

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE CIMARRON METROPOLITAN DISTRICT HELD December 12, 2018

A special 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 12th day of December, 2018 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

Following discussion, upon motion duly made by Director Veldhuizen, seconded by Director Mulvany and, upon vote, unanimously carried, the Board excused the absence of Director Vaughn.

Also In Attendance Were:

Denise Hogenes; CCMC

Brooke Baughn; CCMC

Tori Minovich; CCMC

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

Dave Nocera; Vauxmont Metropolitan District

Ross Wieser; District Accountant (via speakerphone for a portion of the meeting)

Brandon Collins; Independent District Engineering Services, LLC

Dale Coffman; Environmental Designs Inc. (for a portion of the meeting)

RECORD OF PROCEEDINGS

Matt Ward; Environmental Designs Inc. (for a portion of the meeting)

Dale Mier, Member of the Public

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, and that no additional conflicts were disclosed at the meeting.

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 at three locations within the boundaries of the District, and that McGeady Becher P.C. posted notice of the meeting with the Clerk & Recorder, at least 72 hours prior to the meeting, all pursuant to statute.

Agenda:

There was distributed for the Board's review and approval a proposed agenda for the District's special meeting. Following discussion, upon

RECORD OF PROCEEDINGS

motion duly made by Director Mulvany, seconded by Director Daly and, upon vote, unanimously carried, the agenda was approved.

Insurance renewal, insurance schedules, and renewal of membership in the Special District Association:

Following discussion, upon motion duly made by Director Veldhuizen, seconded by Director Mulvany and, upon vote, unanimously carried, the Board approved the 2019 Insurance Renewal with the Authorization of Consent form signed by Director Daly.

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

- A. Approve minutes of November 14, 2018 Special Meeting.
 - B. Ratify approval of IDES Verification of District Expenditures for November 2018.
 - C. Ratify approval of IDES Recommendation for Facilities Acquisition/Reimbursement for November 2018.
 - D. Ratify approval of Change Order No. 10 Premier Earthworks – Filing 4B and 4C Utilities, Paving, and Concrete CO #10 – Permit Reimbursement & Tripoint Overlot Grading- \$5,070.82.
 - E. Ratify approval of Change Order No. 9 BrightView Landscape – Filing 4B and 4C Landscape CO #9 – Extra Work Tickets & Permit Fees - \$20,092.76.
 - F. Ratify approval of Change Order No. 42 Wyoco Erosion Control – Filing 2-4 Erosion Control CO #42 – October EC - \$12,956.20.
-

**PUBLIC
COMMENT**

Director Daly opened the meeting to Public Comment. The Board received a comment from a member of the public who was present. Public comment was provided by the following individual: Dale Mier. After comments were provided, Director Daly indicated the Board would produce a summary of responses to the various questions posed during public comment.

RECORD OF PROCEEDINGS

MAINTENANCE MATTERS

Landscape Report:

Environmental Designs Inc. presented the landscaping report for December 2018. 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. 43 Wyoco Erosion Control – Filing 2-4 Erosion Control– November EC - \$17,553.38:

The Board discussed Change Order No. 43 Wyoco Erosion Control – Filing 2-4 Erosion Control– November EC - \$17,553.38.

Following discussion, upon motion duly made by Director Mulvany, seconded by Director Veldhuizen and, upon vote unanimously carried, the Board approved Change Order No. 43 Wyoco Erosion Control – Filing 2-4 Erosion Control– November EC - \$17,553.38.

Change Order No. 7 Alpine Construction – Candelas Concrete– El Diente and Culebra Widening Closeout - \$16,505.75:

The Board discussed Change Order No. 7 Alpine Construction – Candelas Concrete– El Diente and Culebra Widening Closeout - \$16,505.75

Following discussion, upon motion duly made by Director Mulvany, seconded by Director Veldhuizen and, upon vote unanimously carried, the Board approved Change Order No. 7 Alpine Construction – Candelas Concrete– El Diente and Culebra Widening Closeout - \$16,505.75.

