

# 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  
April 20, 2017

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, April 20, 2017. 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  
Josh Kane, Treasurer & Assistant Secretary  
Tom Hall, Secretary  
David Crowder, Assistant Secretary & Assistant Treasurer

Also in Attendance:

Alan Pogue; Icenogle Seaver Pogue, P.C.  
Jim Niemczyk, Dave Betley; McWhinney  
Peggy Dowswell, Shana Morgan, Brendan Campbell, Jason Woolard, and  
Darcy Chilton; Pinnacle Consulting Group, Inc.

CALL MEETING TO  
ORDER

The meeting was called to order at 12:07 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.

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

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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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## PUBLIC COMMENT

There were no comments made by members of the public.

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## CONSENT AGENDA ITEMS

The Boards considered the consent agenda items:

- A. Minutes of the March 16, 2017 regular meeting,
- B. Ratification of Payables: March 4, 2017 through March 31, 2017,
- C. Financial Statements through February 28, 2017,
- D. Capital Fund Summary, and
- E. Ratification of Contract Modifications.

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

**RESOLVED** to approve and ratify the consent agenda items, as presented.

Consideration of the agenda was pulled from the consent agenda items.

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## APPROVAL OF AGENDA

The Boards considered the approval of the agenda to add consideration of a Professional Services Agreement with Ditesco for work related to the Parcel 505 Lift Station. Upon motion duly made by Director Kane, seconded by Director Hall, and upon vote, unanimously carried, it was

**RESOLVED** to approve the agenda, as amended.

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## DISTRICT CAPITAL INFRASTRUCTURE REPORT

Ms. Morgan noted that the Capital Infrastructure Report was a new item designed to improve communication regarding the capital projects and would be included as a regular monthly report going forward.

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### DISTRICT PROJECT MANAGER UPDATE

Mr. Niemczyk reported that the final Boyd Lake Avenue traffic study was submitted to the City of Loveland on April 19<sup>th</sup>. Mr. Niemczyk also reported on the Equalizer Dam study noting that the recommended alternatives do not require the lake to be drained.

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### BIDDING AND CONTRACTING

General Engineering Services: Mr. Niemczyk reported that the District requested proposals for general engineering services and conducted interviews with three qualified firms. Following discussion and upon motion duly made by Director Kane, seconded by Director Crowder, and upon vote, unanimously carried, it was

**RESOLVED** to approve a Master Services Agreement with Merrick & Company and approve Work Order No. 1, in the amount not to exceed \$27,000.

First Amendment to the Professional Service Agreement – Harris Kocher Engineering Group Inc.: The Board determined to table discussion of this matter to the regular meeting in April.

Landscape Maintenance - Parcel 102: Mr. Niemczyk presented a Service Agreement with Environmental Designs, Inc. in the amount of \$4,240 for landscape maintenance related to Parcel 102. Upon motion duly made by Director Crowder, seconded by Director Hall, and upon vote, unanimously carried, it was

**RESOLVED** to approve a Service Agreement with Environmental Designs, Inc. in an amount not to exceed \$4,240.

Landscape and Irrigation Enhancement Projects: Ms. Morgan and Mr. Woolard reviewed the bid results with the Boards for six landscape and irrigation enhancements projects noting that five contractors attended the pre-bid meeting and two bids were submitted. Comparison of the packaged bids revealed that Foothills Landscape Maintenance (FLM) submitted the low bid over Environmental Designs, Inc. (EDI) by 2.5% but EDI could complete the work in 8 weeks as compared to FLM's 12 week timeline. EDI was recommended due to the shorter project schedule. Following discussion and upon motion duly made by Director Kane, seconded by Director Hall, and upon vote, unanimously carried, it was

**RESOLVED** to approve the Service Agreement with Environmental Designs, Inc. in the amount of \$223,630.47 for six landscape and irrigation enhancements projects.

Public Bid Process - Parcel 206, Second Phase: Mr. Woolard requested the Board authorize the Project Team to conduct a public bid process for Parcel 206

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(Second Phase Earthwork). Upon motion duly made by Director Hall, seconded by Director Kane, and upon vote, unanimously carried, it was

**RESOLVED** to approve the Project Team to conduct the public bid process for Parcel 206 (Second Phase Earthwork Project), in an amount not to exceed \$5,000.

Interchange Lift Station: Mr. Niemczyk presented a Professional Service Agreement with Ditesco in the amount of \$5,000 for coordination on the bidding process related to the Interchange Lift Station on Parcel 505. Upon motion duly made by Director Hall, seconded by Director Kane, and upon vote, unanimously carried, it was

**RESOLVED** to approve a Professional Service Agreement with Ditesco, in an amount not to exceed \$5,000.

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### FINANCIAL ITEMS

2017 Budget Amendment: Director Perry opened the 2017 Amended Budget Hearing to the public at 12:46 p.m. Ms. Morgan reported that notice of the hearing had been published on April 13, 2017 in accordance with state budget law. Mr. Campbell reviewed the proposed amended budget, and answered questions. The 2017 budget is to be amended as follows:

District No. 1, Service District:  
Capital Fund Expenditures: \$168,116,835  
Debt Service Fund: \$141,934,236

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 Kane, seconded by Director Hall, and upon vote, unanimously carried, it was

**RESOLVED** to approve the Resolution to Adopt the Amended 2017 Capital Fund and Debt Service Fund Budget for District No. 1, and appropriate budgeted funds.

2017 Financing: Director Kane provided an overview of the terms and status of the 2017 financing noting that the bond closing was scheduled for April 26<sup>th</sup>. Mr. Kane recognized the team and expressed his thanks for the time and effort on behalf of the Districts. The Boards considered authorizing Ms. Dowswell to execute the Fund Requisition Form on behalf of the District, if one is required at close. Upon motion duly made by Director Kane, seconded by Director Hall, and upon vote, unanimously carried, it was

**RESOLVED** to authorize Ms. Dowswell to execute the Fund Requisition Form.

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ITEMS FROM LEGAL  
COUNSEL

Final Infrastructure Agreement with Industrial Two, LLC, and District Consent to Industrial Two, LLC's Assignment of Infrastructure Agreement to Commerce Bank: Attorney Pogue requested the Board consider ratification of Final Infrastructure Agreement with Industrial Two, LLC, and authorize consent to Industrial Two, LLC's Assignment of Infrastructure Agreement to Commerce Bank. Upon motion duly made by Director Kane, seconded by Director Crowder, and upon vote, unanimously carried, it was

**RESOLVED** to ratify the Final Infrastructure Agreement with Industrial Two, LLC, and related thereto, District consent to Industrial Two, LLC's Assignment of Infrastructure Agreement to Commerce Bank.

Cross Access Easement Agreement among District No. 1, Centerra Properties West, LLC, and DRL Leasing.: Attorney Pogue presented the Cross Access Easement Agreement among District No. 1, Centerra Properties West, LLC, and DRL Leasing. 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 of Cross Access Easement Agreement among District No. 1, Centerra Properties West, LLC, and DRL Leasing, subject to final review by legal counsel and Mr. Niemczyk.

ITEMS FROM  
DISTRICT MANAGER

Operations and Maintenance Report: Ms. Morgan provided a summary of current operations throughout the District.

OTHER MATTERS

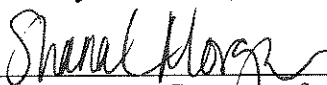
The Boards briefly discussed the Master Plan for Rocky Mountain Avenue and noted current congestion concerns at the southernmost round-a-bout.

ADJOURNMENT

There being no further business to come before the Boards and upon motion and second, the meeting was adjourned at 1:25 p.m.

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