

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
November 16, 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, November 16, 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
David Crowder, Assistant Secretary & Assistant Treasurer
Josh Kane, Treasurer & Assistant Secretary (via teleconference)

Also in Attendance:

Alan Pogue; Icenogle Seaver Pogue, P.C.
Jim Niemczyk, Dave Betley, and Jon Ruberts; McWhinney
Shana Morgan, Brendan Campbell, Kirsten Starman, Jason Woolard,
Shannon McEvoy, and Peggy Dowswell; Pinnacle Consulting Group, Inc.

CALL MEETING TO
ORDER

The meeting was called to order at 12:08 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 McWhinney Real Estate Services, Inc., which is associated with the primary

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

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

Director Kane joined the meeting at this time.

DISTRICT CAPITAL
INFRASTRUCTURE
REPORT

Mr. Woolard reviewed the Capital Infrastructure report to the Boards and answered questions.

DISTRICT PROJECT
MANAGER UPDATE

Mr. Niemczyk provided an overview of ongoing District projects.

BIDDING AND
CONTRACTING

Savanna 2nd Subdivision/Kendall Pky Ph 2/McWhinney Blvd Improvements: Mr. Woolard reviewed the public bidding process and presented a bid analysis summary to the Boards. Mr. Woolard noted that eight general contractors submitted qualified bids and Connell Resources submitted the lowest bid. Mr. Niemczyk discussed a proposed re-design of portions of the project and potential impacts to the schedule and budget. 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 a Construction Contract with Connell Resources for Savanna 2nd Subdivision/Kendall Parkway Phase 2/McWhinney Boulevard public improvements.

2018 Change Order Execution Procedures: The Boards discussed the Change Order approval process. Following discussion and upon motion duly made by Director Kane, seconded by Director Crowder, and upon vote, unanimously carried, it was

RESOLVED to authorize the Project Manager to approve change orders up to 10% of the contracted budget, for ratification at a future Board meeting.

Work Order – Merrick and Company: Mr. Niemczyk presented a Work Order with Merrick and Company for Master Engineering services related to Centerra East. Following review and discussion and upon a motion duly made by Director Kane, seconded by Director Crowder, and upon vote, unanimously carried, it was

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RESOLVED to approve the Resolution to Adopt the Amended 2017 Capital Fund budget for Centerra District No. 1, and appropriate budgeted funds.

2018 PROPOSED
BUDGET HEARING

Director Perry opened the 2018 Budget Hearing for Centerra Metropolitan Districts Nos. 1-5. Ms. Morgan reported that notice of the budget hearing had been published on November 10, 2017 in accordance with state budget law. Mr. Campbell reviewed the budgets in detail, and answered questions pertaining to the mill levy and estimated revenues and expenditures. The budgets by District and fund are as follows.

District No. 1, Service District:
Mill levy is 0 mills.
General Fund Expenditures: \$1,938,118
Debt Service Fund Expenditures: \$10,661,325
Capital Fund Expenditures: \$28,934,952

District No. 2
Financing District Mill levy is 47.6 mills.
Bond Only:
2004 Bond Series Mill levy is 7.603 mills.
2008 Bond Series Mill levy is 13.102 mills.
General Fund Expenditures: \$ 586,144

District No. 3, Financing District
Mill levy is 5 mills.
General Fund Expenditures: \$225

District No. 4, Financing District
Mill levy is 0 mills.
General Fund Expenditures: \$0

District No. 5, Financing District
Mill levy is 15 mills.
General Fund Expenditures: \$6,715

There being no public input, the public hearing portion of the budget was closed. Upon motion duly made by Director Crowder, seconded by Director Kane, and upon vote, it was unanimously

RESOLVED to approve the Resolution to Adopt the 2018 budgets for Centerra Metropolitan Districts Nos. 1-5, set the mill levies, appropriate budgeted funds upon final certification of value being received by the County of Larimer on or before December 10, 2017 and approve all other documents

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2018 Contract Modification Procedures: Ms. Morgan noted that the Annual Administrative Matters Resolution provides authorization for the Board President to approve all contracts and agreements. The Boards discussed authorizing the District Manager to approve all contract modifications, within approved budgets, for ratification at a future Board meeting. Following discussion, upon motion duly made by Director Crowder, seconded by Director Kane and, upon vote, unanimously carried, it was

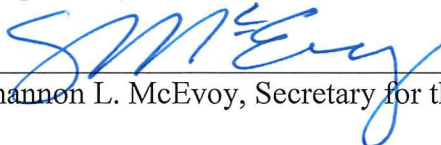
RESOLVED to authorize the District Manager to approve contract modifications, within approved budgets, for ratification at a future Board meeting.

ADJOURNMENT

There being no further business to come before the Boards and upon motion and second, the meeting was adjourned at 1:47 p.m.

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