

## RECORD OF PROCEEDINGS

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### MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE CIMARRON METROPOLITAN DISTRICT HELD OCTOBER 25, 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 25th day of October, 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  
Mark Mitchell  
Brian Mulvany

Following discussion, upon motion duly made by Director Daly, seconded by Director Mulvany and, upon vote, unanimously carried, the Board excused the absence of Director Vaughn.

##### Also In Attendance Were:

Lisa Watts; CCMC

Chelsea Suchomel; CCMC

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

David Nocera, Vauxmont Metropolitan District

Ross Wieser; District Accountant (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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### **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 Daly, seconded by Director Mulvany and, upon vote, unanimously carried, the agenda was approved, as amended.

### **CONSENT AGENDA**

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

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### CONSENT AGENDA (continued)

- A. Ratify IDES Verification of District Expenditures for September 2017.
- B. Ratify IDES Recommendations for Facilities Acquisition/Reimbursement for September 2017.
- C. Ratify Change Order No. 1 to the Service Agreement between the District and Alpine Civil Construction for additional concrete and asphalt work, for an increase in the contract amount of \$115,519.50. (enclosed)
- D. Ratify Change Order No. 20 to the Service Agreement between the District and Brightview Landscape Services, Inc., to install hard-wired light fixture, concrete apron at mail kiosk, and install drain in F3 Park, for an increase in the contract amount of \$10,294.00 (enclosed).
- E. Ratify Change Order No. 21 to the Service Agreement between the District and Brightview Landscape Services, Inc., - Filing 2 and 4A Landscape – Add Pickleball Lines to Tennis Courts for an increase in the contract amount of \$1,400.00.
- F. Ratify Change Order No. 28 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control, August for an increase in the contract amount of \$14,986.25.

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### PUBLIC COMMENT

Director Daly opened the meeting to Public Comment. The Board received comments from several of the members of the public who were present. Public comments were provided by the following individuals: Fay Lewis and Jeb Benson. 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 October 2017.

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

#### Service Agreement for 2017-2018 Snow Removal Services between the District and Brightview Landscape Services, Inc.:

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### MAINTENANCE MATTERS (continued)

Mr. Smyth reviewed the Service Agreement for 2017-2018 Snow Removal Services between the District and Brightview Landscape Services, Inc.

Following extensive discussion, upon motion duly made by Director Mulvany, seconded by Director Veldhuizen and upon vote, unanimously carried, the Board approved the Service Agreement for 2017-2018 Snow Removal Services between the District and Brightview Landscape Services, Inc., as amended.

#### 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.

Following discussion, the Board removed Change Order No. 18 from District O&M maintenance to the developer installation division.

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### CAPITAL IMPROVEMENTS

#### Status of Candelas Project:

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

#### Change Order No. 29 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control – September:

The Board discussed Change Order No. 29 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control – September.

Following discussion, upon motion duly made by Director Mulvany, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board approved Change Order No. 29 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control – September, for an increase in the contract amount of \$11,419.50.

#### Change Order No. 22 to the Service Agreement between the District and Brightview Landscape Services, Inc. - Filing 2 and 4A Landscape – Alley lot drainage; additional electrical work, T&M tickets:

The Board discussed Change Order No. 22 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 2 and 4A Landscape – alley lot drainage; additional electrical work, T&M tickets.

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### CAPITAL IMPROVEMENTS (continued)

Following discussion, upon motion duly made by Director Mulvany, seconded by Director Veldhuizen and, upon vote unanimously carried, the Board approved Change Order No. 22 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 2 and 4A Landscaping – alley lot drainage; additional electrical work, T&M tickets for an increase in the contract amount of \$42,109.65.

#### **Change Order No. 23 to the Service Agreement between the District and Brightview Landscape Services, Inc. - Filing 2 and 4A Landscape – Repair area behind monument:**

The Board discussed Change Order No. 23 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 2 and 4A Landscape – Repair area behind monument.

Following discussion, upon motion duly made by Director Mulvany, seconded by Director Veldhuizen and, upon vote unanimously carried, the Board approved Change Order No. 23 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 2 and 4A Landscaping – Repair area behind monument for an increase in the contract amount of \$3,759.53.

#### **Change Order No. 2 to the Service Agreement between the District and Alpine Civil Construction – Filing 3 Regional Trail – Haystack Park (Park 4):**

The Board discussed Change Order No. 2 to the Service Agreement between the District and Alpine Civil Construction – Filing 3 Regional Trail – Haystack Park (Park 4).

