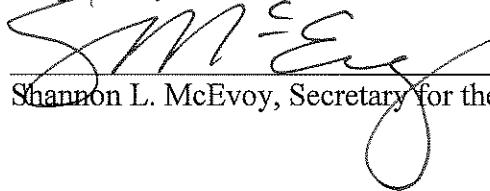
RECORD OF PROCEEDINGS

ADJOURNMENT

There being no further business to come before the Boards and upon motion and second, the meeting was adjourned at 12:42 p.m.

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

Respectfully Submitted,



Shannon L. McEvoy, Secretary for the Meeting