

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 19, 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, October 19, 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
Josh Kane, Treasurer & Assistant Secretary (Via Teleconference)
David Crowder, Assistant Secretary & Assistant Treasurer
Courtney Parmelee, Secretary (Via Teleconference)

Directors Absent but Excused:

David Spaeth, Vice President

Also in Attendance:

Alan Pogue; Icenogle Seaver Pogue, P.C.
Brooke Hutchens; D.A. Davidson
P. Jonathan Heroux; Piper Jaffray (Via Teleconference)
Alan Krcmarik; City of Loveland (Via Teleconference)
Jeff Breidenbach, Tim DePeder, Jim Niemczyk; McWhinney
Ryan Abbott, Brendan Campbell, Peggy Dowswell, 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 12:02 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, as amended, to add items:

III. C. iii (1) High Plains Environmental Center Work Order 2018-04 for Site Restoration Services for Savanna 3rd Subdivision in an amount of \$9,047.40.

IV. D. 2019 Proposed Budget Review and Discussion.

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

RESOLVED to approve the agenda, as amended.

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—September 20, 2018,
- B. Ratification of Payables,
- C. Capital Fund Summary,
- D. Ratification of Contract Modifications, and
- E. Financial Statements as of August 31, 2018.

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

RECORD OF PROCEEDINGS

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

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.

DTJ Design Work Order No. 2018-03 for Centerra Trails Master Plan: Mr. Milligan brought to the Boards for consideration DTJ Design Work Order No. 2018-03 for the Centerra Trails Master Plan. Following discussion and upon a motion duly made by Director Crowder, seconded by Director Kane, and upon vote, unanimously carried, it was

RESOLVED to approve DTJ Design Work Order No. 2018-03 for the Centerra Trails Master Plan in an amount of \$145,700.

Public Bid Summary – Boyd Lake Avenue South: Mr. Milligan reviewed the public bid summary with the Boards. Following discussion and upon a motion duly made by Director Kane, seconded by Director Crowder, and upon vote, unanimously carried, it was

RESOLVED to reject the only bid received and directed staff to proceed with the project and to engage contractors and subcontractors as necessary to complete the initial phase of the project. The Board further approved expenditures for the initial phase of the project not to exceed \$3,500,679, and authorized Directors Perry and Crowder to execute contracts not to exceed the approved amount.

Earth Engineering Consultants Work Order No. 2018-05 for Boyd Lake Avenue South: Mr. Milligan brought to the Boards for consideration Earth Engineering Consultants Work Order No. 2018-05 for geotechnical engineering services associated with Boyd Lake Avenue South. 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 Earth Engineering Consultants Work Order No. 2018-05 for geotechnical engineering services associated with Boyd Lake Avenue South in an amount of \$41,061.

King Surveyors Work Order No. 2018-05 for Boyd Lake Avenue South: Mr. Milligan brought to the Boards for consideration King Surveyors Work Order

RECORD OF PROCEEDINGS

No. 2018-05 for survey and staking services associated with Boyd Lake Avenue South. 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 King Surveyors Work Order No. 2018-05 for survey and staking services associated with Boyd Lake Avenue South in an amount of \$34,145.

High Plains Environmental Center Work Order No. 2018-04 for Savanna 3rd Subdivision: Mr. Milligan brought to the Boards for consideration High Plains Environmental Center Work Order 2018-04 for Site Restoration Services for Savanna 3rd Subdivision. 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 High Plains Environmental Center Work Order 2018-04 for site restoration services for Savanna 3rd Subdivision in an amount of \$9,047.40.

FINANCIAL ITEMS

Financing Update: Ms. Hutchens and Mr. Heroux provided an update on the District's 2018 Bond issuance to the Boards and answered questions. The Board directed the finance team to proceed with issuing the bonds this year, as soon as feasible.

2019 Budget Review: Mr. Campbell reviewed the proposed 2019 budget with the Boards and answered questions.

ITEMS FROM DISTRICT MANAGER

Manager's Report: Mr. Abbott reviewed the written report with the Boards.

Anadarko Permit to Conduct Geophysical Operation: Mr. Abbott brought to the Boards for consideration the Anadarko request to conduct geophysical operations within the Districts. Following discussion and upon a motion duly made by Director Crowder, seconded by Director Kane, and upon vote, unanimously carried, it was

RESOLVED to approve the Anadarko request to conduct geophysical operations within the Districts

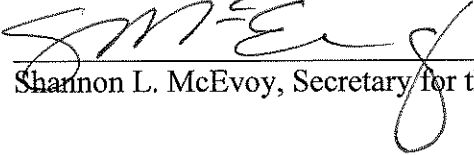
ADJOURNMENT

There being no further business to come before the Boards and upon motion and second, the meeting was adjourned at 1:51 p.m.

RECORD OF PROCEEDINGS

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