

RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
CIMARRON METROPOLITAN DISTRICT
HELD
April 25, 2018**

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 25th day of April, 2018 at 9:00 A.M., at the Candelas Parkview Swim & Fitness Club, 19865 W. 94th Ave., Arvada, Colorado, 80007. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Brian Daly
Creig Veldhuizen
Brian Mulvany

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

Also In Attendance Were:

Denise Hogenes; CCMC

Chelsea Suchomel; CCMC

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

Brandon Collins; Independent District Engineering Services, LLC

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

Various members of the Public (as listed on Attachment A)

**ADMINISTRATIVE
MATTERS**

Disclosure of Potential Conflicts of Interest:

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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 regular meeting. Following discussion, upon Motion duly made by Director Veldhuizen, seconded by Director Daly and, upon vote, unanimously carried, the agenda was approved, as amended.

CONSENT AGENDA

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

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- A. Approve minutes of March 28, 2018 regular Meeting.
- B. Ratify approval of IDES Verification of District Expenditures for March 2018.
- C. Ratify approval of IDES Recommendations for Facilities Acquisition/Reimbursement for March 2018.
- D. Ratify approval of Change Order No. 42 to the Service Agreement between the District and Premier Earthworks – Filing 2 and 4A Utilities – F2PVC Sanitary Sewer Deduct – to reconcile and close out contract for a decrease in the contract amount of <\$29,697.60>.
- E. Ratify approval of Change Order No. 4 to the Service Agreement between the District and Premier Earthworks – Filing 4B and 4C Utilities, Paving, and Concrete – Alluvium haul, for an increase in the contract amount of \$84,828.75.
- F. Ratify approval of Change Order No. 3 to the Service Agreement between the District and Premier Earthworks – Filing 4B & 4C Utilities - Paving, and Concrete – Permit Reimbursement, for an increase in the contract amount of \$600.00.
- G. Ratify approval of Change Order No. 16 to the Service Agreement between the District and Scott Contracting, - Filing 2 Concrete - Muck Excavation and Road base Placement - to reconcile and close out contract, for an increase in the contract amount of \$86,339.20.
- H. Ratify approval of Change Order No. 17 to the Service Agreement between the District and Scott Contracting, - Filing 2 Concrete – Final Quantities, for a decrease in the contract amount of <\$654,909.48>.
- I. Ratify approval of Change Order No. 5 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 4B and 4C Landscape – Winter Water and Clean up Debris, for an increase in the contract amount of \$5,806.00.
- J. Ratify approval of Change Order No. 6 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 4B and 4C Landscape – Drainage in F4 Park, for an increase in the contract amount of \$6,771.00.
- K. Ratify approval of Change Order No. 35 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control March, for an increase in the contract amount of \$16,627.50.

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Appointment of Secretary:

Following discussion, upon motion duly made by Director Mulvany, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board appointed Denise Hogenes as Secretary to the Board.

LEGAL MATTERS Discussion regarding Group Home located within Vauxmont Metropolitan District.

Director Veldhuizen read aloud a statement from the City of Arvada relating to the City's position relative to the Group Home.

PUBLIC COMMENT

Director Daly opened the meeting to Public Comment. The Board received comments from several of the members of the public who were present. Public comments were provided by the following individuals: Charles Riley, Jamie Watman, Barbie Elsasser, Don Schartz, Rose Nell, David Lucas, Sarah Mann, Amanda Rider, Anna Smith, Ryan Esch and Jim Ratcliff. 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:

Ms. Hogenes provided a brief report, noting that the transition of maintenance responsibilities to EDI is almost complete.

CAPITAL IMPROVEMENTS

Status of Candelas Project:

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

Change Order No.5 to the Premier Earthworks contract for \$37,644.08:

The Board discussed Change Order No. 5 to the Service Agreement between the District and Premier Earthworks – Filing 4B and 4C Utilities, Paving, and Concrete – Miscellaneous CORs for an increase in the contract amount of \$37,644.08.

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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 April 2018,” which summarizes IDES’ review and verification of the expenditures of the District for April 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 \$1,761,234.91 of District Eligible Expenses and \$44,575.71 of Non-Eligible Expenses.

Following discussion, upon motion duly made by Director Daly, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board determined to accept the District Eligible Expenses in the amount of \$1,761,234.91 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 \$44,575.71, 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 April 2018,” which details the March 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 April 2018 Acquisition/Reimbursement Report identified \$136,719.51 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 Director Daly seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board determined to accept the costs identified in the April 2018 Acquisition/Reimbursement Report, which amount will be reimbursable under the Series 2015E Note.

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FINANCIAL MATTERS

Claims:

Mr. Wieser reviewed with the Board the claims for the period ending April 25, 2018 totaling \$1,805,811.46.

Following discussion, upon motion duly made by Director Mulvany, seconded by Director Vaughn and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending April 25, 2018 in the amount of \$1,805,811.46.

Unaudited Financial Statements For the Period March 31, 2018:

Mr. Wieser reviewed the unaudited financial statements for the period ending March 31, 2018 with the Board.

Following discussion, upon motion duly made by Director Mulvany, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending March 31, 2018 as presented.

LEGAL MATTERS CONTINUED...

Status of Collection of Jefferson Center Metropolitan District No 2 (JCMD No. 2) Capital Recovery Fees:

Attorney Becher reviewed the status with the Board, indicating the payment had been processed by Jefferson Center Metropolitan District No.2 and the District should be in receipt of the funds shortly.

Discuss Parks IGA with City of Arvada:

It was noted that Directors Veldhuizen and Daly and Ms. Suchomel will continue to work with the City on the division of rights and obligations relative to the parks, park fees, and programming.

OPERATIONAL MATTERS

Management Report:

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

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Management Report: Ms. Hogenes provided a Management Report to the Board.

Lifeguard and Pool Monitoring Services:

Discussion ensued regarding the pool maintenance and monitoring budget. The Board directed Ms. Hogenes to reconcile questions from the Board and update the budget accordingly.

OTHER BUSINESS None.


ADJOURNMENT

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

Respectfully submitted,

By: _____
Secretary for the Meeting

THESE MINUTES APPROVED AS THE OFFICIAL
APRIL 25, 2018 MINUTES OF THE CIMARRON
METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS
SIGNING BELOW:



Brian Daly

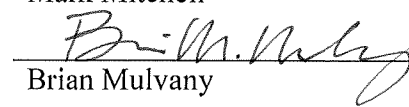


Craig Veldhuizen

Patrick Vaughn



Mark Mitchell



Brian Mulvany

