

**RECORD OF PROCEEDINGS**

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**MINUTES OF A SPECIAL MEETING OF  
THE BOARD OF DIRECTORS OF THE  
CIMARRON METROPOLITAN DISTRICT  
HELD  
AUGUST 30, 2017**

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 30th day of August, 2017 at 9:00 A.M., at the Candelas Parkview Swim & Fitness Club, Arvada, Colorado, 80007. The meeting was open to the public.

**ATTENDANCE**

**Directors In Attendance Were:**

Brian Daly  
Creig Veldhuizen  
Patrick Vaughn  
Mark Mitchell (for a portion of the meeting)  
Brian Mulvany

**Also In Attendance Were:**

Denise Hogenes; CCMC  
  
Lisa Watts; CCMC  
  
Chelsea Suchomel; CCMC  
  
Sarah McGrath, Esq.; McGeady Becher P.C.  
  
David Nocera, Vauxmont Metropolitan District  
  
Ross Wieser; District Accountant, LLC (via speakerphone for a portion of the meeting)  
  
Brandon Collins; Independent District Engineering Services, LLC (for a portion of the meeting)  
  
Mike Smyth; BrightView Landscape Services, Inc. (for a portion of the meeting)  
  
Various members of the public, as listed on Attachment A

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## RECORD OF PROCEEDINGS

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

### CONSENT AGENDA

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

## RECORD OF PROCEEDINGS

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### CONSENT AGENDA (continued)

- A. Approve minutes of April 26, 2017 Regular Meeting
- B. Approve minutes of May 24, 2017 Regular Meeting, as amended
- C. Approve minutes of June 28, 2017 Special Meeting
- D. Ratify IDES Verification of District Expenditures for July 2017.
- E. Ratify IDES Recommendations for Facilities Acquisition/Reimbursement for July 2017.
- F. Ratify Change Order No. 15 to the Contract Agreement between the District and Advanced Concrete – Filing 1 Phases B-G – Final Quantities, for a decrease in the contract amount of \$150,374.71.
- G. Ratify Change Order No. 39 to the Contract Agreement between the District and Premier Earthworks, Inc. for Filing 2 Utilities – Punchlist Work, F4 Park Concrete Trail for an increase in the contract amount of \$110,833.89

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### PUBLIC COMMENT

Director Daly introduced the Board and staff to the public, and the Board received comments from several of the members of the public who were present. Public comments were provided by the following individuals: Ron Selstad, Fay Lewis, Monique Gilstrap, Debbie Schartz and Beth Biggins. 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:

Mr. Smyth, Brightview Landscape, presented the landscaping report for August 2017.

Mr. Smyth reported on the status of routine maintenance and updated the Board on project status.

#### Change Order No. 13 to the Service Agreement for Landscape Maintenance between the District and Brightview Landscape Services, Inc. for alley lot tree and material replacement:

The Board discussed Change Order No. 13 to the Service Agreement for Landscape Maintenance between the District and Brightview Landscape Services, Inc., for alley lot tree and material replacement, for an increase in the contract amount of \$70,663.97.

The Board deferred action.

RECORD OF PROCEEDINGS

**MAINTENANCE  
MATTERS  
(continued)**

**Change Order No. 15 to the Service Agreement for Landscape Maintenance between the District and Brightview Landscape Services, Inc. for Cimarron Park and Townview Swim and Fitness Center tree replacements:**

The Board discussed Change Order No. 15 to the Service Agreement for Landscape Maintenance between the District and Brightview Landscape Services, Inc. for Cimarron Park and Townview Swim and Fitness Center tree replacements for an increase in the contract amount of \$20,843.15.

Following extensive discussion, upon motion duly made by Director Vaughn, seconded by Director Daly and, upon vote, unanimously carried, the Board approved Change Order No. 15 to the Service Agreement for Landscape Maintenance between the District and Brightview Landscape Services Inc. for Cimarron Park and Townview Swim and Fitness Center tree replacements with a revised scope of work, for an increase in the contract amount not to exceed \$10,000.00.

**Change Order No. 16 to the Service Agreement for Landscape Maintenance between the District and Brightview Landscape Services, Inc. for grass replacements at the Noble Way entrance:**

The Board discussed Change Order No. 16 to the Service Agreement for Landscape Maintenance between the District and Brightview Landscape Services, Inc., for grass replacements at the Noble Way entrance for an increase in the contract amount of \$10,491.95.

Following discussion, upon motion duly made by Director Vaughn, seconded by Director Daly and, upon vote, unanimously carried, the Board approved Change Order No. 16 to the Service Agreement for Landscape Maintenance between the District and Brightview Landscape Services Inc., for grass replacements at the Noble Way entrance, for an increase in the contract amount of \$10,491.95.

**Change Order No. 17 to the Service Agreement for Landscape Maintenance between the District and Brightview Landscape Services, Inc. for tree replacements on W. 95<sup>th</sup> Avenue from Joyce Way to Kilmer:**

The Board discussed Change Order No. 17 to the Service Agreement for Landscape Maintenance between the District and Brightview Landscape Services, Inc. for tree replacements on W. 95<sup>th</sup> Avenue from Joyce Way to Kilmer, for an increase in the contract amount of \$47,023.96.

The Board deferred action.

