

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE CIMARRON METROPOLITAN DISTRICT HELD November 14, 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 14th day of November, 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
Patrick Vaughn
Mark Mitchell

Also In Attendance Were:

Denise Hogenes; CCMC

Brooke Baughn; CCMC

Tori Minovich; CCMC

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

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

Dave Nocera; Vauxmont Metropolitan District (via speakerphone for a portion of the meeting)

Brandon Collins; Independent District Engineering Services, LLC
(for a portions of the meeting.)

Dale Coffman; Environmental Designs Inc. (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, 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 boundaries of 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 Motion duly made by Director Vaughn, seconded by Director Daly and, upon vote, unanimously carried, the agenda was approved, as amended.

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Resolution No. 2018-11-14, Resolution Establishing Regular Meeting Dates, Times and Location, and Designating Locations for Posting of 72-Hour and 24-Hour Notices:

Following discussion, upon motion duly made by Director Vaughn, seconded by Veldhuizen and, upon vote, unanimously carried, the Board adopted the Resolution and established regular meeting dates for 2019 on the 4th Wednesday of every other month at 9:00am at the Candelas Parkview Swim and Fitness Club, 19865 W. 94th Avenue, Arvada.

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

The Board discussed the status of the insurance renewals.

Upon motion duly made by Director Vaughn, 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. Approve minutes of January 11, 2018 Special Meeting.
- B. Approve minutes of October 24, 2018 Regular Meeting.
- C. Ratify approval of IDES Verification of District Expenditures for October 2018.
- D. Ratify approval of IDES Recommendation for Facilities Acquisition/Reimbursement for October 2018.
- E. Ratify approval of Change Order No. 9 Premier Earthworks – Filing 4B and 4C Utilities, Paving, and Concrete CO #9 – Repair Meter Pit at Eldora Ct - \$1,282.68.
- F. Ratify approval of Change Order No. 8 BrightView Landscape – Filing 4B and 4C Landscape CO #8 – Additional Neighborhood Monument - \$18,993.
- G. Ratify approval of Change Order No. 5 Split Rail Fence Company – Filing 2-4 Fencing CO #5 – Filing 4 Amendment 1 Fencing - \$278,355.00.
- H. Ratify approval of Change Order No. 41 Wyoco Erosion Control – Filing 2-4 Erosion Control CO #5 – Filing 2-4 Erosion Control - \$17,866.50.
- I. Ratify approval of Work Order No. 20 CTL/Thompson – Site Development, Filing 4, Amendment 1 - \$127,935.00.

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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 the following individuals: Dale Mier, Amanda Rieter, Laura Cavantes, Rose Pontillo, Steve Evans, Christina Krupka and Seth Greenzweig. The District Secretary then read aloud email correspondence from Eukeeb Steebkamp, Jeb Benson, Margie Shapiro, Garry Wesselink, Jacey Dobbel, Jessica Flick, Robert Darrow, Leigh Schopp, Wade Nofziger, Brian McCabe and Dale Meier. 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:

Environmental Designs Inc. presented the landscaping report for November 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. 10 Premier Earthworks – Filing 4B and 4C Utilities, Paving, and Concrete– Permit Reimbursement & Tripoint Overlot Grading- \$5,070.82:

The Board discussed Change Order No. 10 Premier Earthworks – Filing 4B and 4C Utilities, Paving, and Concrete– Permit Reimbursement & Tripoint Overlot Grading- \$5,070.82

Following discussion, upon motion duly made by Director Vaughn, seconded by Director Mulvany and, upon vote unanimously carried, the Board approved Change Order No. 10 Premier Earthworks – Filing 4B and 4C Utilities, Paving, and Concrete– Permit Reimbursement & Tripoint Overlot Grading- \$5,070.82

Change Order No. 9 BrightView Landscape – Filing 4B and 4C Landscape– Extra Work Tickets & Permit Fees - \$20,092.76:

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Following discussion, upon motion duly made by Director Vaughn, seconded by Director Mulvany and, upon vote unanimously carried, the Board approved Change Order No. 9 BrightView Landscape – Filing 4B and 4C Landscape– Extra Work Tickets & Permit Fees - \$20,092.76.

Change Order No. 42 Wyoco Erosion Control – Filing 2-4 Erosion Control– October EC - \$12,956.20:

The Board discussed Change Order No. 42 Wyoco Erosion Control – Filing 2-4 Erosion Control– October EC - \$12,956.20.

Following discussion, upon motion duly made by Director Vaughn, seconded by Director Mulvany and, upon vote unanimously carried, the Board approved Change Order No. 42 Wyoco Erosion Control – Filing 2-4 Erosion Control– October EC - \$12,956.20.

