

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CIMARRON METROPOLITAN DISTRICT HELD MAY 24, 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 24th day of May, 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 (via speakerphone)

Ross Wieser; GF Properties Group, LLC (via speakerphone for a portion of the meeting)

Brandon Collins; Independent District Engineering Services, LLC

Mike Smyth; BrightView Landscape Services, Inc. (for a portion of the meeting)

Sam Sharp; D.A. Davidson & Co (for a portion of the meeting)

Eric Barnes and Susan Opalinski; Barnes Griggs & Associates, (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 Vaughn, seconded by Director Daly and, upon vote, unanimously carried, the Agenda was approved, as amended.

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FINANCIAL MATTERS – PART ONE

Potential refunding of the District's Revenue Bonds, Series 2012:

Mr. Sharp discussed with the Board a potential refunding of the District's 2012 G.O. Bonds.

Following discussion, the Board determined it would be appropriate for Mr. Sharp to review several refunding scenarios and report back to the Board.

2016 Audit

Mr. Barnes reviewed the 2016 audit with the Board.

Following discussion, upon motion duly made by Director Vaughn, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board approved the 2016 audit subject to board member and counsel final comments, and authorized the execution of the Representations Letter.

CONSENT AGENDA

Following discussion, the Board determined to defer consideration of the following item as the minutes were not available for review:

- A. Approve Minutes of April 26, 2017 Regular Meeting

The Board then, upon motion duly made by Director Daly, seconded by Director Veldhuizen and, upon vote, unanimously carried, approved or ratified approval of (as appropriate), the remaining Consent Agenda items, as follows:

- B. Ratify IDES Verification of District Expenditures for April 2017
- C. Ratify IDES Recommendations for Facilities Acquisition/Reimbursement for April 2017
- D. Ratify Change Order No. 23 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control – March for an increase in the contract amount of \$10,376.00
- E. Ratify Change Order No. 16 to the Contract 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 decrease in the contract amount of \$48,002.57.
- F. Ratify Change Order No. 9 to the Service Agreement for Landscape Maintenance between the District and

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CONSENT AGENDA (continued)

Brightview Landscape Service, Inc. for Summer Annual Flowers, for an increase in the contract amount of \$5,750.02

MAINTENANCE MATTERS

Landscape Report:

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

Mr. Smyth reported on the status of routine and spring maintenance. Due to the snow falls and wet weather throughout May, spring start up is intermittent. Aeration has been completed.

The Board discussed the community garden. Following discussion, upon motion duly made by Director Daly, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board authorized Brightview to make modifications to the garden as discussed, for amount not to exceed \$5,000.00

Change Order No. 10 to the Service Agreement for Landscape Maintenance between the District and Brightview Landscape Services, Inc., for McIntyre Street and Hallett Street tree replacements, for an increase in the contract amount of \$10,720.02

Following discussion, upon motion duly made by Director Daly, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board approved Change Order No. 10 to the Service Agreement between the District and Brightview Landscape Services, Inc., for McIntyre Street and Hallett Street tree replacement.

CAPITAL IMPROVEMENTS

Status of Candelas Project:

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

Change Order No. 24 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control – April:

The Board discussed Change Order No. 24 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control – April.

Following discussion; upon motion duly made by Director Daly, seconded by Director Mulvany and, upon vote, unanimously carried,

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CAPITAL IMPROVEMENTS (continued)

the Board approved 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

Change Order No. 17 to the Service Agreement between the District and Brightview Landscape - Filing 2 and 4 Landscaping – Dog park and Garden Work:

The Board discussed Change Order No. 17 to the Service Agreement between the District and Brightview Landscape – Filing 2 and 4 Landscaping – Dog Park and Garden Work.

Following discussion, upon motion duly made by Director Daly, seconded by Director Mulvany and, upon vote unanimously carried, the Board approved Change Order No. 17 to the Service Agreement between the District and Brightview Landscape – Filing 2 and 4 Landscaping – Dog Park and Garden Work for an increase in the contract amount of \$15,571.91.

