

# RECORD OF PROCEEDINGS

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MINUTES OF THE COORDINATED  
SPECIAL 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  
August 6, 2015

The Board 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 special meeting, open to the public, at 2725 Rocky Mountain Avenue, Loveland, Colorado 80538, at 12:00 p.m., Thursday, August 6, 2015. 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  
Tom Hall, Secretary (via telephone)  
Josh Kane, Treasurer & Assistant Secretary (via telephone)

Directors Absent, but Excused:

Julie Den Herder, Assistant Secretary & Assistant Treasurer

Also in Attendance:

Alan Pogue; Icenogle Seaver Pogue, P.C. (via telephone from 12:00-12:07 p.m.;  
arrived in person at 12:07 p.m.)  
Brendan Campbell, Kirsten Starman, Dylan Engberg, Jim Worley, and Carla  
Hawkins; Pinnacle Consulting Group, Inc.  
Jim Niemczyk; McWhinney  
Will Welch; Wm. T. Welch, Co. (departed at 12:40 p.m.)

CALL MEETING TO  
ORDER

The meeting was called to order at 12:02 p.m. by Director Perry, President, 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.

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CONFLICT OF  
INTEREST  
DISCLOSURE

Alan Pogue, legal counsel, noted 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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AGENDA

The Boards reviewed the agenda. Upon motion duly made by Director Kane, and seconded by Director Hall, and upon vote, unanimously carried, it was

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

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BOARD MEMBER  
APPOINTMENT

There is a vacancy to be filled on the Boards. Mr. Pogue noted that a call for interested candidates was published on May 5, 2015. The District did not receive any additional letters of interest to serve on the Boards. Denise Gammon 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 Denise Gammon to serve on the Boards of District Nos. 1-5 to fill the term expiring May 2016.

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APPROVAL OF  
MINUTES

The minutes of the June 16, 2015 special meeting were presented. Upon motion duly made by Director Hall, and seconded by Director Kane, and upon vote, unanimously carried, it was

**RESOLVED** to approve the June 16, 2015 minutes as presented.

There were no actions or representations of the Districts by the District Manager to ratify since the last Board Meeting.

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PUBLIC COMMENT

There were no comments made by members of the public.

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### 2014 AUDIT

2014 Audit for District No. 1 and PIF Revenue Account: Mr. Campbell stated that the Board had reviewed the 2014 Audits for District No. 1 and the PIF Revenue Account and the Audits were submitted to the State of Colorado as per statute before the July 31, 2015 deadline. Mr. Campbell noted that John Cutler & Associates issued a clean opinion. Upon motion duly made by Director Kane and seconded by Director Hall, and upon vote, unanimously carried, it was

**RESOLVED** to ratify the 2014 Audits for District No. 1 and PIF Revenue Account.

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### ITEMS FROM THE FINANCE DIRECTOR

Capital Fund Summary and Financial Report: Mr. Campbell presented the Capital Fund Summary as of July 30, 2015, and financial report as of June 30, 2015.

Ratification of Payables: Mr. Campbell presented for ratification the Payables Listing from June 10, 2015 through July 31, 2015, in the amount of \$394,129.89; including checks 6003 through 6027 and online and EFT payments. Upon motion duly made by Director Kane, and seconded by Director Hall, and upon vote, unanimously carried, it was

**RESOLVED** to ratify the June 10, 2015 through July 31, 2015 Schedule of Payables, in the amounts and for the payments noted above.

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### 2015 AMENDED BUDGET HEARING

Director Perry opened the 2015 Amended Budget Hearing to the public. Ms. Hawkins reported that notice of the hearing had been published on August 3, 2015 in accordance with state budget law. Mr. Campbell reviewed the projected budget for District No. 1, as noted on the Capital Summary, and answered questions.

District No. 1, Service District:  
Capital Fund Expenditures: \$6,258,816

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

**RESOLVED** to approve the Resolution to Adopt the Amended 2015 Capital Budget for District No. 1 and appropriate budgeted funds subject to \$1,448,258 being contingent on approval and receipt of funds by PVHS for the Hahn's Peak extension infrastructure improvements.

