

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE CIMARRON METROPOLITAN DISTRICT HELD JUNE 28, 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 28th day of June, 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

Suzi Cameron; CCMC

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

Sarah McGrath, Esq.; McGeady Becher P.C.

David Nocera, Vauxmont Metropolitan District

Ross Wieser; GF Properties Group, 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)

RECORD OF PROCEEDINGS

ATTENDANCE (continued)

Will Pereira; BrightView Landscape Services, Inc. (for a portion of the meeting)

Eric Keesen; BrightView Landscape Services, Inc. (for a portion of the meeting)

Various members of the public, as listed on Attachment A

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 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

RECORD OF PROCEEDINGS

**ADMINISTRATIVE
MATTERS
(continued)**

motion duly made by Director Vaughn, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Agenda was approved.

**CONSENT
AGENDA**

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

- A. Ratify IDES Verification of District Expenditures for May 2017
 - B. Ratify IDES Recommendations for Facilities Acquisition/Reimbursement for May 2017
 - C. Ratify Change Order No. 24 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control – April for an increase in the contract amount of \$7,936.50
 - D. Ratify Change Order No. 17 to the Contract Agreement between the District and Brightview Landscape – Filing 2 and 4 Landscaping - Filing 2 Dog Park and Garden Work for an increase in the contract amount of \$15,571.91.
 - E. Ratify Change Order No. 37 to the Contract Agreement between the District and Premier Earthworks, Inc. for Permit reimbursement – Filing 4A, for an increase in the contract amount of \$8,060.00
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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: Nancy Varney, John Crabtree, Don Sober, Caroline Thomas, Pam Johnson, Debbie Schwartz, Lara Cervantes, Pat Burke, Laura Carpenter, Anna Smith, Jason Hayes, Leigh Schopp, Kiko Jeantette, Michelle Killeen, José Zoll, Marc Wills, Sheila O’Neil-Malone, Kimberly Myers, Nikki Castillo, Jeff Kellogg, Cody Freise, (in writing). After comments were provided Director Daly indicated the Board would produce a summary of responses to the various questions posed during public comment.

RECORD OF PROCEEDINGS

MAINTENANCE MATTERS

Landscape Report:

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

Mr. Smyth reported on the status of routine maintenance and Updated the Board on project status. Dead tree removal, tree and material trim continue. Second round of fertilization and broadleaf weed spray are complete. Parks received a nitrogen boost. Mainline repairs are complete. A new irrigation site technician has been hired. Alley lot owner drip systems have been separated from the District system. Pond aerator pumps have been replaced. Enhancements have been installed. Tree replacements have been installed.

Landscaping Maintenance Issues

The Board discussed the status of landscape maintenance and determined it would be appropriate to put out a Request for Proposals for 2018 landscape services, given the multitude of continuous concerns raised. The Board directed Me. Hogenes and Ms. Watts to work with Director Daly.

Status of community garden and Use Agreement between the District and Denver Urban Gardens:

The Board discussed the status of the community garden and of the Use Agreement with Denver Urban Gardens. No Board action was taken.

Status of Candelas Project:

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

CAPITAL IMPROVEMENTS

Change Order No. 25 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control – May:

The Board discussed Change Order No. 25 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control – May.

Following discussion; upon motion duly made by Director Daly, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board approved 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.

RECORD OF PROCEEDINGS

CAPITAL IMPROVEMENTS (continued)

Change Order No. 26 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control – June:

The Board discussed Change Order No. 26 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control – June.

Following discussion; upon motion duly made by Director Daly, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board approved 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 \$16,446.00.

Change Order No. 18 to the Service Agreement between the District and Brightview Landscape - Filing 2 and 4A Landscaping – F4 Park Imported, Amended Topsoil:

The Board discussed Change Order No. 18 to the Service Agreement between the District and Brightview Landscape – Filing 2 and 4A Landscaping – F4 Park Imported, Amended Topsoil.

Following discussion; upon motion duly made by Director Daly, seconded by Director Veldhuizen and, upon vote unanimously carried, the Board approved Change Order No. 18 to the Service 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.

Change Order No. 38 to the Contract Agreement between the District and Premier Earthworks – Filing 2 Utilities – Miscellaneous Punchlist work for F1, F2, and F4:

The Board discussed Change Order No. 38 to the Contract Agreement between the District and Premier Earthworks – Filing 2 Utilities – Miscellaneous Punchlist work for F1, F2, and F4.

