

## RECORD OF PROCEEDINGS

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### MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE CIMARRON METROPOLITAN DISTRICT HELD JULY 26, 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 26th day of July, 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  
Brian Mulvany

##### Also In Attendance Were:

Denise Hogenes; CCMC

Lisa Watts; CCMC

Chelsea Suchomel; CCMC

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

David Nocera, Vauxmont Metropolitan District

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

Guy Ford; Independent District Engineering Services, LLC (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)

Mark Stover; Vauxmont MD resident

Various members of the public, as listed on Attachment A

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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 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 Mulvany, seconded by Director Mitchell and, upon vote, unanimously carried,

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### CONSENT AGENDA (continued)

approved or ratified approval of (as appropriate), the Consent Agenda items, as follows:

- A. Ratify IDES Verification of District Expenditures for June 2017.
- B. Ratify IDES Recommendations for Facilities Acquisition/Reimbursement for June 2017.
- C. Ratify Change Order No. 25 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control – May for an increase in the contract amount of \$24,156.50.
- D. Ratify Change Order No. 26 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control – June for an increase in the contract amount of \$16,443.00.
- E. Ratify Change Order No. 18 to the Contract Agreement between the District and Brightview Landscape – Filing 2 and 4A Landscaping - F4 Park Imported, Amended Topsoil for an increase in the contract amount of \$73,784.64.
- F. Ratify Change Order No. 38 to the Contract Agreement between the District and Premier Earthworks, Inc. for Filing 2 Utilities – Miscellaneous punchlist work for F1, F2, and F4 for an increase in the contract amount of \$17,478.48.
- G. Ratify Change Order No. 3 to the Contract Agreement between the District and Split Rail Fence Company – Fencing Filing 2 and 4A for fence maintenance and dog park fence for an increase in the contract amount of \$15,047.60.
- H. Ratify Change Order No. 11 to the Service Agreement for Landscape Maintenance between the District and Brightview Landscape Services, Inc. – for replacement of winter kill sod in Sara George Park for an increase in the contract amount of \$9,509.92. (enclosure).
- I. Ratify Change Order No. 12 to the Service Agreement for Landscape Maintenance between the District and Brightview Landscape Services, Inc. – for replacement of winter kill sod in Maverick Mesa Park for an increase in the contract amount of \$6,349.77.

### PUBLIC COMMENT

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Director Daly introduced the Board and staff to the public, and the Board received comments from several of the members of the public

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### PUBLIC COMMENTS (continued)

who were present. Public comments were provided by the following individuals: Sheuwl Hladik, Mark Stover and Fay Lewis. 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 July 2017.

Mr. Smyth reported on the status of routine maintenance and updated the Board on project status. Dead removal and pruning continues. Mowing and beauty bands on trails will be complete the 1st week. The irrigation system subscription has been renewed, with system testing in progress. Individual alley lot drip systems that were connected to the District lines have been separated. Back flow testing is complete.

#### 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.

The Board deferred action and requested re-submittal of the proposal.

#### Change Order No. 14 to the Service Agreement for District Landscape Maintenance between the District and Brightview Landscape Services, Inc. for alley lot mulch replacement:

The Board discussed Change Order No. 14 to the Service Agreement for Landscape Maintenance between the District and Brightview Landscape Services, Inc. for alley lot mulch replacement.

Following discussion, upon motion duly made by Director Vaughn, seconded by Director Daly and, upon vote, unanimously carried, approved Change Order No. 14 to the Service Agreement for Landscape Maintenance between the District and Brightview Landscape Services Inc., as presented, for an increase in the contract amount of \$6,092.01.

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### CAPITAL IMPROVEMENTS

#### Status of Candelas Project:

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

#### Change Order No. 15 to the Contract Agreement between the District and Advanced Concrete – Filing 1 Phases B-G – Final Quantities, contract closeout:

The Board discussed Change Order No. 15 to the Contract Agreement between the District and Advanced Concrete – Filing 1 Phases B-G – Final Quantities, contract closeout.

Following 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 Contract Agreement between the District and Advanced Concrete – Filing 1 Phases B-G – Final Quantities, contract closeout, for a decrease in the contract amount of \$150,374.71.

#### Change Order No. 39 to the Contract Agreement between the District and Premier Earthworks – Filing 2 Utilities – Punchlist Work, F4 Park Concrete Trail:

The Board discussed Change Order No. 39 to the Contract Agreement between the District and Premier Earthworks – Filing 2 Utilities – Punchlist Work, F4 Park Concrete Trail.

