

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CIMARRON METROPOLITAN DISTRICT HELD November 20, 2019

A regular meeting of the Board of Directors (referred to hereafter as "Board") of the Cimarron Metropolitan District (referred to hereafter as "District") was convened on Wednesday, the 20th day of November, 2019 at 9:00 a.m., at the Candelas Parkview Swim & Fitness Club, 19865 W. 94th Avenue, Arvada, Colorado 80007. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Brian Daly
Creig Veldhuizen
Brian Mulvany
Mark Mitchell

Director Patrick Vaughn was absent and excused.

Also In Attendance Were:

Traci McDonald, Tori Minovich, and Denise Hogenes; CCMC

David Nocera; Vauxmont Metropolitan District

Megan Becher, Esq.; McGeady Becher P.C.

Brandon Collins; Independent District Engineering Services, LLC

Dale Coffman and Matt Ward; Environmental Designs Inc.

Shelley Caudillo; T. Charles Wilson Insurance Service (for a portion of the meeting)

Various Members of the Public

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ADMINISTRATIVE MATTERS

Disclosure of Potential Conflicts of Interest:

The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State.

Attorney Becher requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. Attorney Becher noted that conflict disclosure statements for all of the Directors have been filed. Further, it was noted that Director Veldhuizen is employed by Piper Jaffray & Co. (which provides Financial Advisor services to the District), and that Director Veldhuizen will abstain from all discussion and votes relating to refinancing of the District's debt.

Quorum, Location of Meeting, Posting of Meeting Notices:

Attorney Becher noted that a quorum was present. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting.

The Board confirmed that because there was not a suitable or convenient location within its boundaries to conduct this meeting, it was determined to conduct the meeting at the above-stated time, date and location, which is within the same county as the District and is within 20 miles of the District. The Board further noted that notice of the time, date and location was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within its boundaries. It was noted that the District Manager posted notice of the meeting on the District's website at least 24 hours prior to the meeting, pursuant to statute.

Agenda:

There was distributed for the Board's review and approval a proposed agenda for the District's regular meeting. Following discussion, upon motion duly made by Director Mitchell, seconded by Director Veldhuizen and, upon vote, unanimously carried, the agenda was approved, as amended, and the absence of Director Patrick Vaughn was excused.

2020 Meeting Schedule and Meeting/Posting Resolution:

The Board discussed the meeting schedule for 2020, and determined

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**ADMINISTRATIVE
MATTERS
(continued)**

to schedule regular meetings for the 4th Wednesday of January, March, May, July, September, and November at 9:00 a.m. at the Candelas Parkview Swim & Fitness Club, 19865 W. 94th Ave., Arvada, CO 80007.

Following further discussion, upon motion duly made by Director Mitchell, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-11-01, Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices.

Insurance Renewal / Insurance Schedules:

Ms. Caudillo reviewed with the Board the current insurance coverages and presented renewal options to the Board. The Board inquired as to increased coverage amounts for the recreation center replacement costs. Ms. Caudillo informed the Board that she is obtaining premium quotes from the Special District Property and Liability Pool so that the Board can incorporate the costs into the 2020 Budget.

**CONSENT
AGENDA**

It was noted that the minutes of the September 25, 2019 Regular Meeting were not available for review, so approval of the minutes was removed from the Consent Agenda and deferred.

Upon motion duly made by Director Mulvany, seconded by Director Daly and, upon vote, unanimously carried, the Board approved or ratified approval of (as appropriate), the Consent Agenda items, as follows:

- A. Approve minutes of July 24, 2019 Regular Meeting.
- B. Ratify approval of IDES Verification of District Expenditures for August and September 2019.
- C. Ratify approval of Change Order No. 51 - Wyoco Erosion Control - Filing 2-4 Erosion Control- July EC - \$14,880.90.
- D. Ratify approval of Change Order No. 52 Wyoco Erosion Control - Filing 2-4 Erosion Control- August EC - \$14,074.18.
- E. Ratify approval of Change Order No. 12 - Brightview Landscape - Filing 4B & 4C Temporary Mailbox - \$2,435.00.
- F. Ratify approval of Change Order No. 14 - Premier Earthworks & Infrastructure - Filing 4B & 4C Utilities, Paving, & Concrete - Lower Inlet, Grading, Concrete Trail - \$23,629.42

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PUBLIC COMMENT

Director Daly opened the meeting to Public Comment. The Board received comments from members of the public who were present. The following individuals provided public comments: Fay Lewis, Amanda Rieter, and Anna Smith. After comments were provided, Director Daly indicated the Board would produce a summary of responses to the various questions posed during public comment.