Following discussion; upon motion duly made by Director Mulvany, seconded by Director Veldhuizen and, upon vote unanimously carried, the Board approved Change Order No. 2 to the Service Agreement between the District and Alpine Civil Construction – Filing 3 Regional Trail – Haystack Park (Park 4) for an increase in the contract amount of \$56,581.00.

### 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:**

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### **FINANCIAL MATTERS (continued)**

Mr. Collins reviewed IDES' report entitled "Verification of District Expenditures for October 2017," which summarizes IDES' review and verification of the expenditures of the District for October 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 \$553,824.04 of District Eligible Expenses and \$1,517.51 of Non-Eligible Expenses.

Following discussion, upon motion duly made by Director Mitchell, seconded by Director Daly and, upon vote, unanimously carried, the Board determined to accept the District Eligible Expenses in the amount of \$553,824.04 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 \$1,517.51, 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 October 2017," which details the October 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 October 2017 Acquisition/Reimbursement Report identified a reduction of \$0.00 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 Mitchell seconded by Director Daly and, upon vote, unanimously carried, the Board determined to accept the reduction in costs identified in the October 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 October 25, 2017 totaling \$555,341.55.

Following discussion, upon motion duly made by Director Mitchell, seconded by Director Daly and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending October 25, 2017 in the amount of \$555,341.55.

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### **FINANCIAL MATTERS (continued)**

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

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

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

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### **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.

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### **LEGAL MATTERS**

#### **Discharge of Sump Pump Water:**

The Board discussed the issues in relation to the discharge of sump pump water.

The Board directed District Management to contact the City of Arvada to confirm City Code related to sump pump drainage requirements and to follow up with resident accordingly.

#### **Fourth Amendment to Amended and Restated Joint Resolution of Cimarron Metropolitan District and Vauxmont Metropolitan District Regarding the Imposition of Capital Fees:**

Attorney McGrath reviewed the proposed Amendment with the Board.

Following discussion, upon motion duly made by Director Nocera, seconded by Director Daly and, upon vote, unanimously carried, the Board adopted the Fourth Amendment to Amended and Restated Joint Resolution of Cimarron Metropolitan District and Vauxmont Metropolitan District Regarding the Imposition of Capital Fees subject to final review by counsel.

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**LEGAL MATTERS**  
**(continued)**

**Refunding of the District's Series 2012 Bonds through a tax exempt loan provided by BBVA Compass to Vauxmont Metropolitan District:**

1. Ratify acknowledgment of Summary of Terms and Conditions for \$22,320,000.00 Tax Exempt Loan between BBVA Compass and Vauxmont.

Following discussion, upon motion duly made by Director Daly, seconded by Director Mulvany and, upon vote, unanimously carried, the Board ratified the acknowledgment of Summary of Terms and Conditions for \$22,320,000.00 Tax Exempt Loan between BBVA Compass and Vauxmont.

**OTHER BUSINESS**

Director Veldhuizen discussed a potential request from a cell phone tower company to install a cell phone tower structure within the boundaries of Vauxmont M.D. The Board deferred action pending more information.

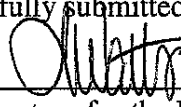
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**ADJOURNMENT**

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



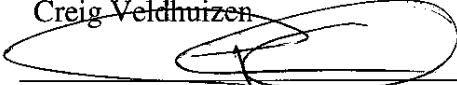
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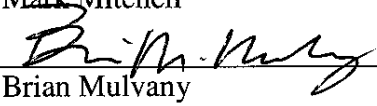
THESE MINUTES APPROVED AS THE OFFICIAL  
OCTOBER 25, 2017 MINUTES OF THE CIMARRON  
METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS  
SIGNING BELOW.

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

  
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Creig Veldhuizen

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

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

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

NOVEMBER 25 2017

BOARD MEETINGS ATTACHMENT A

| NAME       | ADDRESS           | PHONE             | E-MAIL                  |
|------------|-------------------|-------------------|-------------------------|
| FAY LEWIS  | 19642 W. 94TH PL. | 303 -<br>433-1065 | BFLEWIS5774<br>@MSN.COM |
| Jel Benson | 9415 INGRAM ST    | 720-849<br>7845   | Jelbenson@<br>gmail.com |
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