

RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
CIMARRON METROPOLITAN DISTRICT
HELD
March 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 of March, 2018 at 9:00 A.M., at the Candelas Parkview Swim & Fitness Club, 19865 W. 94th Ave., Arvada, Colorado, 80007. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Brian Daly
Creig Veldhuizen
Patrick Vaughn
Mark Mitchell

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

Also In Attendance Were:

Lisa Watts; CCMC

Chelsea Suchomel; CCMC

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

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

Brandon Collins; Independent District Engineering Services, LLC

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 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 presented.

RECORD OF PROCEEDINGS

CONSENT AGENDA

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

- A. Approve Minutes of February 28, 2018 Regular Meeting.
- B. Ratify IDES Verification of District Expenditures for March 2017.
- C. Ratify IDES Recommendations for Facilities Acquisition/Reimbursement for March 2018
- D. Ratify approval of Change Order No. 41 to the Service Agreement between the District and Premier Earthworks – Filing F4A East Park Storm Sewer, for an increase in the contract amount of \$54,761.13
- E. Ratify approval of 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.>
- F. Ratify approval of Change Order No. 2 to the Service Agreement between the District and Premier Earthworks – Filing 4B & 4C Utilities, Paving, and Concrete – Permits, 4A Punchlist, Aggregate Base Course Changes, for an increase in the contract amount of \$167,783.24.
- G. Ratify approval of Change Order No. 24 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 2 and 4A Landscape - Contract Reconciliation, for a decrease in the contract amount of <\$153,065.25>.
- H. Ratify approval of 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>.
- I. Ratify approval of 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.
- J. Ratify approval of Change Order No. 3 to the Service Agreement between the District and Brightview Landscape Service, Inc., - Filing 4B and 4C Landscape – Pedestrian Light Model, Mail Kiosks, Hard wired

RECORD OF PROCEEDINGS

- Lights for Shelters, for an increase in the contract amount of \$97,838.00.
- K. Ratify approval of 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.
 - L. Ratify approval of 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.
 - M. Ratify approval of 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 increase in the contract amount of \$12,915.00.
 - N. Ratify approval of Service Agreement for Swimming Pool Lifeguarding and Management Services for Candelas Townview Pool and Candelas Parkview Pool between the District and Carousel Pool Supply Co., Inc., d/b/a Carousel Pools (enclosure).

PUBLIC COMMENT

None.

MAINTENANCE MATTERS

Landscape Report:

Ms. Watts presented the landscaping report for March 2018.

Ms. Watts reported on the status of routine maintenance and updated the Board on project status. Ms. Watts reported on the transition status of the landscape vendor.

CAPITAL IMPROVEMENTS

Status of Candelas Project:

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

Change Order No. 3 to the Service Agreement between the District and Premier Earthworks – Filing 4B & 4C Utilities, Paving, and Concrete – Permit Reimbursement:

RECORD OF PROCEEDINGS

CAPITAL IMPROVEMENTS (continued)

The Board discussed Change Order No. 3 to the Service Agreement between the District and Premier Earthworks – Filing 4B & 4C Utilities, Paving, and Concrete – Permit Reimbursement.

Following discussion, upon motion duly made by Director Daly, seconded by Director Vaughn and, upon vote unanimously carried, the Board approved Change Order No. 3 to the Service Agreement between the District and Premier Earthworks – Filing 4B & 4C Utilities, Paving and Concrete – Permit Reimbursement for an increase in the contract amount of \$600.00

Change Order No. 4 to the Service Agreement between the District and Premier Earthworks – Filing 4B & 4C Utilities, Paving, and Concrete – Alluvium Haul:

The Board discussed Change Order No. 4 to the Service Agreement between the District and Premier Earthworks – Filing 4B & 4C Utilities, Paving, and Concrete – Alluvium Haul.

Following discussion, upon motion duly made by Director Daly, seconded by Director Vaughn and, upon vote unanimously carried, the Board approved Change Order No. 4 to the Service Agreement between the District and Premier Earthworks – Filing 4B & 4C Utilities, Paving and Concrete – Alluvium Haul for an increase in the contract amount of \$84,828.75.

Change Order No. 42 to the Service Agreement between the District and Premier Earthworks – Filing 2 & 4A – Utilities – F2 PVC Sanitary Sewer to reconcile and close out contract:

The Board discussed Change Order No. 42 to the Service Agreement between the District and Premier Earthworks – Filing 2 & 4A-Utilities – F2 PVC Sanitary Sewer to reconcile and close out contract.

Following discussion, upon motion duly made by Director Daly, seconded by Director Vaughn and, upon vote unanimously carried, the Board approved Change Order No. 42 to the Service Agreement between the District and Premier Earthworks – Filing 2 & 4A Utilities – F2 PVC Sanitary Sewer to reconcile and close out contract for a decrease in the contract amount of <\$29,697.60>.

Change Order No. 35 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control – March:

The Board discussed Change Order No. 35 to the Service Agreement between the District and WYOCO Erosion Control – Filing 2-4 Erosion Control – Additional Erosion Control - March.

RECORD OF PROCEEDINGS

CAPITAL IMPROVEMENTS (continued)

Following discussion, upon motion duly made by Director Daly, seconded by Director Vaughn and, upon vote unanimously carried, the Board approved Change Order No. 35 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 \$16,627.50.

Change Order No. 5 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 4B & 4C – Landscape – Winter Water and Clean Up Debris:

The Board discussed Change Order No. 5 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 4B & 4C - Landscape – Winter Water and Clean Up Debris.

