

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CIMARRON METROPOLITAN DISTRICT HELD April 26, 2017

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 26th day of April, 2017 at 9:00 A.M., at the offices of GF Real Estate Group, 7337 W. Alaska Drive, #200, Lakewood, Colorado. 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 (for a portion of the meeting)

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

David Nocera, Vauxmont Metropolitan District

Ross Wieser; GF Properties Group, 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)

Faye Lewis; Candelas Homeowner (for a portion of the meeting)

Laura Stevens; GF Properties Group, LLC (for a portion of the meeting)

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**PUBLIC
COMMENT**

None.

**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 motion duly made by Director Daly, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Agenda was approved, as amended.

**CONSENT
AGENDA**

Following discussion, upon motion duly made by Director Daly, seconded by Director Veldhuizen 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. Approve Minutes of March 22, 2017 Regular Meeting, as corrected.
- B. Ratify IDES Verification of District Expenditures for March 2017
- C. Ratify IDES Recommendations for Facilities Acquisition/Reimbursement for March 2017
- D. Ratify Change Order No. 22 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control – February for an increase in the contract amount of \$20,479.06
- E. Ratify Change Order No. 36 to the Service Agreement between the District and Premier Earthworks – Filing 1 Repairs for Arvada Acceptance for an increase in the contract amount of \$12,728.00
- F. Ratify Work Order No. 3 to the Service Agreement between the District and Precise Striping – Signage & Striping Repairs – Signage Repairs for an increase in the contract amount of \$15,000.00.

MAINTENANCE MATTERS

Landscape Report:

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

Mr. Smyth reported on the status of routine and spring maintenance. The irrigation subscription has been renewed and the irrigation system has been tested throughout manicured turf areas. Repairs to sprinkler heads and turf are in progress. Snow removal parameters are directed on a per time basis by the District Manager. Pre-emergent applications to beds throughout the property are in progress. Repairs to crusher fine paths will be completed this month. Dead evergreen removal continues.

Change Order No. 9 to the Service Agreement for Landscape Maintenance between the District and Brightview Landscape Services, Inc., for entry enhancement bid, for an increase in the contract amount of \$5,750.02.

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MAINTENANCE MATTERS (continued)

The Board discussed the proposed Change Order. It was noted that the scope of the Change Order would need to be revised to include Hallett Street.

Following discussion, upon motion duly made by Director Daly, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board approved Change Order No. 9 to the Service Agreement between the District and Brightview Landscape Services, Inc., for entry enhancement for an increase in the contract amount up to \$8,500.00

Proposal for Repair of Above – Ground Native Irrigation in the amount of \$12,100.00

The Board deferred action.

Proposals for Tree Replacement in the amounts of \$3,525.00 and \$1,410.00

The Board reviewed the proposals and discussion ensued regarding the type and number of trees.

Following discussion, upon motion duly made by Director Daly, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board approved the proposals, as modified, for an amount not to exceed \$5,250.00.

Authorization for Weekly Repairs

The Board discussed authorizing the District Manager to approve expenditures of up to \$2,500 per week for repair work during the period of May 1 – September 15, 2017

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

CAPITAL IMPROVEMENTS

Status of Candelas Project:

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

Change Order No. 23 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control – March:

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The Board discussed Change Order No. 23 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control – March.

Following discussion; upon motion duly made by Director Daly, seconded by Director Vaughn and, upon vote, unanimously carried, the Board approved Change Order No. 23 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control – February for an increase in the contract amount of \$10,376.00

Change Order No. 16 to the Service Agreement between the District and Brightview Landscape - Filing 2 and 4 Landscaping – Filing 2 Dog Park, Filing 1 Drainage, Garden Water Meter, and Park 4 Irrigation Credit:

The Board discussed Change Order No. 16 to the Service Agreement between the District and Brightview Landscape – Filing 2 and 4 Landscaping – Filing 2 Dog Park, Filing 1 Drainage, Garden Water Meter, and Park 4 Irrigation Credit.