Change Order No. 37 to the Contract Agreement between the District and Premier Earthworks – Permit reimbursement for Filing 4A:

The Board discussed Change Order No. 37 to the Contract Agreement between the District and Premier Earthworks – Permit reimbursement for filing 4A.

Following discussion, upon motion duly made by Director Daly, seconded by Director Mulvany and, upon vote unanimously carried, the Board approved Change Order No. 37 to the Contract Agreement between the District and Premier Earthworks – Permit reimbursement for filing 4A for an increase in the contract amount of \$8,060.00.

FINANCIAL MATTERS – PART TWO

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 May 2017,” which summarizes IDES’ review and verification of the expenditures of the District for May 2017 related to certain District construction contracts, some of which included

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FINANCIAL MATTERS – PART TWO (continued)

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 \$779,616.65 of District Eligible Expenses and \$76,201.50 of Non-Eligible Expenses.

Following discussion, upon motion duly made by Director Daly, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board determined to accept the District Eligible Expenses in the amount of \$779,616.65 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 \$76,201.50, 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:

The Board then reviewed IDES’ report, entitled “Recommendation for Facilities Acquisition/Reimbursement for May 2017,” which details the May 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 May 2017 Acquisition/Reimbursement Report identified \$105,604.60 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 Veldhuizen and, upon vote, unanimously carried, the Board determined to accept the costs identified in the May 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 May 24, 2017 totaling \$855,818.15.

Following discussion, upon motion duly made by Director Vaughn, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending May 24, 2017 in the amount of \$855,818.15.

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FINANCIAL MATTERS – PART TWO (continued)

Unaudited Financial Statements For the Period Ending April 30, 2017:

Mr. Wieser reviewed the unaudited financial statements for the period ending April 30, 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 April 30, 2017, as presented.

Amended and Restated Service Agreement for Accounting Services by and between Cimarron Metropolitan District, Vauxmont Metropolitan District, and GF Properties Group, LLC:

Following discussion, upon motion duly made by Director Daly, seconded by Director Veldhuizen and, upon vote unanimously carried, the Board approved the Amended and Restated Service Agreement for Accounting Services by and between Cimarron Metropolitan District, Vauxmont Metropolitan District, and GF Properties Group, LLC.

Service Agreement for Accounting Services by and between Cimarron Metropolitan District, Vauxmont Metropolitan District, and Ross D. Wieser:

Following discussion, upon motion duly made by Director Daly, seconded by Director Veldhuizen and, upon vote unanimously carried, the Board approved the Service Agreement for Accounting Services by and between Cimarron Metropolitan District, Vauxmont Metropolitan District, and Ross D. Wieser.

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.

LEGAL MATTERS

Change Order No. 3 to the Service Agreement for District Management Services by and between Cimarron Metropolitan District, Vauxmont Metropolitan District, and Capital Consultants Management Corporation:

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LEGAL MATTERS
(continued)

Following discussion, upon motion duly made by Director Vaughn, seconded by Director Daly and, upon vote unanimously carried, the Board approved Change Order No. 3 to the Service Agreement for District Management Services by and between Cimarron Metropolitan District, Vauxmont Metropolitan District, and Capital Consultants Management Corporation.

Use Agreement for the Candelas Community Garden between the District and Denver Urban Gardens:

Attorney Becher reviewed the Use Agreement for the Candelas Community Garden between the District and Denver Urban Gardens with the Board.

Following discussion, upon motion duly made by Director Vdeldhuizen, seconded by Director Vaughn and, upon vote unanimously carried, the Board approved the Use Agreement for the Candelas Community Garden between the District and Denver Urban Gardens, subject to final review by Counsel.

OTHER BUSINESS

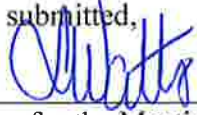
None.

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

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THESE MINUTES APPROVED AS THE OFFICIAL
MAY 24, 2017 MINUTES OF THE CIMARRON
METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS
SIGNING BELOW:



Brian Daly



Creig Veldhuizen



Patrick Vaughn



Mark Mitchell



Brian Mulvany

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