

RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
CIMARRON METROPOLITAN DISTRICT
HELD
February 28, 2018**

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 28th day February, 2018 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. (for a portion of the meeting)

Ross Wieser; District Accountant (via speakerphone for a portion of the meeting)

Brandon Collins; Independent District Engineering Services, LLC

Guy Ford; Independent District Engineering Services, LLC (for a portion of the meeting)

David Nocera; Vauxmont Metropolitan District

Various members of the public, as listed on Attachment A

RECORD OF PROCEEDINGS

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 Mulvany and, upon vote, unanimously carried, the agenda was approved, as amended.

RECORD OF PROCEEDINGS

CONSENT AGENDA

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

- A. Approve Minutes of January 24, 2018 Regular Meeting.
- B. Ratify IDES Verification of District Expenditures for January 2018.
- C. Ratify IDES Recommendations for Facilities Acquisition/Reimbursement for January 2018.
- D. Ratify approval of Change Order No. 32 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control – December for an increase in the contract amount of \$15,275.75.
- E. Ratify approval of Change Order No. 5 to the Service Agreement between the District and Alpine Civil Construction – Filing 3 Regional Trail – Culebra and El Diente Widening for an increase in the contract amount of \$272,308.50.
- F. Ratify approval of Change Order No. 1 to the Service Agreement between the District and Premier Earthworks – Filing 4B & 4C Utilities, Paving, and Concrete – Casing Pipe and drop manhole revisions for an increase in the contract amount of 27,251.86.

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: Dale Meier, Fay Lewis, Bill O'Dell, Joel Landis. After comments were provided Director Daly indicated the Board would produce and post to the website a summary of responses to the various questions posed during public comment.

MAINTENANCE MATTERS

Landscape Report:

Ms. Watts presented the landscaping report for February 2018.

Ms. Watts reported on the status of routine maintenance and updated the Board on project status. Ms. Watts recommended to the

RECORD OF PROCEEDINGS

MAINTENANCE MATTERS (continued)

Board an additional winter watering application to be provided by Brightview.

Following discussion, upon motion duly made by Director Mitchell, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board authorized an additional winter watering application to be provided by Brightview.

Notice to Brightview Landscape Services, Inc. terminating the Service Agreement for landscape maintenance between the District and Brightview Landscape Services, Inc. (f/k/a Valley Crest Landscape Maintenance, Inc.), effective April 1, 2018:

Ms. Watts confirmed delivery of the notice as included in the Board Packet.

Following discussion, upon motion duly made by Director Mitchell, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board ratified the notice to Brightview Landscape Services, Inc. terminating the Service Agreement for landscape maintenance between the District and Brightview Landscape Services, Inc. (f/k/a Valley Crest Landscape Maintenance, Inc. effective as of April 1, 2018.

Service Agreement for Landscaping Services between the District and Environmental Designs, Inc.:

The Board reviewed the Service Agreement for Landscaping Services between the District and Environmental Designs, Inc.

Following discussion, upon motion duly made by director Mitchell, seconded by Director Vaughn and, upon vote, unanimously carried, the Board approved the Service Agreement for Landscaping Services between the District and Environmental Designs, Inc.

CAPITAL IMPROVEMENTS

Status of Candelas Project:

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

Change Order No. 41 to the Service Agreement between the District and Premier Earthworks – Filing 2 Utilities - FA4 East Park Storm Sewer:

The Board discussed Change Order No. 41 to the Service Agreement between the District and Premier Earthworks – Filing 2 Utilities – FA4 East Park Storm Sewer.

RECORD OF PROCEEDINGS

CAPITAL IMPROVEMENTS (continued)

Following discussion; upon motion duly made by Director Vaughn, seconded by Director Mulvany and, upon vote unanimously carried, the Board approved Change Order No. 41 to the Service Agreement between the District and Premier Earthworks – Filing 2 Utilities – FA4 East park Storm Sewer for an increase in the contract amount of \$54,761.13.

Change Order No. 42 to the Service Agreement between the District and Premier Earthworks – Filing 2 Utilities – Final Quantities:

The Board discussed Change Order No. 42 to the Service Agreement between the District and Premier Earthworks – Filing 2 Utilities – Final Quantities.

Following discussion; upon motion duly made by Director Vaughn, seconded by Director Mulvany and, upon vote unanimously carried, the Board approved Change Order No. 42 to the Service Agreement between the District and Premier Earthworks – Filing 2 Utilities – Final Quantities for a decrease in the contract amount of <\$569,430.43>.

