

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
April 19, 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, April 19, 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:

Jay Hardy, Vice President & Assistant Secretary
Julie Den Herder, Assistant Secretary/Treasurer
Tom Hall, Secretary

Directors Absent:

Kim Perry, President
Josh Kane, Treasurer & Assistant Secretary

Also in Attendance:

Jim Niemczyk, McWhinney
Alan Pogue, Icenogle, Seaver & Pogue
Peggy Dowswell, Pinnacle Consulting Group, Inc.
Carla Hawkins, Pinnacle Consulting Group, Inc.
Shelly Goldrich, Pinnacle Consulting Group, Inc.
Bonnie Steele, City of Loveland
Ralph Trenary, City Council Member, Ward 4

CALL TO
ORDER

The meeting was called to order at 12:05 p.m. by Director Jay Hardy, Vice President & Assistant Secretary, 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

RECORD OF PROCEEDINGS

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 Den Herder and seconded by Director Hall, it was unanimously

RESOLVED to approve the agenda.

APPROVAL OF MINUTES

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

RESOLVED to approve the February 16, 2012 minutes.

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

I-25 & HWY 34

Mr. Niemczyk stated that they will be spraying for weeds next week. He also noted that the landscape and lighting warranties will expire at the end of May. A landscape walk thru is scheduled for the end of next week. District Manager, Ms. Hawkins, stated Ms. Goldrich is scheduling the lighting acceptance walk thru. Director Hall noted the NW lantern is out.

PARCEL 222 SAVANNA

Mr. Jon Erickson, Empire Management, Inc., presented a bid spread for the public infrastructure work needed for Parcel 222. There were 8 bidders for the project. Based on the bids, Empire Management, Inc. recommended Gerrard Excavating's Base Bid option. Upon motion duly made by Director Den Herder and seconded by Director Hall, it was unanimously

RESOLVED to award the Capital Construction work to the lowest responsible bidder meeting the District's criteria, Gerrard Excavating.

RECORD OF PROCEEDINGS

ITEMS FROM LEGAL COUNSEL

There were no items to be discussed.

ITEMS FROM THE FINANCE DIRECTOR

Financial Report and Approval of Payables

Ms. Dowswell presented for approval the March Schedule of Payables through March 31, 2012 in the amount of \$109,437.96; including checks 4798 through 4820. In addition, she presented for approval the April Schedule of Payables in the amount of \$117,830.98; including checks 4822 through 4846. Upon motion duly made by Director Den Herder and seconded by Director Hall, it was unanimously

RESOLVED to ratify the March Schedule of Payables and approve the April Schedules of Payables, in the amounts and check numbers noted above.

Audit for Centerra Metropolitan District No. 1

Ms. Dowswell stated the original auditor is no longer performing audits due to health issues, so there is a new auditor firm for the Centerra Metropolitan District No. 1 2011 Audit. She asked the Board to ratify David B. Green, CPA, LLC as the new auditor to perform the audit. Upon motion duly made by Director Den Herder and seconded by Director Hall, it was unanimously

RESOLVED to ratify David B. Green, CPA, LLC as the Auditor for Centerra Metropolitan District No. 1.

PUBLIC COMMENTS

The Board opened the meeting to Public Comments. Mr. Trenary stated he was promoting a fair at The Promenade Shops at Centerra on Saturday to support a mother and father team from Arvada walking across the country to raise funds for military families. Director Hardy applauded the partnership between the City and private parties who have helped to create a great series of events for downtown Loveland and the community. Ms. Bonnie Steele stated she was wrapping up her work on the City of Loveland's audit and was waiting for the District's audit to be finalized before giving her report. She also stated the City is continuing interviews through the first week of May for a new Finance Director. Upon no further comments, this portion of the meeting was closed.

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 discuss a strategy relative to negotiations, pursuant to § 24-6-402(4)(a), C.R.S. Upon motion duly made by Director Den Herder and seconded by Director Hall, it was unanimously

RESOLVED to convene an Executive Session, pursuant to § 24-6-402(4)(a), C.R.S., "Concerning the purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest."

RECORD OF PROCEEDINGS

Mr. Pogue reported: "It is April 19, 2012, I am legal counsel for the Centerra Metropolitan Districts Nos. 1-5. As required by the Colorado Open Meetings Law, the Executive Session is being recorded."

Present at the Executive Session: Jay Hardy, Julie Den Herder, Tom Hall, Carla Hawkins, Peggy Dowswell, Alan Pogue and Shelly Goldrich.

The Executive Session concluded at 12:52 p.m.

Present at the Adjournment of the Executive Session: Jay Hardy, Julie Den Herder, Tom Hall, Carla Hawkins, Peggy Dowswell, Alan Pogue and Shelly Goldrich.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 12:53 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