

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE JEFFERSON CENTER METROPOLITAN DISTRICT NO. 1 HELD FEBRUARY 27, 2024

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, February 27, 2024, at 9:30 a.m. This District Board meeting was held by video/telephone conference with all participants attending via video/teleconference. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Gregg Bradbury
Jeff L. Nading
Charles Church McKay
Steven Nading
Brandon Dooling

Also In Attendance Were:

David Solin; Special District Management Services, Inc.

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

Joy Tatton; Simmons & Wheeler, P.C.

Wes Back, Elesha Carbaugh-Gonzalez and Brandon Collins; Independent District Engineering Services, LLC

Gregg McKay; Member of the Public

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

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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 McKay, seconded by Director J. Nading and, upon vote, unanimously carried, the agenda was approved, as amended.

Location of Meeting and Posting of Notices: 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 determined that the meeting would be held by video/telephonic means, and encouraged public participation via video or telephone. The Board further noted that notice of the time, date and location of the meeting was duly posted and that the District had not received any objections to the video/telephonic manner of the meeting, or any requests that the video/telephonic manner of the meeting be changed by taxpaying electors within the District boundaries.

Minutes: The Board reviewed the Minutes of the January 23, 2024 Regular Meeting.

Following discussion, upon motion duly made by Director J. Nading, seconded by Director McKay and, upon vote, unanimously carried, the Minutes of the January 23, 2024 Regular Meeting were approved, as presented.

There were no public comments.

PUBLIC COMMENT

CONSENT AGENDA

The Board considered the following actions:

- Ratify approval of Change Order No. 10 to the Contract between the District and Wagner Construction Inc., for Epoxy Manholes, in the amount of \$17,595.59.
- Ratify approval of Task Order #19 to the Contract between the District and Galloway & Company, Inc., for Highway 72 P1, P3, & P5 Landscape, in the amount of \$13,000.00.
- Ratify approval of Task Order #9-A5 to the Contract between the District and Martin/Martin, Inc., for Jefferson Parkway Coordination Amendment 5, for a pricing reduction in the amount of -\$4,194.25.
- Ratify approval of Task Order #22-A12 to the Contract between the District and Martin/Martin, Inc., for the Indiana North

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- Infrastructure Design Amendment 12, in the amount of \$8,500.00.
- Ratify approval of Task Order #24-A14 to the Contract between the District and Martin/Martin, Inc., for the Highway 72 Widening P1-P5 Amendment 14, in the amount of \$20,000.00.
- Ratify approval of Task Order #24-A15 to the Contract between the District and Martin/Martin, Inc., for the Highway 72 Taylor Morrison & Welton Amendment 15, in the amount of \$18,000.00.
- Ratify approval of Task Order #33-A5 to the Contract between the District and Martin/Martin, Inc., for the Highway 72 Parcel P6 Amendment 5, in the amount of \$15,500.00.
- Ratify approval of Task Order #34-A2 to the Contract between the District and Martin/Martin, Inc., for the Parcels P2 & P4 Amendment #2, in the amount of \$23,500.00.
- Ratify approval of Task Order #35-A1 to the Contract between the District and Martin/Martin, Inc., for the Barbara Gulch FP Grading/Utility Relocates Amendment 1, in the amount of \$30,000.00.

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

FINANCIAL MATTERS

Claims: The Board reviewed the payment of claims through the period ending February 27, 2024.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director J. Nading and, upon vote, unanimously carried, the Board ratified approval of the payment of claims through the period ending February 27, 2024 in the amount of \$373,512.49.

Financial Statements and Cash Position Statement: Ms. Tatton reviewed with the Board the unaudited financial statements for the period ending December 31, 2023, and the cash position statement as of February 21, 2024.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director Dooling and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending December 31, 2023, and the cash position statement as of February 21, 2024.

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

Status of Jefferson County Review of Assessed Valuation: Ms. Tatton provided an update to the Board.

Expense Tracking Report and District Expenditures Verification Report prepared by Independent District Engineering Services, LLC (“IDES”): The Board reviewed the Expense Tracking Report and IDES’ report entitled “District Expenditures Verification for January 2024,” which summarizes IDES’ review and verification of the expenditures of the District for January 2024 related to certain District construction contracts. The Verification Report identified \$373,512.49 of District Eligible Expenses and \$0 of Non-Eligible Expenses.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director J. Nading and, upon vote, unanimously carried, the Board determined to accept the District Eligible Expenses in the amount of \$373,512.49.

Letter Agreement for Reimbursement Between the District and Cimarron Development Company Relative to Xcel Energy Reimbursements: The Board deferred discussion.

MANAGEMENT MATTERS

Water Tracking Report: Mr. Solin reviewed the Water Tracking Report with the Board.

LEGAL MATTERS

Issuance of the District’s Second Subordinate Special Revenue Refunding Bonds, Series 2024C (the “2024 Bonds”):

Status and Timing of Issuance of the 2024 Bonds: Attorney Becher provided the Board with an update on the status and timing of issuance of the 2024 Bonds.

Status of Project Funding and Reimbursement Agreement between the District and the Jeffrey L. Nading Trust: Attorney Becher provided the Board with an update on the status of the Project Funding and Reimbursement Agreement between the District and the Jeffrey L. Nading Trust. No action was taken by the Board.

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Status of Appraisal of Plains End Power Plant by Partner Valuation Advisors, LLC: Attorney Becher provided the Board with an update on the status of appraisal of Plains End Power Plant by Partner Valuation Advisors, LLC.

Engagement of MuniCap, Inc. as External Financial Advisor: The Board discussed the engagement of MuniCap, Inc. as External Financial Advisor.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director J. Nading and, upon vote unanimously carried, the Board approved the engagement of MuniCap, Inc. as External Financial Advisor.

