

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE JEFFERSON CENTER METROPOLITAN DISTRICT NO. 1 HELD JANUARY 28, 2020

A Regular Meeting of the Board of Directors of the Jefferson Center Metropolitan District No. 1 (referred to hereafter as "Board") was convened on Tuesday, the 28th day of January, 2020, at 9:30 A.M., at the offices of the District, 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Gregg Bradbury
Jeff Nading
Charles Church McKay
Steve Nading (for a portion of the meeting)

Following discussion, upon motion duly made by Director Jeff Nading, seconded by Director McKay and, upon vote, unanimously carried, the absence of Director Diana K. Ten Eyck was excused.

Also In Attendance Were:

David Solin; Special District Management Services, Inc.

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

Joy Tatton; Simmons & Wheeler, P.C. (via speakerphone for a portion of the meeting)

Wes Back; Independent District Engineering Services, LLC

Brandon Dooling; Golden Triangle Construction

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosures 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. Mr. Solin noted that a quorum was present and 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 the statute. Attorney Becher noted that all Directors'

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Disclosure Statements had been filed and that no additional conflicts were disclosed at the meeting.

ADMINISTRATIVE MATTERS

Agenda: Mr. Solin 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 Jeff Nading, seconded by Director McKay and, upon vote, unanimously carried, the Agenda was approved, as amended.

Approval of Meeting Location: 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. Following discussion, upon motion duly made by Director Jeff Nading, seconded by Director McKay and, upon vote, unanimously carried, the Board determined 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 location. 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.

Designation of 24-hour Posting Location: Following discussion, upon motion duly made by Director Jeff Nading, seconded by Director McKay and, upon vote, unanimously carried, the Board determined that notices of meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted within the boundaries of the District at least 24 hours prior to each meeting at the following location: Fence post on the southwest corner of 96th Avenue and Indiana Street.

Minutes: The Board reviewed the Minutes from the December 17, 2019 special meeting.

Following discussion, upon motion duly made by Director Jeff Nading, seconded by Director Bradbury and, upon vote, unanimously carried, the Minutes from the December 17, 2019 special meeting were approved, as presented.

PUBLIC COMMENT

There were no public comments.

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CONSENT AGENDA

The Board considered the following actions:

- Ratify approval of Change Order No. 1 to the Contract between the District and Hogan Action Services, for seeding and mulching, in the amount of \$10,450.
- Ratify approval of Task Order No. 2 to Storm Water Oversight Services (SWAP), for stormwater oversight services, in the amount of \$25,000.

Following review, upon motion duly made by Director Jeff Nading, seconded by Director Steve Nading and, upon vote, unanimously carried, the Board approved and/or ratified approval of, as appropriate, the above Consent Agenda actions.

FINANCIAL MATTERS

Claims: The Board considered approval of the payment of claims through the period ending January 24, 2020, in the amount of \$773,963.90

Following discussion, upon motion duly made by Director Jeff Nading, seconded by Director Bradbury and, upon vote, unanimously carried, the Board approved the payment of claims through the period ending January 24, 2020, in the amount of \$773,963.90.

Expense Tracking Report (ETR): Ms. Tatton reviewed the Expense Tracking Report with the Board.

District Expenditures Verification Report prepared by Independent District Engineering Services, LLC ("IDES"): Mr. Back reviewed IDES' report entitled "District Expenditures Verification for January 2020," which summarizes IDES' review and verification of the expenditures of the District for January 2020 related to certain District construction contracts. The Verification Report identified \$488,995.98 of District Eligible Expenses and \$284,967.92 of Non-Eligible Expenses.

Following discussion, upon motion duly made by Director Steve Nading, seconded by Director Bradbury and, upon vote, unanimously carried, the Board determined to accept the District Eligible Expenses in the amount of \$488,995.98.

Forecast of General Fund Revenues and Expenditures: Ms. Tatton reviewed, and the Board discussed, the forecast of General Fund revenues and expenditures.

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Non-Eligible Expense Tracking Report (ETR): Ms. Tatton reviewed with the Board the Non-Eligible ETR.

MANAGEMENT MATTERS

Water Allocations and Facilities Fees Collections: Mr. Solin discussed the status of water allocations and facilities fees billing and collection with the Board.

FEMA Grant Close-Out: There was no update at this time.

July 2020 Water Purchase: Mr. Solin reviewed with the Board the proposed July 2020 water purchase.

