

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 18, 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 noon, Thursday, October 18, 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
Tom Hall, Secretary
Josh Kane, Treasurer & Assist. Secretary (via phone; excused at 12:40 p.m.)
Julie Den Herder, Assist. Secretary/Treasurer

Directors Absent and Excused:

Jay Hardy, Vice President & Assistant Secretary

Also in Attendance:

Alan Pogue, Icenogle, Seaver & Pogue
Jim Niemczyk, McWhinney
Bonnie Dennis, City of Loveland
Peggy Dowswell, Pinnacle Consulting Group, Inc.
Carla Hawkins, Pinnacle Consulting Group, Inc.
Jason Woolard, Pinnacle Consulting Group, Inc.
Shana L. Allen, Pinnacle Consulting Group, Inc.

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CALL TO ORDER

The meeting was called to order at 12:09 p.m. by Director Perry, President, 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

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.

AGENDA

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

RESOLVED to approve the agenda as amended.

ITEMS FROM LEGAL COUNSEL

Loan Amendments

Ms. Dowswell and Mr. Pogue discussed the Loan Amendments with the Board. The Resolution amends the loan documents dated June 08, 2011 for District No. 1. He asked for approval of the First Amendment to the Loan Agreement, the Fee Letter, and the Deposit Control Agreement. After review and discussion and upon motion duly made by Director Kane and seconded by Director Hall, it was unanimously

RESOLVED to approve the First Amendment to the Loan Agreement, the Fee Letter, and the Deposit Control Amendment to the Loan Agreement, and authorize Directors Perry and Hall to sign the document

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prior to closing anticipated for October 31, 2012.

Director Kane thanked Ms. Dowswell and Mr. Pogue for their efforts on the loan.

Open Records Request

There was discussion regarding the lawsuit between McWhinney and Pogue & McEwen. A thirty day extension on the requested documents has been granted. Mr. Pogue will be the lead attorney on behalf of the District.

Collection Agreement with City of Loveland:

Mr. Pogue state the City was working through reporting matters with Best Buy.

APPROVAL OF MINUTES

The minutes of the August 16, 2012 regular meeting were presented. Upon motion duly made by Director Den Herder and seconded by Director Perry, it was unanimously

RESOLVED to approve the August 16, 2012 minutes as presented.

The minutes of the August 29, 2012 special meeting were presented. Upon motion duly made by Director Hall and seconded by Director Perry, it was unanimously

RESOLVED to approve the August 29, 2012 minutes as presented.

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

ITEMS FROM PROJECT MANAGER

I25 & 34 Interchange:

Mr. Niemczyk reviewed the status of the I25/34 interchange with the board noting that the median irrigation will cost approximately \$26,000. Upon motion duly made by Director Den Herder and seconded by Director Hall, it was unanimously

RESOLVED to approve the I25/34 Interchange additional irrigation work.

Approval of Acceleration Lane Cost Sharing IGA:

Mr. Niemczyk discussed the Acceleration Lane Cost Sharing IGA with the Board. Revisions were required due to comments received back from CDOT

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and the City of Loveland. Upon motion duly made by Director Den Herder and seconded by Director Hall, it was unanimously

RESOLVED to approve the Revised Acceleration Lane Cost Sharing IGA and approve the expense of \$130,368.21.

Professional Service Agreements for Parcel 505:

Tetra Tech, Inc.: Mr. Niemczyk presented the Service Agreement with Tetra Tech, Inc. for lift station re-permitting at a cost of \$20,448.

Matt Delich: Mr. Niemczyk presented the Service Agreement with Matt Delich to provide a traffic engineering study at an expense capped at \$20,000.

Earth Engineering: Mr. Niemczyk presented the Service Agreement with Earth Engineering to perform soil reports for an amount of \$11,500.

Civil Engineering Services: Mr. Niemczyk suggested the Board award the civil engineering work to Merrick & Company in an amount of \$318,000.

Upon motion duly made by Director Hall and seconded by Director Den Herder, it was unanimously

RESOLVED to approve all of the Professional Service Agreements with each Professional Service Contractor and in the amounts described above.

ITEMS FROM THE
FINANCE DIRECTOR

Financial Report and Approval of Payables:

Ms. Dowswell presented for approval the September Schedule of Payables through September 30, 2012 in the amount of \$150,063.37; including checks 4959 through 4986. Upon motion duly made by Director Hall and seconded by Director Den Herder, it was unanimously

RESOLVED to ratify the September Schedules of Payables, in the amount and check numbers noted above.

Ms. Dowswell presented the Financial Statements through August 31, 2012.

Draft Budget:

Ms. Dowswell presented the draft 2013 budget noting that per State Statute the draft budget was provided to the Board on or before October 15, 2012.

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ITEMS FROM THE
DISTRICT MANAGER

Ms. Hawkins presented the Organizational Chart for the District. Mr. Woolard was introduced as the District Co-Manager. The Board approved the Organizational Chart as presented. Ms. Hawkins presented a Service Agreement with OLM for services to solicit landscape maintenance bids. Upon motion duly made by Director Den Herder and seconded by Director Hall, it was unanimously

RESOLVED to approve the OLM Service Agreement for the services described above.

BOARD MEMBER
COMMENTS

There were no board member comments.

PUBLIC COMMENTS

The Board opened the meeting to Public Comments. Upon receiving no further comments, this portion of the meeting was closed.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 1:27 p.m.

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

Respectfully Submitted,



Shana L. Allen, Secretary for the Meeting