Following discussion; upon motion duly made by Director Veldhuizen, seconded by Director Vaughn and, upon vote unanimously carried, the Board approved Change Order No. 16 to the Service Agreement between the District and Brightview Landscape – Filing 2 and 4 Landscaping – Filing 2 Dog Park, Filing 1 Drainage, Garden Water meter, and Park 4 Irrigation Credit for an increase in the contract amount of \$48,002.57.

FINANCIAL MATTERS

Claims:

Mr. Wieser reviewed with the Board the claims for the period ending April 22, 2017 totaling \$666,186.10.

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 April 22, 2017 in the amount of \$666,186.10.

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

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

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

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FINANCIAL MATTERS (continued)

Board accepted the unaudited financial statements for the period ending March 31, 2017, as presented.

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 April 2017,” which summarizes IDES’ review and verification of the expenditures of the District for April 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 \$292,531.74 of District Eligible Expenses and \$4,833.00 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 \$292,531.74 which will be reimbursed from the District’s Limited Tax Revenue Bonds, Series 2012, 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 \$4,833.00, 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 April 2017,” which details the April 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 April 2017 Acquisition/Reimbursement Report identified \$69,955.88 in expenditures of ARP eligible for reimbursement by the District pursuant to the Facilities Funding and Acquisition Agreement between the District and ARP.

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FINANCIAL MATTERS (CONTINUED)

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 April 2017 Acquisition/Reimbursement Report, which amount will be reimbursable under the Series 2015E Note.

Accounting Services Agreements

Mr. Wieser informed the Board that he was resigning from GF Properties Group and becoming a sole proprietor. The Board discussed the need to divide the District's accounting services, enter into a new agreement with Mr. Wieser, and amend the current agreement with G.F. Following extensive discussion, upon motion duly made by Director Daly, seconded by Director Vaughn and, upon vote, unanimously carried, the Board approved the agreement with Mr. Wieser and the amended agreement with G.F. subject to final review by counsel.

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. Status updates were provided on the community garden project and the situation regarding the alley lots.

Operational Discussion:

Proposal for Lifeguard Services for 2017

Ms. Watts discussed with the Board the proposal for lifeguard services for 2017.

Following extensive discussion, upon motion duly made by Director Vaughn, seconded by Director Daly and, upon vote, unanimously carried, the Board authorized Ms. Watts to implement the lifeguard services for 2017 for an amount not to exceed \$68,000.00.

LEGAL MATTERS

Second Amended Policies and Procedures Governing the Recreation Amenities of Cimarron Metropolitan District ("Second Amended Policies"):

Resolution No. 2017-04-01, Resolution Adopting Second Amended Policies and Procedures Governing the Recreation Amenities of Cimarron Metropolitan District.

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Attorney Becher reviewed with the Board the Second Amended Policies and the Resolution adopting same.

Following extensive discussion, upon motion duly made by Director Veldhuizen seconded by Director Daly and, upon vote, unanimously carried, the Board approved the Second Amended Policies and adopted Resolution No. 2017-04-01, Resolution Adopting Second Amended Policies and Procedures Governing the Recreation Amenities of Cimarron Metropolitan District, subject to final review by counsel.

Matters Related to Property Ownership Along Northern Boundary of District Service Area.

Following discussion, the Board determined no action was necessary.

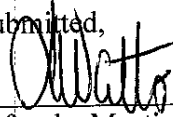
OTHER BUSINESS

None.

ADJOURNMENT

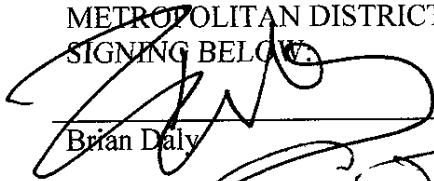
There being no further business to come before the Board at this time, upon motion duly made by Director Daly, seconded by Director Mulvany and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By: 
Secretary for the Meeting

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THESE MINUTES APPROVED AS THE OFFICIAL
APRIL 26, 2017 MINUTES OF THE CIMARRON
METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS
SIGNING BELOW.



Brian Daly



Craig Veldhuizen



Patrick Vaughn



Mark Mitchell



Brian Mulvany

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