LEGAL MATTERS

Post-Closing Agreement and Escrow Instructions (Phase One Improvements) by and among the District, Cimarron Development Company, Sisters of Charity of Leavenworth Health System, Inc., and First American Title Insurance Company ("Phase One Agreement"); and Post-Closing Agreement and Escrow Instructions (Phase Two Improvements) by and among the same parties ("Phase Two Agreement"):

Construction under the Phase One Agreement and Phase Two Agreement: Mr. Back discussed with the Board the status of construction under the Phase One Agreement and Phase Two Agreement.

Verifications of Expenditures Under the Phase One Agreement and/or Phase Two Agreement: Mr. Back discussed with the Board. Following discussion, upon motion duly made by Director Bradbury, seconded by Director Jeff Nading and upon vote, unanimously carried, the Board ratified approval of the District Engineer's Verification of Expenditures for Candelas Medical Phase One Improvements dated December 17, 2019, in the amount of \$228,218.81, and the District Engineer's Verification of Expenditures for Candelas Medical Phase Two Improvements dated December 17, 2019 in the amount of \$370,423.73.

By the same motion, the Board also ratified approval of the District Engineer's Verification of Expenditures for Candelas Medical Phase One Improvements dated January 24, 2020 in the amount of \$101,561.38, and the District Engineer's Verification of Expenditures for Candelas Medical Phase Two Improvements dated January 24, 2020 in the amount of \$638,989.15.

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Disbursement Request No. 7 under the Phase One Agreement: The Board discussed Disbursement Request No. 7 under the Phase One Agreement.

Following review and discussion, upon motion duly made by Director Bradbury, seconded by Director Jeff Nading and upon vote, unanimously carried, the Board ratified approval of Disbursement Request No. 7 under the Phase One Agreement, in the amount of \$228,218.81.

Disbursement Request No. 2 under the Phase Two Agreement: The Board discussed Disbursement Request No. 2 under the Phase Two Agreement.

Following review and discussion, upon motion duly made by Director Bradbury, seconded by Director Jeff Nading and upon vote, unanimously carried, the Board ratified approval of Disbursement Request No. 2 under the Phase Two Agreement, in the amount of \$370,423.73.

Disbursement Request No. 8 under the Phase One Agreement: The Board discussed Disbursement Request No. 8 under the Phase One Agreement.

Following review and discussion, upon motion duly made by Director Bradbury, seconded by Director Jeff Nading and upon vote, unanimously carried, the Board approved Disbursement Request No. 8 under the Phase One Agreement, in the amount of \$101,561.38.

Disbursement Request No. 3 under the Phase Two Agreement: The Board discussed Disbursement Request No. 3 under the Phase Two Agreement.

Following review and discussion, upon motion duly made by Director Bradbury, seconded by Director Jeff Nading and upon vote, unanimously carried, the Board approved Disbursement Request No. 3 under the Phase Two Agreement, in the amount of \$638,989.15.

Series 2020A Bond Issuance: Attorney Becher discussed various possible issuance scenarios and structures with the Board. As a result of undeveloped property and yet to be determined use of property currently within the District, the Board has been discussing the appropriateness and efficiencies with the District and Jefferson Center Metropolitan District No. 2 ("JCMD 2") entering into a contractual arrangement whereby JCMD 2 would act as issuer of the proposed 2020 refunding and improvement bonds. Lengthy discussion ensued. The Board directed its

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counsel, Financial Advisor, and Underwriter to pursue the financing through the discussed structure.

Request for Proposals Process for Banks/Lenders in connection with the Bonds: The Board reviewed a proposed term sheet received from BBVA Compass relative to the issuance by Jefferson Center Metropolitan District No. 1 and/or Jefferson Center Metropolitan District No. 3 of a taxable, converting to tax-exempt, loan in the approximate amount of \$32,000,000 ("BBVA Term Sheet"). After extensive discussion, the Board directed its counsel and consultants to pursue finalization of the BBVA Term Sheet, to be approved at the next meeting.

Process and Schedule for Organization of New Districts: There was no action necessary at this time.

Engagement of Appraiser: The Board discussed the engagement of an appraiser to appraise the Xcel Power Plant.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director Jeff Nading, and upon vote, unanimously carried, the Board authorized the engagement of an appraiser to appraise the Xcel Power Plant, for an amount not to exceed \$35,000.