Following discussion, upon motion duly made by Director Vaughn, seconded by Director Daly and, upon vote unanimously carried, the Board approved Change Order No. to the Contract Agreement between the District and Premier Earthworks – Filing 2 Utilities – Punchlist Work, F4 Park Concrete Trail, for an increase in the contract amount of \$110,833.89.

### 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 July 2017,” which summarizes IDES’ review and verification of the expenditures of the District for July 2017 related to certain District construction contracts, some of which included expenditures not eligible for payment by the District and so were paid

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### FINANCIAL MATTERS (continued)

directly by ARP pursuant to agreements between ARP and the District (“Verification Report”). The Verification Report identified \$650,351.61 of District Eligible Expenses and \$5,303.00 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 \$650,351.61 which will be credited to the Series 2015 E 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 \$5,303.00, 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 July 2017,” which details the July 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 July 2017 Acquisition/Reimbursement Report identified \$652,287.31 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 costs identified in the July 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 July 26, 2017 totaling \$675,788.19.

Following discussion, upon motion duly made by Director Daly, seconded by Director Vaughn and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending July 26, 2017 in the amount of \$675,788.19.

#### Unaudited Financial Statements For the Period Ending June 30, 2017:

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### FINANCIAL MATTERS (continued)

Mr. Wieser reviewed the unaudited financial statements for the period ending June 30, 2017 with the Board.

Following discussion, upon motion duly made by Director Vaughn, seconded by Director Mulvany and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending June 30, 2017, as presented.

### OPERATIONAL MATTERS

#### Management Report:

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

Management Report: Ms. Watts provided the Manager Report. She noted that the pools are up and running, but that there are still some long term mechanical/electrical issues. She further noted that 4 pool monitors have been hired and cover the pools 6-7 days per week. Ms. Watts discussed the need for a laptop computer for Ms. Suchomel.

Following discussion, upon motion duly made by Director Mitchell, seconded by Director Daly, and upon vote unanimously carried, the Board approved the purchase of a laptop computer in the approximate amount of \$1,400.00.

### LEGAL MATTERS

#### Change Order No. 4 to the Service Agreement for District Management Services between Cimarron Metropolitan District, Vauxmont Metropolitan District, and Capital Consultants Management Corporation (for staffing front desk/marketing position)

The Board discussed the establishment of a front desk/marketing position, and the related change order to the Service Agreement for District Management Services.

Following discussion, upon motion duly made by Director Mitchell, seconded by Director Daly and upon vote, unanimously carried, the Board approved Change Order No. 4 to the Service Agreement for District Management Services by and between Cimarron Metropolitan District, Vauxmont Metropolitan District, and Capital Consultants Management Corporation (for staffing front desk/marketing position), subject to review by Director Veldhuizen.

#### Resolution No. 2017-07-01 regarding insurance coverage, Intergovernmental Agreement for the Colorado Special Districts Property and Liability Pool between the District and the Pool:

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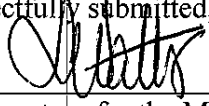
The Board discussed Resolution No. 2017-07-01 and the Intergovernmental Agreement with the Colorado Special Districts Property and Liability Pool.

Following discussion, upon motion duly made by Director Mitchell, seconded by Director Daly and upon vote, unanimously carried, the Board adopted Resolution No. 2017-07-01 and approved the Intergovernmental Agreement with the Colorado Special Districts Property and Liability Pool.

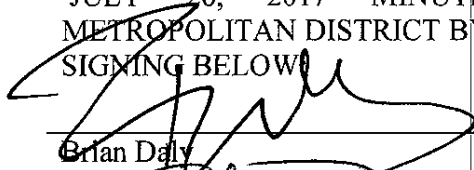
**OTHER BUSINESS** None.

**ADJOURNMENT** There being no further business to come before the Board at this time, upon motion duly made by Director Vaughn, 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  
JULY 26, 2017 MINUTES OF THE CIMARRON  
METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS  
SIGNING BELOW

  
\_\_\_\_\_  
Brian Daly

  
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Creig Veldhuizen

  
\_\_\_\_\_  
Patrick Vaughn

  
\_\_\_\_\_  
Mark Mitchell

  
\_\_\_\_\_  
Brian Mulvany



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