**RECORD OF PROCEEDINGS**

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**MAINTENANCE  
MATTERS  
(continued)**

**Change Order No. 18 to the Service Agreement for Landscape Maintenance between the District and Brightview Landscape Services, Inc. for alley lot drainage repairs:**

The Board discussed Change Order No. 18 to the Service Agreement for District Landscape Maintenance between the District and Brightview Landscape Services, Inc. for alley lot drainage repairs.

The Board deferred action.

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**CAPITAL  
IMPROVEMENTS**

**Status of Candelas Project:**

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

**Change Order No. 27 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control – July:**

The Board discussed Change Order No. 27 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control – July.

Following discussion, upon motion duly made by Director Daly, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board approved Change Order No. 27 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control – July, for an increase in the contract amount of \$11,706.00.

**Change Order No. 19 to the Contract Agreement between the District and Brightview Landscape Services, Inc. - Filing 2 and 4A Landscape – F4 Concrete Flatwork:**

The Board discussed Change Order No. 19 to the Contract Agreement between the District and Brightview Landscape Services, Inc. – Filing 2 and 4A Landscape – F4 Concrete Flatwork.

Following discussion, upon motion duly made by Director Daly, seconded by Director Veldhuizen and, upon vote unanimously carried, the Board approved Change Order No. 19 to the Contract Agreement between the District and Brightview Landscape Services, Inc. – Filing 2 and 4A Landscaping – F4 Concrete Flatwork for an increase in the contract amount of \$17,243.00.

**RECORD OF PROCEEDINGS**

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**CAPITAL  
IMPROVEMENTS  
(continued)**

**Change Order No. 40 to the Contract Agreement between the District and Premier Earthworks – Filing 2 Utilities – F4B Sanitary Sewer and stockpiled materials, F4A Park Trench Drain:**

The Board discussed Change Order No. 40 to the Contract Agreement between the District and Premier Earthworks – Filing 2 Utilities – F4B Sanitary Sewer and stockpiled materials, F4A Park Trench Drain.

Following discussion; upon motion duly made by Director Daly, seconded by Director Veldhuizen and, upon vote unanimously carried, the Board approved Change Order No. 40 to the Contract Agreement between the District and Premier Earthworks – Filing 2 Utilities – F4B Sanitary Sewer and stockpiled materials, F4A Park Trench Drain for an increase in the contract amount of \$106,632.45.

**FINANCIAL  
MATTERS**

**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 August 2017,” which summarizes IDES’ review and verification of the expenditures of the District for August 2017 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 \$462,258.96 of District Eligible Expenses and \$5,922.50 of Non-Eligible Expenses.

Following discussion, upon motion duly made by Director Daly, seconded by Director Vaughn and, upon vote, unanimously carried, the Board determined to accept the District Eligible Expenses in the amount of \$462,258.96 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 \$5,922.50, based upon the recommendation of IDES.

**RECORD OF PROCEEDINGS**

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**FINANCIAL  
MATTERS  
(continued)**

**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 June 2017," which details the August 2017 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 August 2017 Acquisition/Reimbursement Report identified a reduction of \$651,817.31 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 Vaughn and, upon vote, unanimously carried, the Board determined to accept the reduction in costs identified in the August 2017 Acquisition/Reimbursement Report, which amount will be reimbursable under the Series 2015E Note.

**Claims:**

Mr. Wieser reviewed with the Board the claims for the period ending August 30, 2017 totaling \$547,562.17.

Following discussion, upon motion duly made by Director Vaughn, seconded by Director Daly and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending August 30, 2017 in the amount of \$547,562.17.

**Unaudited Financial Statements For the Period Ending July 31, 2017:**

Mr. Wieser reviewed the unaudited financial statements for the period ending July 31, 2017 with the Board.

Following discussion, upon motion duly made by Director Vaughn, seconded by Director Daly and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending July 31, 2017, as presented.

**OPERATIONAL  
MATTERS**

**Management Report:**

*Lifestyle Report:* Ms. Suchomel provided the lifestyle report to the Board.

RECORD OF PROCEEDINGS

Management Report: Ms. Watts provided a report on operations and maintenance matters for the District.

**LEGAL MATTERS** **Easement to City of Arvada**

Following discussion, upon motion duly made by Director Mitchell, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board approved granting an easement to the City of Arvada to install a light pole at Highway 72 and Culebra, subject to review by counsel. Director Daly and District Counsel were authorized to negotiate the easement.


**OTHER BUSINESS**

Director Veldhuizen discussed the potential refunding of the District's debt, with a proposed issuance in late October, 2017.

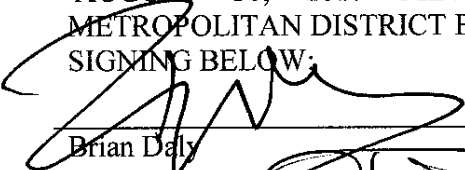
**ADJOURNMENT**

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

Respectfully submitted,

By:   
Secretary for the Meeting

THESE MINUTES APPROVED AS THE OFFICIAL AUGUST 30, 2017 MINUTES OF THE CIMARRON METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

  
Brian Daly

  
Creig Veldhuizen

  
Patrick Vaughn

  
Mark Mitchell

  
Brian Mulvany



**RECORD OF PROCEEDINGS**

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