

**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**

HELD

March 17, 2005

The Boards of Directors of the Centerra Metropolitan District No. 1, Centerra Metropolitan District No. 2, Centerra Metropolitan District No. 3 and Centerra Metropolitan District No. 4, held a coordinated regular meeting, open to the public, at the office of McWhinney Enterprises, 2725 Rocky Mountain Ave., Suite 200, Loveland, Colorado 80538; at 12:00 noon Thursday, March 17, 2005. 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, Vice President
Dan Herlihey, Secretary
Ken Howell, Treasurer
Dean Barber, Asst. Sec./Asst. Vice Pres.

Directors Absent and Excused:
Douglas Hill, President

Also in Attendance:
Alan Pogue, White, Bear & Ankele, General Counsel
Peggy Dowswell, District Administrator
Rich Shannon, McWhinney Enterprises, District Manager
Bret Boulter, McWhinney Enterprises
Stan Myers, Northern Engineering
Jon Erickson, Empire Management
Ginger Dodge, McWhinney Enterprises
Jeff Barnes, City of Loveland

CALL TO
ORDER

The meeting was called to order 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 and 4.

CONFLICT
OF INTEREST
DISCLOSURE

Mr. Pogue noted that conflicts of interest for all Board Members have been filed with the Secretary of State at least 72 hours prior to this meeting, 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.

AGENDA

The Board reviewed the agenda and made no changes.

APPROVAL OF
MINUTES

The Minutes of the February 18, 2005 meeting and the minutes of the continued meetings of February 25, 2005 and February 28, 2005 were presented. Upon further discussion and upon motion duly made by Director Perry and seconded by Director Herlihey, it was unanimously

RESOLVED to approve the minutes of the February 18, 2005, February 25, 2005 and February 28, 2005 meetings, as presented.

PAYABLES

Ms. Dowswell presented the Schedule of Payables as of March 16, 2005, totaling \$946,431 including checks 1168 through 1193. Ms. Dowswell noted that \$258,079 would be funded from capital advances from the Developer, \$20,942 funded from operating advances from the Developer and the balance of payables would be funded from bond proceeds. Mr. Shannon noted that the payables included payments to dry utility providers, as it was necessary for the District to relocate their utility lines to construct the District's infrastructure at Hahns Peak and Crossroads. The Board reviewed the payables and upon motion duly made by Director Barber and seconded by Director Herlihey, it was unanimously

RESOLVED to approve the Schedule of Payables as of March 16, 2005, totaling \$946,431 including checks 1168 through 1193.

GLIC REQUEST

Mr. Shannon reported on the request from the Greeley-Loveland Irrigation Co. (GLIC), for payment of additional engineering costs. He noted that in the Ditch Relocation Agreement the District executed with GLIC, there was a cap on the engineering costs. Mr. Shannon recommended to the Board that he or Dwayne Walker, of Empire, meet with Ron Brinkman at GLIC to discuss these additional costs. Mr. Pogue noted it would be a courtesy to GLIC to review with them the Lifestyle Center's plans over their ditch, and that Mr. Walker could review those also when he meets with them.

DISTRICT MANAGER
REPORT

Mr. Shannon, District Manager, reported that the District is working with Chris Wichman, of Poag & McEwen, to coordinate the work in the 75' buffer behind the Lifestyle Center and connect some sidewalks to those through the Center. The District may need to have easements granted now to be able to accomplish this, and will work with legal counsel and Poag to get what is needed.

Mr. Shannon also reported on Ms. Dowswell's role with the District. She has been working contract through Clifton Gunderson, even though her scope of work has consisted mainly of district administration and some financial analysis. Mr. Shannon noted that it would be better for the District if Ms. Dowswell focused more on the district administration functions, and the District would be better served through a direct contract for these duties with her. He recommended that he work with Ms. Dowswell and her company, Pinnacle Consulting Group, Inc., on a direct agreement to provide the district administration scope of work, and that the District continue with Clifton in a pure accounting role. Upon further discussion and motion duly made by Director Herlihey and seconded by Director Perry, it was unanimously

RESOLVED to authorize Mr. Shannon to negotiate an agreement with Pinnacle Consulting Group, Inc., for the district administration and other services as required.

LEGAL REPORT

Mr. Alan Pogue, legal counsel, reported that he is working with Director Herlihey on minor inclusion and exclusion requests to both Districts No. 1 and 2, as the Developer is finalizing specific parcels. Mr. Pogue reported that both Districts will hold public hearings for the inclusion and exclusion requests at the next meeting, and that director qualifications will have to be amended to reflect the correct parcels.

CONSTRUCTION
MANAGER REPORT

Mr. Dwayne Walker, Empire Management, reported that he is finalizing the contracts on Bid Pack 2B for Sky Pond and Centerra Parkway. The Architectural Finishes and Landscape projects are ongoing. Myers, Phase I, which is the public infrastructure around Heska, is wrapping up and Myers 2nd subdivision is underway with earthwork nearly complete and water and sewer to start soon. The bids for Hahns Peak Drive will be opened at 2pm tomorrow, and Empire is working with the City and the City's contractor to get the bores done for the traffic signal there. Mr. Walker also noted that the box culvert at Hahns Peak is complete.

DISTRICT ENGINEER
REPORT

Mr. Stan Myers, Northern Engineering, reported that he is working with GLIC to get the pedestrian bridge crossing at Centerra East. He continues to work

with CDOT on the Permanent Access Permit at Highway 34, addressing drainage and detention pond issues in the process.

PUBLIC
COMMENTS

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

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned.

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

Respectfully Submitted,



Peggy Dowswell, Secretary for the Meeting