MAINTENANCE MATTERS

Landscape Report:

Representatives of Environmental Designs Inc. reported on the status of routine maintenance, and updated the Board on project status.

CAPITAL IMPROVEMENTS

Status of Candelas Project:

Mr. Collins reviewed the Project Status Report with the Board.

Change Order No. 53 – Wyoco Erosion Control – Filing 2-4 Erosion Control – September EC - \$1,837.80:

The Board discussed Change Order No. 53 – Wyoco Erosion Control – Filing 2-4 Erosion Control – September EC - \$1,837.80.

Following discussion, upon motion duly made by Director Vaughn, seconded by Director Mulvany and, upon vote unanimously carried, the Board approved Change Order No. 53 – Wyoco Erosion Control – Filing 2-4 Erosion Control - \$1,837.80.

Change Order No. 54 – Wyoco Erosion Control – Filing 2-4 Erosion Control – October EC - \$1,205.97:

The Board discussed Change Order No. 54 – Wyoco Erosion Control – Filing 2-4 Erosion Control – October 2019 - \$1,205.97.

Following discussion, upon motion duly made by Director Vaughn, seconded by Director Mulvany and, upon vote unanimously carried, the Board approved Change Order No. 54 – Wyoco Erosion Control – Filing 2-4 Erosion Control – October 2019 - \$1,205.97.

Acceptance of costs for construction of, and services related to, District improvements under the Verification of District Expenditures Report prepared by Independent District Engineering Services, LLC (“IDES”) for reimbursement to Arvada Residential Partners, LLC (“ARP”), and consider release and/or transfer of non-District improvements to ARP

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CAPITAL IMPROVEMENTS (continued)

pursuant to the Facilities Funding and Acquisition Agreement between the District and ARP, based upon the recommendation of IDES:

Mr. Collins reviewed IDES' report entitled "Verification of District Expenditures for October and November 2019," which summarizes IDES' review and verification of the expenditures of the District for October and November 2019 related to certain District construction contracts, some of which included expenditures not eligible for payment by the District and so were paid directly by ARP pursuant to agreements between ARP and the District ("Verification Report"). The Verification Report identified \$181,170.29 of District Eligible Expenses and \$-0- of Non-Eligible Expenses.

Following discussion, upon motion duly made by Director Daly, seconded by Director Mulvany and, upon vote, unanimously carried, the Board determined to accept the District Eligible Expenses in the amount of \$181,170.29 which will be credited to the Series 2015E Note, subject to the maximum par amount thereof.

FINANCIAL MATTERS

Claims:

The Board reviewed the claims for the period ending October 31, 2019 (in the amount of \$213,799.55).

Following discussion, upon motion duly made by Director Daly, seconded by Director Mulvany and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending October 31, 2019 in the amount of \$213,799.55.

Unaudited Financial Statements For the Periods Ending September 30, 2019 and October 31, 2019:

The Board deferred discussion.

Operating budget review through October 31, 2019:

Ms. McDonald reviewed with the Board the operating budget through October 31, 2019.

2019 Budget Amendment Hearing:

Director Daly opened the public hearing to consider a proposed amendment to the 2019 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider amendment of the 2019 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received

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FINANCIAL MATTERS (continued)

prior to the public hearing.

Following discussion, upon motion duly made by Director Daly, seconded by Director Mulvany and, upon vote, unanimously carried, the Board continued the Public Hearing on the 2019 Budget Amendment to December 5, 2019 at 10:00 a.m. at the regular meeting location.

2020 Budget Hearing:

Director Daly opened the public hearing to consider the proposed 2020 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2020 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

Following discussion, upon motion duly made by Director Daly, seconded by Director Mulvany and, upon vote, unanimously carried, the Board continued the Public Hearing on the 2020 Budget to December 5, 2019 at 10:00 a.m. at the regular meeting location.

Authorization of District Accountant to Prepare and Sign DLG-70 Certification of Tax Levies:

The Board deferred discussion.

Appointment of District Accountant to Prepare 2021 Budget:

The Board deferred discussion.

Engagement of Auditor to Prepare 2019 Audit:

The Board deferred discussion.

Issuance of the Vauxmont Metropolitan District's: (1) Subordinate Limited Tax (Convertible to Unlimited Tax) General Obligation and Special Revenue Refunding Bonds, Series 2019, in a maximum aggregate principal amount not to exceed \$170,000,000; and (2) Senior Limited Tax (Convertible to Unlimited Tax) General Obligation and Special Revenue Refunding Bonds, Series 2020, in a maximum aggregate principal amount not to exceed \$170,000,000. (collectively, the "Vauxmont MD Bonds"):

Director Daly discussed the status of issuance of the Vauxmont MD Bonds with the Board.