Following discussion, upon motion duly made by Director Daly, seconded by Director Vaughn and, upon vote unanimously carried, the Board approved Change Order No. 5 to the Service Agreement between the District and Brightview Landscape Services Inc. – Filing 4B & 4C – Landscape – Winter Water and Clean Up Debris for an increase in the contract amount of \$5,806.00.

Change Order No. 6 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 4B & 4C – Landscape – Drainage in F4 Park:

The Board discussed Change Order No. 6 to the Service Agreement between the District and Brightview Landscape Services, Inc. – Filing 4B & 4C - Landscape – Drainage in F4 Park.

Following discussion, upon motion duly made by Director Daly, seconded by Director Vaughn and, upon vote unanimously carried, the Board approved Change Order No. 6 to the Service Agreement between the District and Brightview Landscape Services Inc. – Filing 4B & 4C – Landscape – Drainage in F4 Park for an increase in the contract amount of \$6,771.00.

Change Order No. 16 to the Service Agreement between the District and Scott Contracting – Filing 2 – Concrete – Muck Excavation and Roadbase Placement to reconcile and close out contract:

The Board discussed Change Order No. 16 to the Service Agreement between the District and – Filing 2 - Concrete – Muck Excavation and Roadbase Placement to reconcile and close out contract.

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

RECORD OF PROCEEDINGS

CAPITAL IMPROVEMENTS (continued)

the Board approved Change Order No. 16 to the Service Agreement between the District and Scott Contracting – Filing 2 – Concrete – Muck Excavation and Roadbase Placement to reconcile and close out contract for an increase in the contract amount of \$86,339.20.

Change Order No. 17 to the Service Agreement between the District and Scott Contracting – Filing 2 – Concrete – Final Quantities:

The Board discussed Change Order No. 17 to the Service Agreement between the District and – Filing 2 – Final Quantities.

Following discussion, upon motion duly made by Director Daly, seconded by Director Vaughn and, upon vote unanimously carried, the Board approved Change Order No. 17 to the Service Agreement between the District and Scott Contracting – Filing 2 – Concrete – Final Quantities for a decrease in the contract amount of <\$654,909.48>.

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 March 2018,” which summarizes IDES’ review and verification of the expenditures of the District for March 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 \$1,264,028.86 of District Eligible Expenses and \$32,682.29 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 \$1,452,290.58 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 \$32,682.29, based upon the recommendation of IDES.

RECORD OF PROCEEDINGS

CAPITAL IMPROVEMENTS (continued)

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 March 2018," which details the March 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 March 2018 Acquisition/Reimbursement Report identified a reduction of \$134,046.71 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 reduction in costs identified in the March 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 March 28, 2018 totaling \$1,296,711.15.

Following discussion, upon motion duly made by Director Vaughn, seconded by Director Mitchell and, upon vote, unanimously carried, the Board approved the payment of claims for the period ending March 28, 2018 in the amount of \$1,296,711.15 and the additional funding to CCMC of \$50,000.00 for pool monitoring services.

Unaudited Financial Statements For the Period Ending February 28, 2018:

Mr. Wieser reviewed the unaudited financial statements for the period ending February 28, 2018 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 February 28, 2018 as presented.

LEGAL MATTERS

Cancellation of the May 8, 2018 Regular Directors' Election:

Attorney Becher informed the Board that the May 8, 2018 Regular Directors' Election was cancelled, as permitted by statute, and that Director Mulvany and Director Mitchell were each deemed elected to new 4-year terms ending in May 2022.

RECORD OF PROCEEDINGS

Option & Land Lease between the District and SBA Towers IX, LLC (for cell tower lease):

The Board discussed the Option & Land Lease between the District and SBA Towers IX, LLC (for cell tower lease).

Following discussion, upon motion duly made by Director Vaughn, seconded by Director Veldhuizen and, upon vote, unanimously carried, the Board approved the Option & Land Lease between the District and SBA Towers IX, LLC (for cell tower lease), subject to Counsel final review.

Parks Intergovernmental Agreement with City of Arvada:

Extensive discussion ensued regarding the status of the Parks Intergovernmental Agreement with the City of Arvada.

Following discussion, the Board instructed Directors Daly and Veldhuizen offered to schedule a meeting with the City of Arvada Director of Parks, Gordon Reusink, and report back to the Board.

Status of Collection of Jefferson Center Metropolitan District No. 2 (“JCMD No. 2”) Capital Recovery Fees:

Attorney Becher reviewed the status with the Board, indicating the property owners were obtaining financing in anticipation of payment in the next week.

Following discussion, upon motion duly made by Director Mitchell, seconded by Director Daly and, upon vote, unanimously carried, the Board directed Counsel to notify JCMD No. 2 of the Board’s decision to accept the proposal to modify the terms of the agreement if the payment is received by April 6.

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.

Status of lifeguard and pool monitoring services and authorize any necessary actions in conjunction therewith:

RECORD OF PROCEEDINGS

**OPERATIONAL
MATTERS
(continued)**

Ms. Watts reviewed the current status of the contract for District pool maintenance and lifeguard services with Carousel Pools. The Board directed CCMC to strategize the absorption of these costs within the Board adopted 2018 Budget.

Approval of Parks & Recreation Management Software – As – A Service Agreement between RecDesk LLC and the District:

It was noted that this item was previously approved; the Board took no action.

OTHER BUSINESS

None.

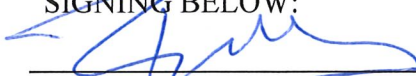
ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Mitchell, 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
MARCH 28, 2018 MINUTES OF THE CIMARRON
METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS
SIGNING BELOW:



Brian Daly



Craig Veldhuizen



Patrick Vaughn



Mark Mitchell



Brian Mulvany