Change Order No. 2 to the Service Agreement between the District and Premier Earthworks – Filing 4B and 4C Utilities, Paving, and Concrete - Permits, 4A Punchlist, Aggregate Base Course Changes:

The Board discussed Change Order No. 2 to the Service Agreement between the District and Premier Earthworks – Filing 4B and 4C Utilities, Paving, and Concrete - Permits, 4A Punchlist, Aggregate Base Course Changes.

Following discussion; upon motion duly made by Director Vaughn, seconded by Director Mulvany and, upon vote unanimously carried, the Board approved Change Order No. 2 to the Service Agreement between the District and Premier Earthworks – Filing 4B and 4C Utilities, Paving, and Concrete – Permits, 4A Punchlist, Aggregate Base Course Changes for an increase in the contract amount of \$167,783.24.

Change Order No. 24 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 2 and 4A Landscape – Contract Reconciliation:

The Board discussed Change Order No. 24 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 2 and 4A Landscape – Contract Reconciliation.

Following discussion; upon motion duly made by Director Vaughn,

RECORD OF PROCEEDINGS

CAPITAL IMPROVEMENTS (continued)

seconded by Director Mulvany and, upon vote unanimously carried, the Board approved Change Order No. 24 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 2 and 4A Landscape for a decrease in the contract amount of <\$153,065.25>.

Change Order No. 25 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 2 and 4A Landscape – Maintenance Credit as of 2/1/18:

The Board discussed Change Order No. 25 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 2 and 4A Landscape – Maintenance Credit as of 2/1/18.

Following discussion; upon motion duly made by Director Vaughn, seconded by Director Mulvany and, upon vote unanimously carried, the Board approved Change Order No. 25 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 2 and 4A Landscape – Maintenance Credit as of 2/1/18 for a decrease in the contract amount of <\$96,075.65>.

Change Order No. 2 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 4B and 4C Landscape – Seeding along Highway 72:

The Board discussed Change Order No. 2 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 4B and 4C Landscape – Seeding along Highway 72.

Following discussion; upon motion duly made by Director Vaughn, seconded by Director Mulvany and, upon vote unanimously carried, the Board approved Change Order No. 2 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 4B and 4C Landscape – Seeding along Highway 72 for an increase in the contract amount of \$27,236.45.

Change Order No. 3 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 4B and 4C Landscape – Pedestrian Light Model, Mail Kiosks, Hard-wired Lights for Shelters:

The Board discussed Change Order No. 3 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 4B and 4C Landscape – Pedestrian Light Model, Mail Kiosks, Hard-wired Lights for Shelters.

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

RECORD OF PROCEEDINGS

CAPITAL IMPROVEMENTS (continued)

the Board approved Change Order No. 3 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 4B and 4C Landscape – Pedestrian Light Model, Mail Kiosks, Hard-wired Lights for Shelters, for an increase in the contract amount of \$97,838.00.

Change Order No. 4 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 4B and 4C Landscape – Clean up trash and debris:

The Board discussed Change Order No.4 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 4B and 4C Landscape – Clean up trash and debris.

Following discussion; upon motion duly made by Director Vaughn, seconded by Director Mulvany and, upon vote unanimously carried, the Board approved Change Order No. 4 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 4B and 4C Landscape – Clean up trash and debris for an increase in the contract amount of \$1,437.00.

Change Order No. 33 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control January:

The Board discussed Change Order No. 33 to the Service Agreement between the District and WYOCO Erosion Control. – Filing 2-4 Erosion Control – Additional Erosion Control January.

Following discussion; upon motion duly made by Director Vaughn, seconded by Director Mulvany and, upon vote unanimously carried, the Board approved Change Order No. 33 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control January for an increase in the contract amount of \$20,412.00.

Change Order No. 34 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control February:

The Board discussed Change Order No. 34 to the Service Agreement between the District and WYOCO Erosion Control. – Filing 2-4 Erosion Control – Additional Erosion Control February.

Following discussion; upon motion duly made by Director Vaughn, seconded by Director Mulvany and, upon vote unanimously carried, the Board approved Change Order No. 34 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control February for an

RECORD OF PROCEEDINGS

CAPITAL IMPROVEMENTS (continued)

increase in the contract amount of \$12,915.00.