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 November 2018,” which summarizes IDES’ review and verification of the expenditures of the District for November 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 \$606,240.16 of District Eligible Expenses and \$6,774.54 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 \$606,240.16 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 \$6,774.54, based upon the recommendation of IDES.

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FINANCIAL MATTERS

Claims:

Mr. Wieser reviewed with the Board the claims for the period ending November 14, 2018 totaling \$72,812.24.

Following discussion, upon motion duly made by Director Veldhuizen, seconded by Director Vaughn and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending November 14, 2018 in the amount of \$72,812.24.

Unaudited Financial Statements For the Period Ending October 31, 2018:

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

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

Public Hearing to Amend 2018 Budget:

The Board determined to defer a hearing on any 2018 budget amendments until after January 1, 2019.

Public Hearing on the proposed 2019 Budget:

Director Daly opened the public hearing to consider adoption of the 2019 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption 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 prior to the public hearing. No public comments were received and the public hearing was closed.

Mr. Wieser reviewed the proposed 2019 Budget with the Board. Following discussion, upon motion duly by Director Vaughn, seconded by Director Daly and, upon vote, unanimously carried, the Board adopted Resolution No. 2018-11-02 to Adopt the 2019 Budget and Appropriate Sums of Money. District Counsel was directed to file the certified budget proceedings with the Division of Local Government by January 30, 2019.

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DLG-70 Certification of Tax Levies:

Following discussion, upon motion duly made by Director Veldhuizen, seconded by Director Mulvany and, upon vote, unanimously carried, the Board authorized the District accountant to prepare and sign the DLG-70 Certification of Tax Levies form for certification to the Board of County Commissioners and other interested parties.

Engagement of Fiscal Focus Partners LLC to prepare 2018 Audit for an amount not to exceed \$6700:

Following discussion, upon motion duly made by Director Vaughn, seconded by Director Daly and, upon vote, unanimously carried, the Board approved the engagement of Fiscal Focus Partners LLC to prepare 2018 Audit for an amount not to exceed \$6500.

Term Sheet from BBVA Compass:

The Board reviewed the Term Sheet from BBVA Compass for a 364 day \$500,000 Revolving Line of Credit.

Following discussion, upon motion duly made by Director Vaughn, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board approved the proposed Term Sheet, subject to final review and approval of District Counsel.

LEGAL MATTERS

Cellular Tower Lease Agreement:

Director Veldhuizen provided an update on negotiations.

Requirements of Section 32-1-809, C.R.S:

Following discussion, upon motion duly made by Director Veldhuizen, seconded by Director Mulvany and, upon vote, unanimously carried, the Board directed the posting of the District Transparency Notice on the Special District Association website and the District Website.

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**OPERATIONAL
MATTERS**

Management Report:

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

- A. The Board held discussion relating to tree replacement, covenant violations, and fence painting. The Board directed Ms. Baughn to prepare a tree replacement plan and informational distribution for interested residents.

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

Homeowner request to launch a fundraiser to buy a piano for the Parkview Club location:

Following discussion, upon motion duly made by Director Veldhuizen, seconded by Director Mulvany and, upon vote, unanimously carried, the Board approved the Homeowner request to launch a fundraiser to buy a piano for the Parkview Club location.

Proposal for Spring Seasonal Flowers from Environmental Designs Inc. at the cost of \$16,807.46:

Following discussion, upon motion duly made by Director Vaughn, seconded by Director Mulvany and, upon vote, unanimously carried, the Board approved the Proposal for Spring Seasonal Flowers from Environmental Designs Inc. at the cost of \$16,807.46, and authorized the preparation and execution of a Change Order.

Proposal to furnish and install 2 dedicated outlets for the Townview Fitness Treadmills from Tower Electric, Inc. at the cost of \$1,453.00, and authorize preparation of Service Agreement:

The Board deferred action on this item until the lease agreements for existing equipment are reviewed.

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

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Director Daly and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

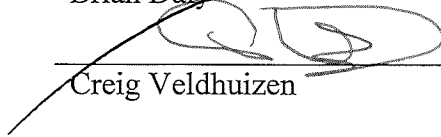
By


Secretary for the Meeting

THESE MINUTES APPROVED AS THE OFFICIAL
NOVEMBER 14, 2018 MINUTES OF THE CIMMARON
METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS
SIGNING BELOW:

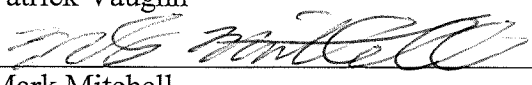


Brian Daly

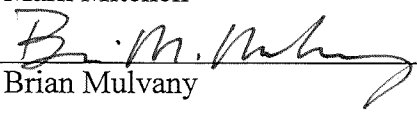


Creig Veldhuizen

Patrick Vaughn



Mark Mitchell



Brian Mulvany