

RECORD OF PROCEEDINGS

MINUTES OF THE COORDINATED SPECIAL MEETING OF CENTERRA METROPOLITAN DISTRICT NOS. 1-5

HELD
November 12, 2020

The Boards of Directors of Centerra Metropolitan District Nos. 1-5 held a coordinated special meeting, open to the public, via MS Teams at 9:00 a.m., Thursday, November 12, 2020.

Due to the State of Emergency declared by Governor Polis and the threat to health and safety posed by the COVID-19 pandemic, this meeting was held via MS Teams.

ATTENDANCE

Directors in Attendance: (Via Teleconference)

Kim Perry, President
David Spaeth, Vice President
Courtney Parmelee, Secretary
Josh Kane, Treasurer & Assistant Secretary
David Crowder, Assistant Secretary & Assistant Treasurer

Also in Attendance: (Via Teleconference)

Alan Pogue and Deborah Early; Icenogle Seaver Pogue, P.C.
Beverly Walker; City of Loveland
Kim Newcomer; Slate Communications
Gloria Lee; Merrick
Jeff Breidenbach, Tim DePeder, and Jim Niemczyk; McWhinney
Ryan Abbott, Shannon McEvoy, Brendan Campbell, Irene McCaffrey,
Casey Milligan, Doug Campbell, and Traci Miller; Pinnacle Consulting
Group, Inc.

CALL MEETING TO ORDER

The meeting was called to order at 9:02 a.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 DISCLOSURE

Deborah Early, 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

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employees of McWhinney Real Estate Services, Inc., which is associated with the primary landowners and developer within the Districts. Ms. Early 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. Upon a motion duly made by Director Kane, seconded by Director Crowder, and upon vote, it was unanimously

RESOLVED to approve the agenda, as presented.

PUBLIC COMMENT

There were no members of the public present.

CONSENT AGENDA
ITEMS

The Boards considered the following consent agenda items:

- A. Approval of Minutes – October 15, 2020 Regular Meeting Minutes.
- B. Ratification of Payables.
- C. Capital Fund Summary.
- D. Ratification of Contract Modification Report.
- E. Financial Statements as of September 30, 2020.
- F. 2021 Administrative Matters Resolution.
- G. Approval of Professional Services Agreement with Slate Communications.
- H. Approval of 2021 Operations and Maintenance Service Agreements.
 - i. Affordable Pest Control.
 - ii. All Sweep.
 - iii. Environmental Designs.
 - iv. Integrity Lawn Professionals.
 - v. OLM.
 - vi. High Plains Environmental Center.
 - vii. SWPPP Colorado.
 - viii. McWhinney Real Estate Services.
 - ix. J&S Contracting Services.
 - x. Quality Well and Pump.
 - xi. Black Eagle Fence.
 - xii. ET Water.

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- xiii. D&D Concrete.
- xiv. DaVinci Sign Systems.
- xv. Sav A Tree.

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

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

FINANCIAL ITEMS

Financing Status Update: Mr. Campbell reported that the bond issuance has been finalized.

Financial Manager's Report: Mr. Campbell provided an update regarding the financial position of the District and answered questions.

AMENDED 2020 BUDGET HEARING

Director Perry opened the 2020 Amended Budget Hearing for Centerra Metropolitan District No. 1. Mr. Abbott reported that notice of the budget hearing had been published on October 27, 2020 in accordance with state budget law. Mr. Campbell reviewed the proposed amended budgets and answered questions. The 2020 budget is to be amended as follows:

District No. 1.

Debt Service Fund Expenditures: \$29,935,169.00

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 Spaeth, seconded by Director Kane, and upon vote, it was unanimously

RESOLVED to approve the Resolution to Adopt the Amended 2020 Debt Service Fund Budget for Centerra Metropolitan District No. 1, and appropriate budgeted funds.

2021 PROPOSED BUDGET HEARING

Director Perry opened the 2021 Budget Hearing for Centerra Metropolitan Districts Nos. 1-5. Mr. Abbott reported that notice of the budget hearing had been published on October 27, 2020 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: \$2,818,722.00

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Debt Service Fund Expenditures: \$13,927,913.00
Capital Fund Expenditures: \$17,156,348.00

District No. 2
Financing District Mill levy is 52.200
General Fund Expenditures: \$ 676,316.00

District No. 3, Financing District
Mill levy is 5 mills.
General Fund Expenditures: \$415.00

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: \$17,111.00

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

RESOLVED to approve the Resolution to Adopt the 2021 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, 2020 and approve all other documents related to the 2021 budget. The District Manager is authorized to make minor modifications that may be necessary following receipt of final assessed values.

FINANCIAL ITEMS,
CONT.

2020 Auditor: The Boards reviewed the 2020 Audit Proposal Summary. After further review and discussion, and upon motion duly made by Director Kane, seconded by Director Parmelee, and upon vote, it was unanimously

RESOLVED to engage Haynie & Company for the 2020 audit.

Work Orders with MRES for Financial Services: The Boards reviewed Work Order 2020-01 with MRES in the amount of \$70,350. After further review and discussion, and upon motion duly made by Director Crowder, seconded by Director Parmelee, with Directors Perry, Crowder, Spaeth and Parmelee voting aye, and Director Kane abstaining, it was

RESOLVED to approve Work Order 2020-01 with MRES in the amount of \$70,350.

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CAPITAL
INFRASTRUCTURE
ITEMS

District Capital Infrastructure Report: Mr. Milligan presented the Capital Infrastructure Report and answered questions.

District Project Manager Update: Mr. Breidenbach provided an overview of ongoing District projects and answered questions.

DISTRICT MANAGER
ITEMS

WaterWise Update: Mr. Abbott updated the Boards on the WaterWise program.

Public Relations Update: Ms. Newcomer updated the Boards and discussed a potential press release regarding the 2021 budget.

Manager's Report: Mr. Abbott presented the Manager's Report to the Boards and answered questions.

OTHER MATTERS

Director Crowder thanked Pinnacle Consulting Group, Inc for their continued service to the Districts.

ADJOURNMENT

There being no further business to come before the Boards and upon motion and second, the meeting was adjourned at 1:57 p.m.

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

Respectfully Submitted,



Traci Miller, Secretary for the Meeting