

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
October 17, 2013

The Boards of Directors of the 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 the office of McWhinney, 2725 Rocky Mountain Avenue, Loveland, Colorado 80538 at Noon on Thursday, October 17, 2013. Notice of the meeting was 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
Julie Den Herder, Assistant Secretary/Treasurer (until 1:31 p.m.)

Directors in Absent and Excused:

Jay Hardy, Vice President & Assistant Secretary

Also in Attendance:

Alan Pogue, Icenogle, Seaver & Pogue
Jim Niemczyk, McWhinney
Peggy Dowswell, Pinnacle Consulting Group, Inc.
Brendan Campbell, Pinnacle Consulting Group, Inc.
Carla Hawkins, Pinnacle Consulting Group, Inc.
Jason Woolard, Pinnacle Consulting Group, Inc.
Jim Worley, Pinnacle Consulting Group, Inc.
Alex Estevez, Pinnacle Consulting Group, Inc.
Brent Worthington, Finance Director, City of Loveland (until 1:11 p.m.)

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CALL TO ORDER

The meeting was called to order at 12:08 p.m. by Director Perry, President, noting that a quorum was present. The directors in attendance confirmed their qualifications to serve. All in attendance introduced themselves.

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

Mr. 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 District. 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.

AGENDA

The Boards reviewed the agenda. Upon motion duly made by Director Hall and seconded by Director Den Herder, it was unanimously

RESOLVED to approve the agenda as amended.

APPROVAL OF MINUTES

Minutes of the September 12, 2013, special meeting were presented. Upon motion duly made by Director Den Herder and seconded by Director Kane, it was unanimously

RESOLVED to approve the September 12, 2013, minutes as revised.

ITEMS FROM PROJECT MANAGER

Update on I25 & Hwy 34

Mr. Niemczyk stated that the final invoice from Wilson & Company in the amount of \$304.23 has been submitted for payment. The City of Loveland will be publishing for final payment to close out this project once New

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Design submits their final invoice.

Update on Boyd Lake Improvements: Mr. Niemczyk noted Lamp Rynearson & Associates are finalizing plans for submittal to the City in early November.

Update on Parcel 505: No update at this time.

Update on Parcel 102: Mr. Niemczyk noted pot holing has been done to identify the location of the under drain easement. The contract on the sale of this parcel was cancelled and right-of-way improvements along Hahns Peak will not be done at this time.

Fall River Roundabout: Mr. Woolard stated the District has engaged LSC to design potential roundabout alternatives. The planner has previous work experience with the City and designing roundabouts. The next step once the designs are complete will be to develop a strategy for discussions with City of Loveland staff regarding the design alternatives and cost sharing options.

ITEMS FROM THE FINANCE DIRECTOR

Approval of Payables: Ms. Dowswell presented for approval the September Schedule of Payables in the amount of \$163,465.59; including checks 5232 through 5267 and the October Schedule of Payables in the amount of \$88,754.23; including checks 5269 through 5288. Check 5268 was voided due to a printing error. Upon motion duly made by Director Kane and seconded by Director Hall, it was unanimously

RESOLVED to ratify the September Schedule of Payables and approve the October Schedule of Payables per the amounts and check numbers noted above.

Mr. Campbell reviewed the financial statements as of August 31, 2013 and the draft 2014 Budget. It was noted that per State Statute the draft budget was provided to the Board prior to October 15, 2013. The Board asked Pinnacle to provide mill levy comparisons. Director Kane and Ms. Dowswell will work on funding options for upcoming projects that exceed the District's capital funds on hand. Mr. Woolard presented the operation and maintenance detail worksheet highlighting the 2014 budget categories include recurring repair expenses and one time landscape replacement and enhancement projects. The Board asked that enhancement/replacement expenses be identified separately from the recurring expenses on the budget for review next month.

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ITEMS FROM DISTRICT MANAGER

Operations and Maintenance Report: Mr. Woolard gave an update on landscaping maintenance noting that the last inspection for this year is scheduled for October 22nd and 23rd. The District anticipates receiving 2014 landscape proposals in mid-November with the expectation the Board will review at the November meeting and contract in December. He also noted that an insurance claim had been submitted for reimbursement of the stolen backflow valves.

Service Agreements: Ms. Hawkins asked the Board to consider approval of an Addendum with Permontes Group Inc. for additional scope on the Boyd Lake traffic study for street modification due to comments from the City in the amount of \$5,000. Upon motion duly made by Director Kane and seconded by Director Hall, it was unanimously

RESOLVED to approve the Permontes Group Addendum per the amount and service noted above.

Chapungu Sculpture Park: Ms. Hawkins noted that the anticipated revenue for events is \$8,100. Ms. Hawkins stated that the sculpture repair, cottonwood tree pruning and removal were scheduled for the week of October 21st. Mr. Guthrie is asking for approval from the Board to allow artist, Stalin Tafura, to sculpt a new sculpture with in the park. The artist has agreed to provide tours of the park when on the premises. Insurance coverage and the sculpture design will be confirmed before approval is to be given.

ITEMS FROM LEGAL

Consider Approval of the Fifth Amendment to the Master Financing Agreement (MFA): Mr. Pogue noted City Council would be considering approval of the Fifth Amendment to the MFA at their council meeting on November 5th. The amendment to the Master Financing Agreement designates Kendall Parkway and Boyd Lake Avenue as regional improvements. Upon motion duly made by Director Den Herder and seconded by Director Hall, it was unanimously

RESOLVED to approve the Fifth Amendment the Master Financing Agreement as noted above.

Consider Resolution Determining Public Necessity to Acquire Right-of-Way for Boyd Lake Avenue: Mr. Pogue noted the District is in the process of acquiring approximately 1.6 acres of right-of-way for Boyd Lake Avenue improvements. Upon motion duly made by Director Den Herder and seconded by Director Hall, it was unanimously

RESOLVED to approve the Boyd Lake Avenue Right of Way Acquisition Resolution.

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PUBLIC COMMENTS There were no public comments.

ADJOURNMENT There being no further business to come before the Boards, the meeting was adjourned at 1:36 p.m.

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

Respectfully submitted,



Carla Hawkins, Secretary for the Meeting