

RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
CIMARRON METROPOLITAN DISTRICT
HELD
May 23, 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 23rd day of May, 2018 at 9:03 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
Patrick Vaughn
Mark Mitchell
Brian Mulvany

Also In Attendance Were:

Denise Hogenes; CCMC

Chelsea Suchomel; CCMC

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

Brandon Collings; Independent District Engineering Services, LLC

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

David Nocera, Vauxmont Metropolitan District

Michael Hoefler; Environmental Design Inc.

Matthew Ward; Environmental Design Inc.

Dale Coffman; Environmental Design Inc.

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, 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 Vaughn, seconded by Director Mulvany and, upon vote, unanimously carried, the agenda was approved, as amended.

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Cancellation of May 8, 2018 Regular Election for Directors:

Attorney Becher informed the Board that the election was cancelled, as permitted by statute, and that Directors Mitchell and Mulvany were each deemed elected to new 4-year terms ending in May, 2022.

Consider Appointment of Officers:

Upon motion duly made by Director Vaughn, seconded by Director Daly and, upon vote, unanimously carried, the Board appointed the following officers: Mark Mitchell and Brian Mulvany.

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:

- A. Ratify approval of IDES Verification of District Expenditures for April 2018.
- B. Ratify approval of IDES Recommendations for Facilities Acquisition/Reimbursement for April 2018.
- C. Ratify approval of 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.

It was noted that the minutes of the April 25, 2018 regular meeting were not available for review.

PUBLIC COMMENT

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

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MAINTENANCE MATTERS

Landscape Report:

Environmental Design Inc. presented the landscaping report for May 2018.

Environmental Design Inc. reported on the status of routine maintenance and updated the Board on project status.

Service Agreements for Landscaping in Alley/Non- Alley Lots:

Following discussion, upon motion duly made by Director Veldhuizen, seconded by Director Vaughn and, upon vote unanimously carried, the Board authorized the termination of the existing Service Agreement for landscaping services with Environmental Design Inc., and the preparation of separate Service Agreements for Alley Lots, and for Filing Nos. 1, 2, 3 and 4A exclusive of Alley Lots.

CAPITAL IMPROVEMENTS

Status of Candelas Project:

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

Change Order No. 7 to the Service Agreement between the District and Brightview Landscape – Filing 4B and 4C Landscape:

The Board discussed Change Order No. 7 Filing 4B and 4C Landscape – Revised Mailbox Quantities per USPS - \$11,906.00.

Following discussion, upon motion duly made by Director Veldhuizen, seconded by Director Vaughn and, upon vote unanimously carried, the Board approved Change Order No. 7 Filing 4B and 4C Landscape – Revised Mailbox Quantities per USPS - \$11,906.00.

Change Order No. 36 to the Service Agreement between the District and Wyoco Erosion Control – Filing 2-4 Erosion Control:

The Board discussed Change Order No. 36 Filing 2-4 Erosion Control – April Additional EC - \$46,088.93.

Following discussion, upon motion duly made by Director Veldhuizen, seconded by Director Vaughn and, upon vote unanimously carried, the Board approved Change Order No. 7 Filing 4B and 4C Landscape – Revised Mailbox Quantities per USPS - \$11,906.00

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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 May 2018,” which summarizes IDES’ review and verification of the expenditures of the District for May 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 \$499,052.97 of District Eligible Expenses and \$91,278.12 of Non-Eligible Expenses.

Following discussion, upon motion duly made by Director Veldhuizen, seconded by Director Daly and, upon vote, unanimously carried, the Board determined to accept the District Eligible Expenses in the amount of \$499,052.97 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 \$91,278.12, 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:

It was noted that there were no expenditures eligible for reimbursement for May 2018.

**FINANCIAL
MATTERS**

Claims:

Mr. Wieser reviewed with the Board the claims for the period ending May 23, 2018 totaling \$609,362.43.

Following discussion, upon motion duly made by Director Vaughn, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending May 23, 2018 in the amount of \$609,362.43.

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Unaudited Financial Statements For the Period April 30, 2018:

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

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

LEGAL MATTERS **EXECUTIVE SESSION:**

The Board advised those present it would need to convene in Executive Session to receive legal advice on specific legal questions regarding the Group Home.

Pursuant to Section 24-6-402(4), C.R.S., upon motion duly made by Director Daly, seconded by Director Vaughn, and upon an affirmative vote of at least two-thirds of the quorum present, the Board convened in Executive Session for the purpose of receiving from the Board's attorney legal advice on specific legal questions regarding the Group Home.

Furthermore, pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., no record will be kept of those portions of the Executive Session that, in the opinion of the Board's attorney(s), constitute privileged attorney-client communication pursuant to Section 24-6-402(4)(b), C.R.S.

The Board reconvened in public session.

Discuss Parks IGA with City of Arvada:

Director Veldhuizen provided the Board with an update from his meeting with the City of Arvada.

Discussion regarding Cell Towers:

Director Veldhuizen provided the Board with an update regarding the Cell Tower. The Board discussed hiring a consultant not to exceed \$5,000.

Following discussion, upon motion duly made by Director Mitchell, seconded by Director Veldhuizen and, upon vote, unanimously carried,

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the Board, authorized the engagement of a consultant for an amount not to exceed \$5,000.

OPERATIONAL MATTERS

Management Report:

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

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

OTHER BUSINESS

None.

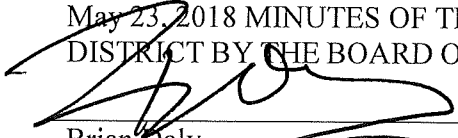
ADJOURNMENT

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

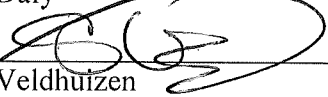
Respectfully submitted,

By: _____
Secretary for the Meeting

THESE MINUTES APPROVED AS THE OFFICIAL
May 23, 2018 MINUTES OF THE CIMARRON METROPOLITAN
DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:



Brian Daly



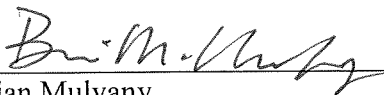
Craig Veldhuizen

Patrick Vaughn



Mark Mitchell

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Brian Mulvany