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OPERATIONAL MATTERS

Management Report:

Ms. McDonald presented the Management Report to the Board.

Lifestyle Report:

Ms. Minovich presented the Lifestyle Report to the Board.

Design Review Committee Appointments:

Following discussion, upon motion duly made by Director Veldhuizen, seconded by Director Daly and, upon vote, unanimously carried, the Board appointed Dale Meier, Leigh Schopp, and Bobbie Long as additional members of the Design Review Committee.

LEGAL MATTERS

Proposals for Election Management Services:

Ms. McDonald reviewed with the Board the proposals to provide election management services for the District's May 5, 2020 Regular Election for Directors (the "Election").

Following extensive discussion, upon motion duly made by Director Mulvany, seconded by Director Daly and, upon vote, unanimously carried, the Board approved the engagement of Community Resources Services of Colorado, LLC ("CRS of Colorado") to provide election management services for the Election.

Resolution Calling a Regular Election for Directors on May 5, 2020:

Following discussion, upon motion duly made by Director Mulvany, seconded by Director Daly and, upon vote, unanimously carried, the Board appointed Sue Blair of CRS of Colorado as Designated Election Official of the District, and adopted Resolution No. 2019-11-02, Resolution Calling a Regular Election for Directors on May 5, 2020.

Agreement to operate a secure Voter Service & Polling Center for the 2020 Election between the District and the County of Jefferson, State of Colorado:

The Board deferred discussion.

Assignment of Covenant Enforcement Obligations:

The Board discussed the transition of Covenant Enforcement Obligations from Cimarron Metropolitan District to Vauxmont Metropolitan District, and determined that such transition should be effective as of January 1, 2020.

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LEGAL MATTERS **(continued)**

Following discussion, upon motion duly made by Director Veldhuizen, seconded by Director Mulvany and, upon vote, unanimously carried, the Board adopted the following resolutions:

- Resolution No. 2019-11-04, Joint Resolution of the Board of Directors of the Cimarron Metropolitan District and Vauxmont Metropolitan District Amending and Restating the Policies and Procedures Governing the Enforcement of Certain Covenants of Candelas.
- Resolution No. 2019-11-05, Second Amended and Restated Joint Resolution of Cimarron Metropolitan District and Vauxmont Metropolitan District Regarding the Imposition of Landscaping and Snow Removal Fees.
- Resolution No. 2019-11-06, Second Amended and Restated Joint Resolution of Cimarron Metropolitan District and Vauxmont Metropolitan District Regarding the Imposition of Covenant Enforcement Related Fees.

It was noted that the District was skipping Resolution No. 2019-11-03 in its numbering sequence, so that the numbering of the joint resolutions with Vauxmont Metropolitan District would match.

Engagement of Special Counsel for Covenant Control and Collection Matters:

The Board reviewed proposals from Winzenburg Leff Purvis & Payne LLP and Altitude Community Law P.C. to act as special counsel to the District for covenant control and collection matters.

Following discussion, upon motion duly made by Director Veldhuizen, seconded by Director Mulvany and, upon vote, unanimously carried, the Board approved the engagement of Winzenburg Leff Purvis & Payne LLP. as special counsel to the District for covenant control and collection matters.

Candelas Cell Tower Survey:

The Board reviewed the community survey regarding the cell tower lease and location, and noted that there were mixed results regarding support and opposition. Following extensive discussion, upon motion duly made by Director Veldhuizen, seconded by Director Mulvany and, upon vote, unanimously carried, the Board determined to discontinue any further negotiations on the cell tower lease, given the survey results from the community.

Requirements of Section 32-1-809, C.R.S. (Transparency Notice):

Following discussion, upon motion duly made by Director

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LEGAL MATTERS
(continued)

Mulvany, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board directed that the required statutory Transparency Notice be posted on the Special District Association website and on the District website.

OTHER BUSINESS

There was no other business.


ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Veldhuizen, seconded by Director Daly and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By 
Secretary for the Meeting

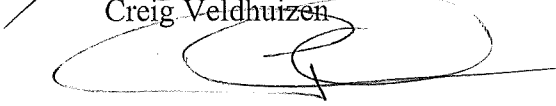
THESE MINUTES APPROVED AS THE OFFICIAL
NOVEMBER 20, 2019 MINUTES OF THE CIMARRON
METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS
SIGNING BELOW:




Brian Daly



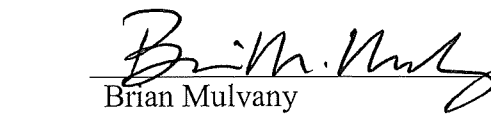
Creig Veldhuizen



Patrick Vaughn



Mark Mitchell



Brian Mulvany