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 February 2018," which summarizes IDES' review and verification of the expenditures of the District for February 2018 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 \$1,062,806.59 of District Eligible Expenses and \$141,213.03 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 \$1,062,806.59 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 \$141,213.03 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 February 2018," which details the February 2018 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 February 2018 Acquisition/Reimbursement Report identified \$5,100.00 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 costs identified in the February

RECORD OF PROCEEDINGS

CAPITAL IMPROVEMENTS (continued)

2018 Acquisition/Reimbursement Report, which amount will be reimbursable under the Series 2015E Note.

FINANCIAL MATTERS

Claims:

Mr. Wieser reviewed with the Board the claims for the period ending February 28, 2018 totaling \$1,204,019.62

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 February 28, 2018 in the amount of \$1,204,019.62.

Unaudited Financial Statements For the Period Ending January 31, 2018:

Mr. Wieser reviewed the unaudited financial statements for the period ending January 31, 2018 with the Board.

Following discussion, upon motion duly made by Director Vaughn, seconded by Director Mulvany and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending January 31, 2018, as presented.

LEGAL MATTERS

Proposal for District Lifeguard Services for 2018:

Ms. Watts reviewed with the Board proposals from Apollo Aquatics, Inc., Carousel Pools, and Perfect Pools for 2018 Lifeguard Services.

Extensive discussion ensued regarding service needs. The Board requested Ms. Watts review and obtain a proposal for additional administrative monitoring of pool activities during peak hours and bring it back to the Board at the next meeting.

Following discussion, upon motion duly made by Director Mitchell, seconded by Director Mulvany and, upon vote, unanimously carried, the Board authorized the preparation and execution of an agreement for lifeguard services with Carousel Pools.

Proposal for District Pool Maintenance Services for 2018:

Ms. Watts reviewed with the Board proposals from Apollo Aquatics, Inc., Carousel Pools, and Perfect Pools for 2018 Pool Maintenance Services.

Extensive discussion ensued regarding service needs. The Board requested Ms. Watts review and obtain a proposal for additional administrative monitoring of pool activities during peak hours and

RECORD OF PROCEEDINGS

LEGAL MATTERS bring it back to the Board at the next meeting.
(continued)

Following discussion, upon motion duly made by Director Mitchell, seconded by Director Mulvany and, upon vote, unanimously carried, the Board authorized the preparation and execution of an agreement for pool maintenance services with Carousel Pools.

Change Order No. 5 to the Service Agreement for District Management Services, by and between Cimarron Metropolitan District, Vauxmont Metropolitan District, and Capital Consultants Management Corporation (“CCMC”) (re: bookkeeping and accounting services):

Attorney Becher and Ms. Hogenes discussed the proposed change order with the Board. It was noted that it is necessary to ensure that the District’s agreements with CCMC and with Ross D. Wieser align with the services to be provided by each.

Following discussion, upon motion duly made by Director Mulvany, seconded by Director Vaughn and, upon vote, unanimously carried, the Board approved Change Order No. 5 to the Service Agreement for District Management Services, by and between Cimarron Metropolitan District, Vauxmont Metropolitan District, and CCMC, subject to receipt and confirmation of appropriate allocation of services between CCMC and Ross D. Wieser.

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.

Proposal for District Copier purchase from Frontier Business Products:

Ms. Watts reviewed the proposal for the purchase of a District Copier from Frontier Business Products with the Board.

Following discussion, upon motion duly made by Director Vaughn, seconded by Director Mulvany and, upon vote, unanimously carried, the Board approved the purchase of a copier from Frontier Business Products for \$3,645.57 and accompanying maintenance agreement monthly expenditure of \$37.95, subject to receipt of the same proposal in the name of Cimarron Metropolitan District.

RECORD OF PROCEEDINGS

OPERATIONAL MATTERS
(continued)

Proposal for RecDesk Software for District resident and reservation data management:

Ms. Suchomel reviewed the proposal for RecDesk Software for District resident and reservation data management with the Board.

Following discussion, upon motion duly made by Director Vaughn, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board authorized the purchase of the software, subject to confirmation of the matters discussed by the Board (i.e., ownership of information and security), and review of the agreement by District Counsel.

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

Respectfully submitted,

By: 
Secretary for the Meeting

THESE MINUTES APPROVED AS THE OFFICIAL
FEBRUARY 28, 2018 MINUTES OF THE CIMARRON
METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS
SIGNING BELOW:



Brian Daly



Creig Veldhuizen



Patrick Vaughn



Mark Mitchell



Brian Mulvany