

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE CIMARRON METROPOLITAN DISTRICT HELD December 13, 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 13th day of December, 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 (via speakerphone for a portion of the meeting)

Regina Dunn; GF Real Estate Group (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)

Eric Keesen; 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 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 Daly and, upon vote, unanimously carried, the agenda was approved.

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CONSENT AGENDA

The Board removed the following items from the Consent Agenda, as drafts were not available:

- A. Minutes of September 27, 2017 Special Meeting.
- B. Minutes of October 25, 2017 Special Meeting.
- C. Minutes of November 15, 2017 Special Meeting.

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

- D. Ratify IDES Verification of District Expenditures for November 2017.
- E. Ratify IDES Recommendations for Facilities Acquisition/Reimbursement for November 2017.
- F. Ratify approval of Change Order No. 30 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control – October for an increase in the contract amount of \$15,479.00.
- G. Ratify approval of Change Order No. 3 to the Service Agreement between the District and Alpine Civil Construction – Filing 3 Regional Trail – Regional Trail/Haystack Park Additional Concrete for an increase in the contract amount of \$82,424.50.
- H. Ratify approval of Change Order No. 13 to the Service Agreement between the District and Martin Marietta Materials – Filing 2 Paving – Final Quantities for a decrease in the contract amount of <\$130,275.80>.
- I. Ratify approval of Change Order No. 15 to the Service Agreement between the District and Scott Contracting – Filing 2 Concrete – Warranty Work for an increase in the contract amount of \$35,809.80.

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: Don Schartz. 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 December 2017.

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

Change Order No. 19 to the Service Agreement for Landscape Maintenance between the District and Brightview Landscape Services, Inc., for winter watering:

Mr. Smyth reviewed Change Order No. 19 to the Service Agreement for Landscape Maintenance between the District and Brightview Landscape Services, Inc., for winter watering.

Following discussion, upon motion duly made by Direct Veldhuizen, seconded by Director Mulvany and, upon vote, unanimously carried, the Board approved Change Order No. 19 to the Service Agreement for Landscape Maintenance between the District and Brightview Landscape Services, Inc., for winter watering, for an increase in the contract amount of \$17,250.00.

By the same vote, the Board also authorized the expenditure of \$562.50 for watering of new plant material, and \$4,880.12 for 3 days of turf watering.

CAPITAL IMPROVEMENTS

Status of Candelas Project:

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

Change Order No. 4 to the Service Agreement between the District and Alpine Civil Construction - Filing 3 Regional Trail – 5' Trickle Channel Filing 2 Miscellaneous Items:

The Board discussed Change Order No. 4 to the Service Agreement between the District and Alpine Civil Construction – Filing 3 Regional Trail – 5' Trickle Channel Filing 2 Miscellaneous Items.

Following discussion, upon motion duly made by Director Daly, seconded by Director Veldhuizen and, upon vote unanimously carried, the Board approved Change Order No. 4 to the Service Agreement between the District and Alpine Civil Construction – Filing 3 Regional Trail – 5' Trickle Channel Filing 2 Miscellaneous Items for an increase in the contract amount of \$66,416.00.

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CAPITAL IMPROVEMENTS (continued)

Change Order No. 1 to the Service Agreement between the District and Brightview Landscape Development – Filing 4B & 4C – Quantity Changes:

The Board discussed Change Order No. 1 to the Service Agreement between the District and Brightview Landscape Development – Filing 4B & 4C – Quantity Changes.

Following discussion; upon motion duly made by Director Daly, seconded by Director Veldhuizen and, upon vote unanimously carried, the Board approved Change Order No. 1 to the Service Agreement between the District and Brightview Landscape Development – Filing 4B & 4C – Quantity Changes for a decrease in the contract amount of <\$163,542.48.>

Change Order No. 31 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control – November:

The Board discussed Change Order No. 31 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control - November.

Following discussion; upon motion duly made by Director Daly, seconded by Director Veldhuizen and, upon vote unanimously carried, the Board approved Change Order No. 31 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control – November for an increase in the contract amount of \$15,425.25.

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 December 2017,” which summarizes IDES’ review and verification of the expenditures of the District for December 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 \$1,279,990.58 of District Eligible Expenses and \$139,115.03 of Non-Eligible Expenses.

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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 District Eligible Expenses in the amount of \$1,279,990.58 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 \$139,115.03, 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 December 2017," which details the December 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 December 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 Daly seconded by Director Vaughn and, upon vote, unanimously carried, the Board determined to accept the reduction in costs identified in the December 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 December 13, 2017 totaling \$1,742,605.61.

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 December 13, 2017 in the amount of \$1,742,605.61.

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

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

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

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Change Order to the Service Agreement for District Management Services among Cimarron Metropolitan District, Vauxmont Metropolitan District, and Capital Consultants Management Corporation, to authorize certain financial bookkeeping, and accounting services:

Mr. Wieser, Ms. Dunn and Ms. Hogenes reviewed the change order to the Service Agreement for District Management Services with the Board.

Following discussion, upon motion duly made by Director Mulvany, seconded by Director Daly and, unanimously carried, the Board approved the Change Order to the Service Agreement for District Management Services among Cimarron Metropolitan District, Vauxmont Metropolitan District, and Capital Consultants Management Corporation, to authorize certain financial bookkeeping, and accounting services pending final review of counsel.

Signatory Limits for District Checks:

Extensive discussion ensued regarding the designated monetary limits CCMC would have in the signing of checks on behalf of the District.

Following discussion, upon motion duly made by Director Vaughn, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board approved the limit of authorization for CCMC to sign checks under \$20,000.00 with two CCMC signatures; checks over \$20,000.00 will require two Board Member signatures.

LEGAL MATTERS

Collection of Impact Fees pledged pursuant to the Amended and Restated Capital Pledge Agreement and Assignment Agreement among Jefferson Center Metropolitan District No. 1, Jefferson Center Metropolitan District No. 2 ("JCMD No. 2"), and Vauxmont Metropolitan District:

Attorney Becher reviewed the current status of collection with the Board.

Following discussion, upon motion duly made by Director Veldhuizen, seconded by Director Vaughn and, upon vote, unanimously carried, the Board directed Counsel to notify JCMD No. 2 of the need to enforce collection of the fees as required by the Agreement.

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LEGAL MATTERS
(continued)

Tax Exempt Loan from BBVA Compass ("Loan"):

Director Veldhuizen reviewed the status of the Loan with the Board and the current term sheet.

Following discussion, upon motion duly made by Director Vaughn, seconded by Director Mulvany and, upon vote, unanimously carried, the Board approved the term sheet, subject to clarification re: the corporate tax rate adjustments and to extend the closing date to accommodate the required redemption notice.

OPERATIONAL
MATTERS

Management Report:

Lifestyle Report: Ms. Suchomel provided a Lifestyle Report to the Board.

Management Report: Ms. Watts provided a Management Report to the Board.


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 Vaughn and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By:  _____
Secretary for the Meeting

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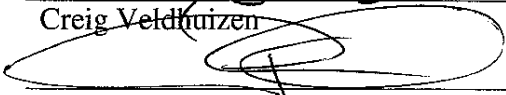
THESE MINUTES APPROVED AS THE OFFICIAL
DECEMBER 13, 2017 MINUTES OF THE CIMARRON
METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS
SIGNING BELOW:



Brian Daly



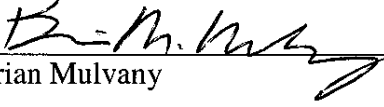
Craig Veldhuizen



Patrick Vaughn



Mark Mitchell



Brian Mulvany