Agreement to Resolve Obligations between the District and Foothills Community Church ("FCC"): Attorney Becher updated the Board on the status of the Agreement to Resolve Obligations between the District and Foothills Community Church. She has received a draft agreement from FCC Counsel. She will revise and respond to the FCC Counsel.

Following discussion, upon motion duly made by Director Jeff Nading, seconded by Director McKay, and upon vote, unanimously carried, the Board approved the Agreement to Resolve Obligations between the District and Foothills Community Church, subject to final legal review.

McGeady Becher P.C. District Document Retention Policy: Attorney Becher reviewed with the Board the update to the McGeady Becher P.C. District Document Retention Policy.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director Jeff Nading, and upon vote, unanimously carried, the Board approved the update and directed a copy of the approved updated McGeady Becher P.C. District Document Retention Policy ("Policy") be attached to the minutes of this meeting. Accordingly, a copy of the Policy is attached hereto and incorporated herein by reference.

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Supplemental Agreement Regarding Project Administration Pursuant to Paragraph 12.0 of Amended Parkway IGA for the Jefferson Parkway by and between the Jefferson Parkway Public Highway Authority and Jefferson Center Metropolitan District No. 2: Attorney Becher reported to the Board that the document is still being revised and reviewed by the parties. Attorney Becher will inquire as to status. It was noted that the District may no longer be a party to the Supplemental Agreement.

CONSTRUCTION MATTERS

Construction Status Report: Mr. Back discussed with the Board the Project Status Report dated January 28, 2020. A copy of the report is attached hereto and incorporated herein by this reference.

Contracts, Task Orders, Work Orders and Change Orders: Mr. Back discussed the following Task Orders, Work Orders and Change Orders:

- Consider approval of Change Order No. 1 to the Contract between the District and Kelley Trucking, for Candelas Medical Phase 2 Earthwork, for Additional VTC, in the amount of \$2,300.
- Consider approval of Change Order No. 2 to the Contract between the District and Kelley Trucking, for Candelas Medical Phase 2 Earthwork, for Add fill and KDPL Pipe Removal, in the amount of \$75,278.40.
- Consider approval of Change Order No. 3 to the Contract between the District and Kelley Trucking, for Candelas Medical Phase 2 Earthwork, for Earthwork Lot 5/6, Retaining Walls, in the amount of \$442,5000.
- Consider approval of Task Order No. 2-A4 to the Service Agreement between the District and Martin/Martin, Inc., for SCL Medical Engineering Amendment No. 4, in the amount of \$15,000.
- Consider approval of Task Order No. 9-A4 to the Service Agreement between the District and Martin/Martin, Inc., Jefferson Parkway Coord Amendment No. 4, in the amount of \$7,500.
- Consider approval of Task Order No. 21-A1 to the Service Agreement between the District and Martin/Martin, Inc., for Grading/Earthwork/Taylor Morrison Amendment No. 1, in the amount of \$15,000.

Following discussion, upon motion duly made by Director Jeff Nading, seconded by Director McKay and, upon vote, unanimously carried, the Board approved (or ratified approval of, as appropriate) the Contracts, Change Orders, Task Orders and Work Orders listed above.

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Status of Water Tank Construction Negotiations: As a result of the City's position on certain conveyance agreements, it was reported that the project has been postponed indefinitely, and no agreement will be entered into relative to this matter.

Purchase and Sale Agreement between Cimarron Commercial, LLC and the District for the purchase of the Tank Site: As a result of the determination above, the Board determined not to move forward with this agreement.

Intergovernmental Agreement for the Purchase of Tank Site between the District and the City of Arvada: As a result of the determination above, the Board determined not to move forward with this agreement.

CAPITAL IMPROVEMENTS

None.

OTHER BUSINESS

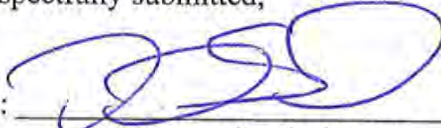
None.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Jeff Nading, seconded by Director Bradbury and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By: _____


Secretary for the Meeting

JEFFERSON CENTER METRO DISTRICT NO. 1

Board Meeting Project Status

January 28, 2020

Project Work

Candelas Point

- Galloway is coordinating with the City of Arvada on asbuilt plan corrections and has performed an additional site survey of the stormwater detention facility. The City is reviewing the updated asbuilt plans prior to issuing initial acceptance of the infrastructure improvements.
- XCEL is installing landscaping at the Moon Gulch site.