Sol Lighting – Solar Lights– Solar Light Replacement Batteries - \$8,697.00:

The Board discussed Sol Lighting – Solar Lights– Purchase and Installation of Solar Light Replacement Batteries - \$8,697.00.

Following discussion, upon motion duly made by Director Mulvany, seconded by Director Veldhuizen and, upon vote unanimously carried, the Board approved Sol Lighting – Solar Lights– Purchase and Installation of Solar Light Replacement Batteries - \$8,697.00.

RECORD OF PROCEEDINGS

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 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 December 2018,” which summarizes IDES’ review and verification of the expenditures of the District for December 2018 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 \$278,624.08 of District Eligible Expenses and \$2,085.00 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 \$278,624.08 which will be credited to the Series 2015E Note, subject to the maximum par amount thereof, and approved the release of all interest in, and/or transfer to ARP of, all improvements associated with such Non-Eligible Expenses in an amount of \$2,085.00, based upon the recommendation of IDES.

Acceptance of District-eligible expenditures incurred by ARP under the recommendation for Facilities Acquisition/Reimbursement Report prepared by IDES:

The Board then reviewed IDES’ report, entitled “Recommendation for Facilities Acquisition/Reimbursement for December 2018,” which details the December 2018 expenditures of ARP which may be eligible for future reimbursement by the District pursuant to agreements between ARP and the District (“Acquisition/Reimbursement Report”). The December 2018 Acquisition/Reimbursement Report identified \$8,697.00 in expenditures of ARP eligible for reimbursement by the District pursuant to the Facilities Funding and Acquisition Agreement between the District and ARP.

Following discussion, upon motion duly made by Daly, seconded by Director Mulvany and, upon vote, unanimously carried, the Board determined to accept the costs identified in the December 2018 Acquisition/Reimbursement Report, which amount will be reimbursable under the Series 2015E Note.

RECORD OF PROCEEDINGS

FINANCIAL MATTERS

Claims:

Mr. Wieser reviewed with the Board the claims for the period ending December 12, 2018 totaling \$370,168.24.

Following discussion, upon motion duly made by Director Mitchell, seconded by Director Mulvany and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending December 12, 2018 in the amount of \$370,168.24.

Unaudited Financial Statements For the Period Ending November 30, 2018:

Mr. Wieser reviewed with the Board the unaudited financial statements for the period ending November 30, 2018.

Following discussion, upon motion duly made by Director Veldhuizen, seconded by Director Mulvany and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending November 30, 2018.

OPERATIONAL MATTERS

Management Report: Mrs. Baughn provided a Management Report to the Board.

The Board held discussion relating to Stain Color Requirements related to the Design Guidelines.

Lifestyle Report: Ms. Minovich provided a Lifestyle Report to the Board.

Proposal for 2019 Janitorial Cleaning from The Helping Hand, Ltd. at the Cost of \$120 per clean for Townview Club and Fitness and \$150 per clean for Parkview Club and Fitness:

Following discussion, upon motion duly made by Director Veldhuizen, seconded by Director Mulvany and, upon vote, unanimously carried, the Board approved the Proposal for 2019 Janitorial Cleaning from The Helping Hand, Ltd. at the cost of \$120 per clean for Townview Club and Fitness and \$150 per clean for Parkview Club and Fitness and authorize preparation of a Service Agreement for Janitorial Services.

Proposal for 2019 Light Inspection from Colorado Lighting, Inc. at the cost of \$25.00 a month for Parkview Club and Fitness and \$25.00 a month for Townview Club and Fitness:

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Veldhuizen, seconded by Director Mulvany and, upon vote, unanimously carried, the Board approved the Proposal for 2019 Light Inspection from Colorado Lighting, Inc. at the cost of \$25.00 a month for Parkview Club and Fitness and \$25.00 a month for Townview Club and Fitness, and authorize preparation of a Service Agreement for Light Inspection.

