

# RECORD OF PROCEEDINGS

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## 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  
June 21, 2012

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 12:00 Noon Thursday, June 21, 2012. 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  
Julie Den Herder, Assistant Secretary/Treasurer

Directors Absent and Excused:

Jay Hardy, Vice President & Assistant Secretary  
Tom Hall, Secretary

Also in Attendance:

Jim Niemczyk, McWhinney  
Alan Pogue, Icenogle, Seaver & Pogue  
Brendan Campbell, Pinnacle Consulting Group, Inc.  
Carla Hawkins, Pinnacle Consulting Group, Inc.  
Shelly Goldrich, Pinnacle Consulting Group, Inc.  
Bonnie Steele, City of Loveland  
David B. Green, CPA

CALL TO  
ORDER

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The meeting was called to order at 12:06 p.m. by Director Perry, President, noting that a quorum was present. The directors in attendance confirmed their qualifications to serve.

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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

# RECORD OF PROCEEDINGS

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District No. 1, with concurrence by the Centerra Metropolitan Districts Nos. 2, 3, 4, and 5.

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## 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 Board that pursuant to Colorado law, certain disclosures by the Board Members might be required prior to taking official action at a meeting. The Board 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 Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act.

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## AGENDA

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

**RESOLVED** to approve the agenda.

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## APPROVAL OF MINUTES

The minutes of the April 19, 2012 regular meeting were presented. Upon motion duly made by Director Den Herder and seconded by Director Kane, it was unanimously

**RESOLVED** to approve the April 19, 2012 minutes.

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

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## ITEMS FROM PROJECT MANAGER

### I-25 & Hwy 34

Mr. Niemczyk stated that the medians have been sprayed for weeds. He noted that the landscape warranty will expire at the end of July and a smooth transition between Western States and Valley Crest is planned. A possible lightning strike or power surge shut the sprinklers off for approximately 10 days. Some trees and shrubs may be dying and may need to be replaced. If replacements are needed, they will be replaced under the warranty coverage. He also mentioned the District will be reimbursed by the City of Loveland for the full amount to cover the cost of the damage from the truck fire.

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## ITEMS FROM LEGAL COUNSEL

Mr. Pogue shared with the Board that it was recently discovered the Buffalo Wild Wings lease required Buffalo Wild Wings to collect and remit the Centerra Public Improvement Fee. However, that particular property is not included in the original MFA PIF Area or the Centerra Metropolitan District No. 1, with concurrence by the Centerra Metropolitan Districts Nos. 2, 3, 4, and 5.

# RECORD OF PROCEEDINGS

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## ITEMS FROM THE FINANCE DIRECTOR

### Financial Report and Approval of Payables

Mr. Campbell presented for approval the June Schedule of Payables through June 30, 2012 in the amount of \$75,413.06; including checks 4868 through 4890. Upon motion duly made by Director Den Herder and seconded by Director Kane, it was unanimously

**RESOLVED** to approve the June Schedules of Payables, in the amount and check numbers noted above.

### Audit for Centerra Metropolitan District No. 1 and PIF Revenue Account

David B. Green, CPA presented for review and approval the Audit for District No. 1 and PIF Revenue Account. He stated the audit went well and commented Pinnacle Consulting Group, Inc. had been very cooperative. No journal entries had been made. He rendered an unqualified opinion. Upon motion duly made by Director Den Herder and seconded by Director Kane, it was unanimously

**RESOLVED** to direct Pinnacle Consulting Group, Inc. to file the Audit with the State Auditor after receiving the unqualified opinion letter from the auditor and final approval from financial and legal representatives, Pinnacle Consulting Group, Inc. and Alan Pogue.

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## ITEMS FROM THE DISTRICT MANAGER

Ms. Hawkins reported Valley Crest has the sentinel system working and has begun monitoring the irrigation system. All irrigation repairs are underway. They are also working with the City to implement the volunteer water restrictions requested by the City. The flowers have been planted and mulch will be installed. She stated she is working with HPEC to find a solution for keeping turf on the top of the mound near the stage at Chapungu Sculpture Park. Monthly landscape walk-throughs have begun and have been successful.

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## PUBLIC COMMENTS

The Board opened the meeting to Public Comments. Ms. Steele stated the City of Loveland hired a Finance Director and he will begin on July 2, 2012. Upon receiving no further comments, this portion of the meeting was closed.

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## EXECUTIVE SESSION

Mr. Pogue advised the Board that it was permitted, upon compliance with requisite statutory procedures under the Colorado Executive Session Laws, for the Board to convene an executive session, pursuant to § 24-6-402(4)(b), C.R.S., to receive legal advice from legal counsel on specific legal questions. Upon motion duly made by Director Kane and seconded by Director Den Herder, it was unanimously

**RESOLVED** to convene an Executive Session, pursuant to § 24-6-402(4)(b), C.R.S., to receive legal advice from legal counsel on specific legal questions.

It is the 21<sup>st</sup> day of June, 2012 and the time is 1:06 p.m. For the record, I, Kim Perry, am the presiding officer. This Executive Session is recorded pursuant to the requirements of the Colorado Open Meetings Law. Also present at this

## RECORD OF PROCEEDINGS

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Executive Session are: Directors Josh Kane and Julie Den Herder and legal counsel Alan Pogue.

This is an Executive Session for the following purpose: for receiving legal advice from legal counsel on specific legal questions related to the Centerra Metropolitan District.

The time is now 1:38 p.m. the Executive Session is concluded. The participants in the Executive Session were: Directors Josh Kane, Kim Perry, and Julie Den Herder, and legal counsel Alan Pogue.

No decisions or actions were taken in the Executive Session.

For the record, if any person participating in the Executive Session believes any substantial discussion of any matters not included in the motion to go into Executive Session occurred during the Executive Session, or any improper action occurred during the Executive Session in violation of the Colorado Open Meetings Law, I ask you state your concerns for the record.

No objections were stated.

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### ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 1:39 p.m.

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

Respectfully Submitted,



Shelly Goldrich, Secretary for the Meeting