

RECORD OF PROCEEDINGS

MINUTES OF THE COORDINATED
SPECIAL 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
July 20, 2017

The Boards of Directors of 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 special meeting, open to the public, at 2725 Rocky Mountain Avenue, Loveland, Colorado 80538, at 3:00 p.m., Thursday, July 20, 2017. 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

David Crowder, Assistant Secretary & Assistant Treasurer (via telephone)

Directors Absent but Excused:

Josh Kane, Treasurer & Assistant Secretary

Also in Attendance:

Alan Pogue; Icenogle Seaver Pogue, P.C.

Jim Niemczyk, Dave Betley; McWhinney

Peggy, Dowswell, Shana Morgan, Brendan Campbell, Jason Woolard,

Kirsten Starman, Chelsey Green; Pinnacle Consulting Group, Inc.

Cristy Reeves; John Cutler & Associates

CALL MEETING TO
ORDER

The meeting was called to order at 3:03 p.m. by President 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.

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CONFLICT OF INTEREST DISCLOSURE

Alan Pogue, 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 employees of McWhinney Real Estate Services, Inc., which is associated with the primary landowners and developer within the Districts. Mr. Pogue 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 amending the agenda to move item IV. A. 2016 Audit, to immediately follow item II. Consent Agenda, and to add two items under III. Capital Infrastructure C. Bidding and Contracting. Upon motion duly made by Director Hall, seconded by Director Crowder, and upon vote, unanimously carried, it was

RESOLVED to approve the agenda, as amended.

PUBLIC COMMENT

There were no comments made by members of the public.

CONSENT AGENDA ITEMS

The Boards considered the consent agenda items:

- A. Approval of Minutes – June 15, 2017 and June 30, 2017,
- B. Ratification of Payables: June 1, 2017 through June 30, 2017,
- C. Financial Statements through May 31, 2017,
- D. Capital Fund Summary, and
- E. Ratification of Contract Modifications.

Upon motion duly made by Director Hall, seconded by Director Crowder, and upon vote, unanimously carried, it was

RESOLVED to approve and ratify the consent agenda items, as presented.

FINANCIAL ITEMS

2016 Financial Audit for District No. 1 and PIF Revenue Account: Mr. Campbell introduced Christy Reeves with John Cutler & Associates. Ms. Reeves presented the 2016 Financial Audit for District No. 1 and PIF Revenue Account. Ms. Reeves stated that both Audits received an unmodified opinion. Upon motion duly made by Director Hall, seconded by Director Crowder, and upon vote, unanimously carried, it

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was

RESOLVED to approve the 2016 Financial Audit for District No. 1 and the PIF Revenue Account, as presented, and direct Pinnacle Consulting Group to finalize and file the Audits with the State Auditor, per State Statute.

Ms. Reeves left the meeting at this time.

DISTRICT CAPITAL INFRASTRUCTURE REPORT

Ms. Starman and Mr. Woolard presented the Capital Infrastructure report to the Boards. Ms. Starman reported that the State had been notified regarding the start of the Lift Station project as it relates to the Site Location permit.

DISTRICT PROJECT MANAGER UPDATE

Mr. Niemczyk provided a brief overview of ongoing Districts projects. The Boards discussed the pending Parcel 206 Maintenance Agreement with the Centerra Commercial Owners Association, Inc., and the condition of the existing parking lots. Mr. Pogue noted that further clarification responsibility is needed before finalizing the maintenance agreement and that the easement boundaries may need to be adjusted. The Boards directed Mr. Niemczyk to complete a walkthrough of the parking lots with Director Hall and for the project administrator to request proposals for a 2" mill/overlay repair option and a slurry seal repair option, for presentation to the Board at the August meeting.

BIDDING AND CONTRACTING

Parcel 505 Infrastructure: Ms. Morgan reminded the Boards that the City requires the installation of a fire hydrant prior to vertical construction at the lift station. The waterline that this hydrant will be fed from is currently in the hotel's scope of work.

The Boards determined to table discussions regarding Parcel 505 infrastructure bidding and contracting.

Kendall Parkway West/Boyd Lake Avenue: Mr. Niemczyk reviewed the bid comparison report for the civil design work of Kendall Parkway West and North Boyd Lake Avenue with the Boards. Mr. Niemczyk noted that two bids had been received; one from CWC Consulting and another from Merrick & Company. CWC was the low bidder. Following discussion and upon motion duly made by Director Crowder, seconded by Director Hall, and upon vote, unanimously carried, it was

RESOLVED to approve the Professional Service Agreement with CWC Consulting Group for engineering design services, in an amount not to exceed \$194,930.

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Mr. Niemczyk presented a Professional Service Agreement with DTJ Design Inc., related to landscape architecture design services for Kendall Parkway West and Boyd Lake Avenue North. Following discussion and upon motion duly made by Director Crowder, seconded by Director Hall, and upon vote, unanimously carried, it was

RESOLVED to approve the Professional Service Agreement with DTJ Design Inc. for landscape architecture design services, in an amount not to exceed \$126,600.

Mr. Niemczyk presented Work Order No. 2 to the Master Service Agreement with Merrick & Company for campus engineer services, related to updates to the Opinion of Costs for District infrastructure. Following discussion and upon motion duly made by Director Crowder, seconded by Director Hall, and upon vote, unanimously carried, it was

RESOLVED to approve the Work Order with Merrick & Company for additional campus engineer services, in an amount not to exceed \$52,300.

FINANCIAL ITEMS,
CONT.

Mr. Campbell requested the discussion regarding investment options be tabled until the next meeting.

Mr. Campbell reported that repayment was made to Poudre Valley Health Care, Inc. for the Hahn's Peak extension project following the bond closing, per the Advance and Reimbursement Agreement.

ITEMS FROM
LEGAL COUNSEL

Mr. Pogue reported on a letter that was received in his office from the City of Loveland regarding the Boyd Lake Avenue Third Party Reimbursement Agreement that has been under review by the City and District.

Mr. Pogue and Director Crowder reported on discussions with CDOT related to Kendall Parkway East and the Park & Ride facility.

Mr. Pogue reported that the City of Loveland held a work session on July 11th to learn more about Special Districts as they consider a model service plan.

ITEMS FROM
DISTRICT MANAGER

Manager's Report: Ms. Morgan provided a summary of current operations throughout the District. She noted that inspections were conducted on July 19th and all areas passed. The scores were: Chapungu Park, 92%; Centerra Metro District, 90%; and Boyd Lake Avenue, 90%. Ms. Morgan reported that she, along with Directors Perry and Crowder, and Mr. Woolard, are scheduled to complete a drive through of the District on July 27th to identify priorities for

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2018 operations and maintenance.


Chapungu Park Tent Repair: Ms. Morgan presented to the Boards potential options for replacing the saddle tent that was destroyed during the late May snow storm. The Boards directed Ms. Morgan to get quotes on the cost and timeline for building a permanent structure to replace the saddle tent.

ADJOURNMENT

There being no further business to come before the Boards and upon motion and second, the meeting was adjourned at 4:23 p.m.

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

Respectfully Submitted,



Shana L. Morgan, Secretary for the Meeting