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### CAPITAL PROJECTS Parcel 505 Improvements

Bass Pro Site: Mr. Pogue stated that a reimbursement letter, as per the agreement, was sent to Bass Pro on July 27, 2015. Bass Pro has 30 days from receipt of the letter to reimburse the District for funds advanced for public infrastructure costs on the project. Mr. Welch reported on the meeting with the City of Loveland to close

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out the site. Additional costs for erosion control, lot grading, and seeding are estimated to be \$85,000. Upon motion duly made by Director Kane, seconded by Director Hall, and upon vote, unanimously carried, it was

**RESOLVED** to approve \$85,000 to close out the site.

Lift Station Improvements: Mr. Welch noted that minimal work is required in order to finalize the lift station improvement plans. The State permit is effective until May 2016 and a one-year extension may be filed for an effective expiration date of May 2017.

### Hahn's Peak Extension

Review Project Org Chart, Construction Schedule and Bid Results: The project organizational chart, construction schedule and bid results were included in the Board packet for the Board's review.

Construction Contract – Public Infrastructure: Mr. Niemczyk stated that Dunrite Excavating has been identified as the lowest, most responsive and qualified bidder. 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 Dunrite Excavating as the lowest, most responsive and qualified bidder and to authorize the construction contract and notice of award, subject to approval and funding by UCH, and authorize President Perry to sign the Notice to Proceed upon UCH's approval of the selected general contractor and funding as required per the agreement.

Amendment – Pinnacle Consulting Group – Project Administration Services: Mr. Niemczyk presented an amendment with Pinnacle Consulting Group, Inc. for project administration services. 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 an amendment with Pinnacle Consulting Group, Inc. for project administration services, subject to UCH's approval of the selected general contractor and funding as required per the agreement.

Work Order #1 – Interwest Consulting Group – Engineering Construction Administration Services: Mr. Niemczyk presented Work Order No. 1 with Interwest Consulting Group for engineering construction administration services. 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 ratify Work Order No. 1 with Interwest Consulting Group for engineering construction administration services, subject to UCH's approval of the selected general contractor and funding as required per the agreement.

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Professional Services Agreement – Earth Engineering Consultants – Geotechnical Observation and Testing Services: Mr. Niemczyk presented a professional services agreement with Earth Engineering Consultants for geotechnical observation and testing services. 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 a professional services agreement with Earth Engineering for geotechnical observation and testing services, subject to UCH's approval of the selected general contractor and funding as required per the agreement.

Temporary Construction Easement: Mr. Pogue noted a construction easement between the District and Banner Health is needed during construction of the improvements if the project proceeds. After further 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 President Perry signing the temporary construction easement, when finalized.

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Water Meter Vault Relocation

Mr. Niemczyk noted that the City of Loveland had reported that the water meter vault relocation final costs were \$252,000. This is \$2,000 over the budgeted amount. The project has been completed.

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Parcel 222 – Bid Package 1 Improvements

It was reported that the District anticipates pricing in the near future for necessary ongoing maintenance to the on-site sanitary sewer system. The Board agreed to authorize Director Perry to approve a service agreement for sanitation pumping services. The Board will be asked to ratify the agreement at a future meeting.

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Parcel 222 - Bid Package 2 Improvements

The bid tracker was presented for the Board's review. It was noted that the public bid process is scheduled to commence in early September with a bid opening anticipated in October. The public improvements for Bid Package 2 are related to the Centerra Industrial building site.

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Kendall Parkway

Capital Sources and Funding: The Board discussed capital sources and funding needs for potential projects forecasted over the next few years.

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ITEMS FROM DISTRICT  
MANAGER

Operations and Maintenance Report: Manager Worley noted that during the July inspections, EDI had scored a 90 on the Centerra Metro District properties and 92 at Chapungu Park. Landscape maintenance has improved and the landscape areas are looking better. The Board directed management to work offline with President Perry to evaluate and approve enhancement improvements on Centerra Parkway.

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ITEMS FROM LEGAL  
COUNSEL

IDR Audit: Mr. Pogue gave a brief update on the IDR audit.

Lakeview Holdings Appeal and Boyd Lake Avenue Third Party Reimbursement Agreement: Mr. Pogue reported the City Attorney is reviewing the right-of-way costs and he anticipated final revisions to the reimbursement agreement to be completed by the September meeting.

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OTHER MATTERS

Director Perry thanked Director Hall for taking the time to attend the meeting despite being on vacation.

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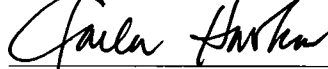
ADJOURNMENT

There being no further business to come before the Boards, the meeting was adjourned at 1:12 p.m.

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

Respectfully Submitted,



Carla Hawkins, Secretary for the Meeting