

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 17, 2018

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 17, 2018. 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
Josh Kane, Treasurer & Assistant Secretary (via teleconference)
Courtney Parmelee, Secretary (via teleconference)
David Crowder, Assistant Secretary & Assistant Treasurer

Also in Attendance:

Alan Pogue; Icenogle Seaver Pogue, P.C.
Dave Betley, Jeff Breidenbach, and Jim Niemczyk; McWhinney
Brendan Campbell, Peggy Dowswell, Shannon McEvoy, Casey Milligan,
Shana Morgan, and Jason Woolard; Pinnacle Consulting Group, Inc.

CALL MEETING TO
ORDER

The meeting was called to order at 12:00 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 Centerra Metropolitan District No. 1, with concurrence by the Centerra Metropolitan Districts Nos. 2, 3, 4, and 5.

CONFLICT OF
INTEREST

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

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DISCLOSURE

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.

ELECTION OF OFFICERS

The Boards considered the appointment of Officers. Upon a motion duly made by Director Spaeth, seconded by Director Crowder, and upon vote, unanimously carried, it was

RESOLVED to elect the slate of Officers as noted above.

APPROVAL OF AGENDA

The Boards considered the approval of 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.

Director Kane joined the meeting at this time.

CONSENT AGENDA ITEMS

The Boards considered the following consent agenda items:

- A. Approval of Minutes—April 19, 2018,
- B. Ratification of Payables: April 1, 2018 through April 30, 2018,
- C. Capital Fund Summary,
- D. Ratification of Contract Modifications, and
- E. Financial Statements as of March 31, 2018.

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

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

DISTRICT CAPITAL
INFRASTRUCTURE
REPORT

Ms. Morgan reviewed the Capital Infrastructure report with the Boards and reported the project team had begun coordinating the public bid process for the Parcel 504 Public Infrastructure project and that a summary of the bids and recommendation would be presented at the July 19, 2018 Board meeting.

DISTRICT PROJECT
MANAGER UPDATE

Mr. Niemczyk and Mr. Breidenbach provided an overview of ongoing District projects.

Mr. Niemczyk noted that the Parcel 505/Interchange Lift Station warranty period would need to be monitored closely in conjunction with the hotel completion.

Mr. Niemczyk reported that the Boyd Lake Avenue South Public Infrastructure project is tentatively scheduled to start the public bid process in August with contracting in October.

Mr. Woolard joined the meeting at this time.

BIDDING AND
CONTRACTING

Public Bid Summary – Northwest Arterial Roadways: Mr. Milligan reviewed the public bid summary with the Boards and answered questions.

Construction Contract for the Northwest Arterial Roadways Phase I: Mr. Milligan brought to the Boards for consideration the Construction Contract with Coyote Ridge Construction for public infrastructure associated with the Northwest Arterial Roadways. Following discussion, and upon a motion duly made by Director Crowder, seconded by Director Spaeth, and upon vote, unanimously carried, it was

RESOLVED to approve a Construction Contract with Coyote Ridge Construction for public infrastructure associated with the Northwest Arterial Roadways in the amount of \$2,222,490.45.

Contract Addendum with Pinnacle Consulting Group, Inc. for Project Administration Services: Mr. Milligan brought to the Boards for consideration the Contract Addendum with Pinnacle Consulting Group, Inc. for Project Administration Services associated with the Northwest Arterial Roadways. Following discussion and upon a motion duly made by Director Crowder, seconded by Director Spaeth, and upon vote, unanimously carried, it was

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RESOLVED to approve the Contract Addendum with Pinnacle Consulting Group, Inc. for Project Administration Services associated with the Northwest Arterial Roadways in an amount of \$93,225.

Earth Engineering Consultants Work Order No. 2018-02 for the Northwest Arterial Roadways: Mr. Milligan brought to the Boards for consideration Earth Engineering Consultants Work Order No. 2018-02 for construction materials testing and observation services associated with the Northwest Arterial Roadways. Following discussion and upon a motion duly made by Director Crowder, seconded by Director Spaeth, and upon vote, unanimously carried, it was

RESOLVED to approve Earth Engineering Consultants Work Order No. 2018-02 for construction materials testing and observation services associated with the Northwest Arterial Roadways in an amount of \$18,800.

Master Services Agreement with Coffey Engineering and Surveying and Work Order No. 2018-01 for the Northwest Arterial Roadways: Mr. Milligan brought to the Boards for consideration the Master Services Agreement with Coffey Engineering and Surveying and Work Order No. 2018-01 for survey and staking services associated with the Northwest Arterial Roadways. Following discussion and upon a motion duly made by Director Crowder, seconded by Director Spaeth, and upon vote, unanimously carried, it was

RESOLVED to approve a Master Services Agreement Coffey Engineering and Surveying for survey and staking services and Work Order No. 2018-01 associated with the Northwest Arterial Roadways, in an amount of \$15,732.

2018 AMENDED BUDGET HEARING

Director Perry opened the 2018 amended Budget hearing for Centerra District No. 1. Ms. Morgan reported that notice of the budget hearing had been published on May 11, 2018, in accordance with state budget law. Mr. Campbell reviewed the proposed amended budget and answered questions. The 2018 budget is to be amended as follows:

District No. 1
Capital Fund: \$32,436,566

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 Crowder, and upon vote, it was unanimously

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

Assessed Valuation Benchmark Report: Mr. Campbell reviewed the assessed valuation benchmark report with the Boards and answered questions. The Boards then considered approval for the district finance team to engage consultants and initiate the process on the completion bonds. Following discussion and upon a motion duly made by Director Kane, seconded by Director Crowder, and upon vote, unanimously carried, it was

RESOLVED to approve the district finance team to engage consultants and initiate the process on the completion bonds, and to appoint Director Parmelee to the finance team.

ITEMS FROM LEGAL
COUNSEL

Acceptance and Conveyance of Property: Mr. Pogue brought to the Boards a Quit Claim Deed for the conveyance of property along Rocky Mountain Avenue near the airport from CPW to Centerra Metropolitan District No. 1. Following discussion and upon a motion duly made by Director Crowder, seconded by Director Spaeth, and upon vote, unanimously carried, it was

RESOLVED to ratify Acceptance and Conveyance of property from CPW to Centerra Metropolitan District No. 1 via Quit Claim Deed.

Mr. Pogue provided an overview of recent court proceedings related to Special Districts and noted he would conduct additional research to determine the full impact to the Districts.

ITEMS FROM DISTRICT
MANAGER

Manager's Report: Ms. Morgan reviewed the written report with the Boards. Ms. Morgan noted that the spring floral bed prep was completed, and installation will begin May 22nd. She stated that the District was working with DTJ on the permanent stage structure in Chapungu Park. A temporary stage solution has been reached in cooperation with MRES at a cost of \$4,800. The pond in Chapungu Park was drained to inspect the liner leakage issue and an invasive species of crayfish was determined to be the issue. Pond liner replacement solutions are being investigated as well as the introduction of a predator to control the crayfish population. Ms. Morgan also reported that the two boundary markers and four towers at I25/34 interchange were in need of cleaning and appropriate solutions were being researched.

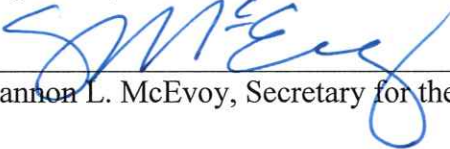
ADJOURNMENT

There being no further business to come before the Boards and upon motion and second, the meeting was adjourned at 1:06 p.m.

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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