Kings North

- The Chase Bank building is nearing completion and landscaping is being installed.
- The Primrose school has gone vertical with framing of the structure underway.
- The City of Arvada has issued initial acceptance of the public improvements with a 2 year warranty period beginning on January 10th, 2020.

Candelas Medical

- Peak to Peak Engineered Railings is manufacturing the handrail for the detention pond forebay.
- Installation of streetlights along W. 91st Drive is scheduled to start on January 28, 2020.
- Mortenson is anticipated to start construction on the SCL site mid-February.
- PEI has paved the bottom lift of W. 91st Drive and installed sidewalk along the SCL lot.





- PEI has installed the sidewalk along Candelas Parkway north of W. 91st Drive.



- Kelley Trucking has completed the haul and placement of fill north of Big Dry Creek.



- Kelley Trucking has also completed the fill and stockpile of material on the west fill area.



Construction Contract Documents

Contractor Contracts

- None

Potential Contracts

- None

Contractor Change Orders

- Kelley Trucking
 - CO #1 – Additional VTC - \$2,300.00
 - CO #2 – Add Fill and KDPL Pipe Removal - \$75,278.40
 - CO #3 – Earthwork Lot 5/6, Retaining Walls - \$442,500.00

Consultant/Vendor Agreements & Task Orders

Consultant/Vendor Agreements

- None

Task Orders and Work Orders

- Martin/Martin
 - TO #2-A4 – SCL Medical Engineering Amd #4 - \$15,000.00
 - TO #9-A4 – Jefferson Pkwy Coord Amd #4 - \$7,500.00
 - TO #21-A1 – Grading/Earthwork/Taylor Morrison Amd #1- \$15,000.00

McGeady Becher P.C.
Document Retention Policy

Types of Documents

In representing you we will or may take possession of, create, and/or keep various types of documents. These consist of documents you provide to us, documents which constitute the District's official public record, and internal documents we create to assist us in providing services to you.

Documents You Provide to Us

It is our policy to copy and return original documents you provide to us as soon as practicable. Exceptions to this policy are original documents which should be kept as part of the District's official public record, instances where we must have an original document to represent you, or cases where we have affirmatively agreed retain a document for safekeeping.

The District's Record

As a part our engagement, we will maintain the District's official public Record (the "**Record**"). The Record is a highly useful and detailed compilation of documents reflecting the official actions of the District and serves multiple functions. First, it collects those documents which the public is entitled to inspect and copy under various state and federal public records and freedom of information statutes. Second, it organizes the records of the District – such as its contracts, land and title records, and easements - in a manner which is useful in conducting the ongoing business of the District. Third, the Record helps expedite the District's annual audit process. Fourth, in the event you should change legal counsel or employ in-house counsel, the Record will enable that counsel to understand the status and assume representation of the District with maximum efficiency.

The Record includes the District's organizational documents, fully-executed agreements which are still in effect, rules, regulations, resolutions adopted by the District, official minutes books, meeting notices, agendas, insurance policies, District maps, election records, bond documents, audit documents, and many more. A comprehensive list of documents comprising the Record is available from us at any time upon request.

Creating and maintaining the Record is an important and complex task, and you agree to pay our actual costs and hourly fees associated with doing this.

Supplemental Documents

All other documents created in course of representing you are referred to as Supplemental Documents. These include our notes, drafts, memoranda, worksheets, electronic communications, and other electronic documents stored in various media or file servers.

Documents We Retain

Except as provided in this Document Retention Policy or an amendment thereto, we will keep the Record and any original documents accepted by us for safekeeping so long as we represent you.

Delivery of the Record

Once a matter is concluded or our representation terminated, we deliver the original, printed Record, together with any original documents we have accepted for safekeeping, to you or the District's designee, provided our fees and costs have been paid in full. If you do not designate someone to receive these records, we will deliver them to a then-current officer or director of the District. If we are unable to deliver these documents because of your failure to designate a recipient, we may retain, destroy, or otherwise dispose of them in manner which assures their continued confidentiality within thirty (30) days following the conclusion of a matter or the termination of our representation.

We will also confidentially destroy the Record of any District in our possession if a final order of dissolution of the District is entered.

All other documents, including all Supplemental Documents, are routinely, periodically, confidentially, and permanently purged by us once they are no longer useful to us in providing services to you.