Following discussion; upon motion duly made by Director Daly, seconded by Director Veldhuizen and, upon vote unanimously carried, the Board approved Change Order No. 38 to the Contract Agreement between the District and Premier Earthworks – Filing 2 Utilities – Miscellaneous Punchlist work for F1, F2, and F4 for an increase in the contract amount of \$17,478.48.

RECORD OF PROCEEDINGS

CAPITAL IMPROVEMENTS (continued)

Change Order No. 3 to the Contract Agreement between the District and Split Rail Fence Company – Fencing Filing 1 and 4A – F1 fence maintenance and dog park fence:

The Board discussed Change Order No. 3 to the Contract Agreement between the District and Split Rail Fence Company – Fencing Filing 1 and 4A – F1 fence maintenance and dog park fence.

Following discussion; upon motion duly made by Director Daly, seconded by Director Veldhuizen and, upon vote unanimously carried, the Board approved Change Order No. 3 to the Contract Agreement between the District and Split Rail Fence Company for an increase in the contract amount of \$15,047.60.

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 June 2017,” which summarizes IDES’ review and verification of the expenditures of the District for June 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 \$308,023.33 of District Eligible Expenses and \$3,722.50 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 \$308,023.33 which will be reimbursed from the District’s 2015 Series E Note, 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 \$3,722.50, 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:

RECORD OF PROCEEDINGS

**FINANCIAL
MATTERS
(continued)**

The Board then reviewed IDES' report, entitled "Recommendation for Facilities Acquisition/Reimbursement for June 2017," which details the June 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 June 2017 Acquisition/Reimbursement Report identified \$175,737.93 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 June 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 June 28, 2017 totaling \$313,262.60.

Following discussion, upon motion duly made by Director Daly, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending June, 2017 in the amount of \$313,262.60.

Unaudited Financial Statements For the Period Ending May 31, 2017:

Mr. Wieser reviewed the unaudited financial statements for the period ending May 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 May 31, 2017, as presented.

**OPERATIONAL
MATTERS**

Management Report:

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

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

RECORD OF PROCEEDINGS

LEGAL MATTERS **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:**

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, the Board directed Ms. Watts to work with Director Veldhuizen to determine the scope of the position.

Recreation Center Operations:

Following extensive discussion, upon motion duly made by Director Veldhuizen, seconded by Director Mulvany and, upon vote unanimously carried, the Board extended the pool hours to 9:00 p.m.

Covenant Enforcement Issues:

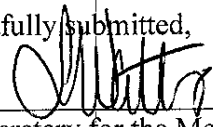
Ms. Watts reviewed the policy of recreational vehicles and the time frame for loading and unloading. Following discussion, upon motion duly made by Director Daly, seconded by Director Veldhuizen and, upon vote unanimously carried, the Board set the limits of loading and unloading recreational vehicles and parking to 36 hours maximum, with parking limited to the area in front of the homeowner's lot.

OTHER BUSINESS Director Vaughn informed the Board that he would be unable to attend the August 23, 2017 meeting. Following discussion, upon motion duly made by Director Daly, seconded by Director Veldhuizen and upon vote unanimously carried, the Board approved moving the August 2017 Board meeting to Wednesday, August 30, 2017.

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

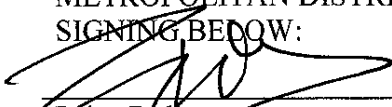
Respectfully submitted,

By: _____

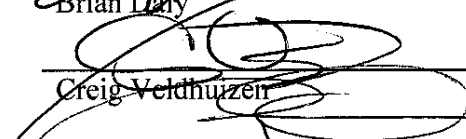

Secretary for the Meeting

RECORD OF PROCEEDINGS

THESE MINUTES APPROVED AS THE OFFICIAL
JUNE 28, 2017 MINUTES OF THE CIMARRON
METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS
SIGNING BELOW:

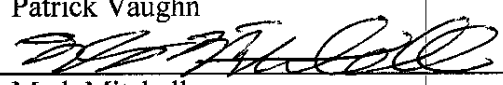


Brian Daly

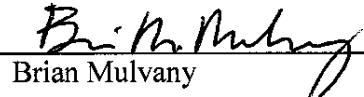


Craig Veldhuizen

Patrick Vaughn



Mark Mitchell



Brian Mulvany