Proposal for 2019 Fitness Inspections from Extreme Fitness at the cost of \$150.00 a quarter for Parkview Fitness and \$150 a Quarter for Townview Fitness:

Following discussion, upon motion duly made by Director Veldhuizen, seconded by Director Mulvany and, upon vote, unanimously carried, the Board approved the Proposal for 2019 Fitness Inspections from Extreme Fitness at the cost of \$150.00 a quarter for Parkview Fitness and \$150 a Quarter for Townview Fitness, and authorize preparation of a Service Agreement for Fitness Inspection.

Proposal for Townview Clubhouse Pea Gravel Border Installation from Environmental Designs Inc., at the cost of \$4,250.73:

Following discussion, upon motion duly made by Director Veldhuizen, seconded by Director Mulvany and, upon vote, unanimously carried, the Board approved the Proposal for Townview Clubhouse Pea Gravel Border Installation from Environmental Designs Inc., at the cost of \$4,250.73 and authorize preparation of a Change Order.

Proposal for Sarah George Park Baseball Field Nail Drag from Environmental Designs Inc., at the cost of \$1,686.76:

The Board discussed the Proposal for Sarah George Park Baseball Field Nail Drag and deferred action.

Proposal for removal of Tree Stakes from Environmental Designs Inc. at the cost of \$7,158.80:

Following discussion, upon motion duly made by Director Veldhuizen, seconded by Director Mulvany and, upon vote, unanimously carried, the Board approved the Proposal for removal of Tree Stakes from Environmental Designs Inc. at the cost of \$7,158.80.

RECORD OF PROCEEDINGS

Purchase for Enclosed Bulletin Boards for Townview Clubhouse at the Cost of \$300.94 and up to \$120.00 for Installation and Parkview Clubhouse at the Cost of \$300.94 and up to \$120 for Installation:

Following discussion, upon motion duly made by Director Mulvany, seconded by Director Daly and, upon vote, unanimously carried, the Board approved the purchase of Bulletin Boards for Townview and Parkview Clubhouse at the cost of \$300.94.

Homeowner Brad and Kimberly Simpson at 9505 Flattop Street request to remove compliance fines from homeowner's account totaling \$2,700.00:

Following discussion, upon motion duly made by Director Veldhuizen, seconded by Director Mulvany and, upon vote, unanimously carried, the Board approved the suspension of \$2,500 of the compliance fines for the account of 9505 Flattop Street and if no additional violations occur prior to December 31, 2019, the \$2,500 will be waived. The remaining \$200 in fees will not be waived.

Homeowner Marton Kahan at 9465 Flattop Street request to remove compliance fines from homeowner's account totaling \$1,900:

Following discussion, upon motion duly made by Director Veldhuizen, seconded by Director Mulvany and, upon vote, unanimously carried, the Board approved the waive of all fines as of December 12, 2018 for compliance off the account of 9465 Flattop Street.

Change Order to Service Agreement for District Management Services between Cimarron Metropolitan District, Vauxmont Metropolitan District and Capital Consultant Management Corporation:

The Board deferred discussion.

LEGAL MATTERS

Option & Land Lease:

The Board reviewed the Option & Land Lease between the District and SBA Towers IX, LLC. Following review and discussion, upon motion duly made by Director Mitchell, seconded by Director Daly and, upon vote, unanimously carried, the Board approved the Option

RECORD OF PROCEEDINGS

& Land Lease between the District and SBA Towers IX, LLC, subject to the incorporation of revisions discussed at the meeting.

Lease Agreement (Townview Office):

The Board reviewed the Lease Agreement (Townview Office) between the District and Weekley Homes, LLC, d/b/a David Weekley Homes. Following review and discussion, upon motion duly made by Director Nocera, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board approved the Lease Agreement (Townview Office) between the District and Weekley Homes, LLC, d/b/a David Weekley Homes, subject to counsel review.

OTHER BUSINESS None.


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

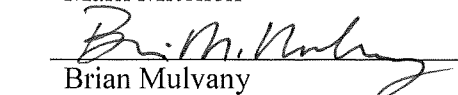
THESE MINUTES APPROVED AS THE OFFICIAL DECEMBER 12, 2018 MINUTES OF THE CIMMARON METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:


Brian Daly


Craig Veldhuizen

Patrick Vaughn


Mark Mitchell


Brian Mulvany