Special Counsel Engagement Agreement – Butler Snow LLP: The Board discussed the Special Counsel Engagement Agreement by and among Butler Snow LLP, the City of Arvada, and the Arvada Urban Renewal Authority, for services related to the Jefferson Center Metropolitan District No. 1 Second Subordinate Special Revenue Bonds, Series 2024C, whereby the District agrees to pay all fees and expenses incurred by Butler Snow LLP thereunder (the “Butler Snow Engagement Agreement”).

Following discussion, upon motion duly made by Director Bradbury, seconded by Director J. Nading and, upon vote unanimously carried, the Board approved the Butler Snow Engagement Agreement, subject to final review by counsel.

Engagement of Brownstein Hyatt Farber Schreck LLP: The Board discussed the engagement of Brownstein Hyatt Farber Schreck LLP as Special Counsel to the District in connection with certain matters regarding the Jefferson Center Urban Renewal Plan, as amended and modified.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director J. Nading and, upon vote unanimously carried, the Board approved the engagement of Brownstein Hyatt Farber Schreck LLP as Special Counsel to the District in connection with certain matters regarding the Jefferson Center Urban Renewal Plan, as amended and modified, subject to final review of the engagement agreement by counsel.

CONSTRUCTION MATTERS

Construction Status Report: Mr. Back reviewed the Project Status Report, dated February 27, 2024, with the Board. A copy of the report is attached hereto and incorporated herein by this reference.

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

- Consider approval of a Construction Agreement between the District and Wagner Construction Inc., for Barbara Gulch Grading and Utility Improvements, in the amount of \$3,448,663.00.
- Consider approval of Change Order #1 to the Contract between the District and JBS Pipeline, LLC d/b/a JBS Pipeline Contractors, for Arvada Permit Fees and Material Design Change, in the amount of \$9,611.69.
- Consider approval of Change Order #1 to the Contract between the District and NRE Excavating Inc. – Barbara Gulch Drain Extension, for Plan Changes, in the amount of \$34,582.00.
- Consider approval of Change Order #5 to the Contract between the District and Wagner Construction Inc. – Highway 72 Widening, for Additional Drainage Pans, in the amount of \$16,930.77.
- Consider approval of Task Order #18 to the Service Agreement between the District and Independent District Engineering Services LLC, for Continuing District Oversight Services, in the amount of \$273,000.00.
- Consider approval of Task Order #35-A2 to the Service Agreement between the District and Martin/Martin, Inc., for Barbara Gulch FP Grading/Utility Relocates A2, in the amount of \$33,000.00.

Following discussion, upon motion duly made by Director Dooling, seconded by Director Bradbury 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, subject to final approval by Director J. Nading.

CAPITAL IMPROVEMENTS

District Engineer’s Cost Certification Report No. 21, prepared by Independent District Engineering Services, LLC, certifying District eligible expenditures relative to Trailstone Filing No. 1 Public Improvements: The Board reviewed Cost Certification Report No. 21, dated February 27, 2024, prepared by Independent District Engineering Services, LLC, certifying District-eligible expenditures in the amount of \$1,861,872.07 (“Report No. 21”).

Following discussion, upon motion duly made by Director J. Nading, seconded by Director Dooling and, upon vote unanimously carried, the Board approved Report No. 21.

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Reimbursement to Cimarron Commercial, LLC under the Facilities Funding and Acquisition Agreement between the District and Cimarron Development Company (CDC), as amended, and pursuant to the Letter from CDC regarding Payment Directive Pertaining to Certified Costs for Trailstone Filing No. 1 Public Improvements: The Board discussed authorizing reimbursement to Cimarron Commercial, LLC in the amount certified per Report No. 21, pursuant to the Facilities Funding and Acquisition Agreement between the District and CDC and pursuant to the Letter from CDC regarding Payment Directive Pertaining to Certified Costs for Trailstone Filing No. 1 Public Improvements.

Following discussion, upon motion duly made by Director J. Nading, seconded by Director Dooling and, upon vote unanimously carried, the Board authorized reimbursement to Cimarron Commercial, LLC in the amount certified per Report No. 21, pursuant to the Facilities Funding and Acquisition Agreement between the District and CDC and pursuant to the Letter from CDC regarding Payment Directive Pertaining to Certified Costs for Trailstone Filing No. 1 Public Improvements.

Taylor Morrison of Colorado, Inc. (“Taylor Morrison”) Request for Reimbursement of Certain Costs Related to Offsite Sanitary Sewer Improvements: The Board deferred discussion.

Status of Various Agreements by and between the District and Taylor Morrison of Colorado, Inc.: Attorney Becher provided an update. No action was taken by the Board.

OTHER BUSINESS

2024 Landscape Maintenance – Environmental Designs, LLC: The Board discussed a proposal from Environmental Designs, LLC for 2024 Landscape Maintenance.

Following discussion, upon motion duly made by Director J. Nading, seconded by Director McKay and, upon vote unanimously carried, the Board approved the proposal from Environmental Designs, LLC for 2024 Landscape Maintenance, in the amount of \$46,744.17, and authorized preparation of a Service Agreement or Change Order, as appropriate.

Deadwood Tree Pruning of 103 Trees – Monarch Tree Services: The Board discussed a proposal from Monarch Tree Services for Deadwood Tree Pruning of 103 Trees.

Following discussion, upon motion duly made by Director J. Nading, seconded by Director McKay and, upon vote unanimously carried, the

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Board approved the proposal from Monarch Tree Services for Deadwood Tree Pruning of 103 Trees, in the amount of \$4,111.00, and authorized preparation of a Service Agreement or Change Order, as appropriate.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director J. Nading, seconded by Director McKay and, upon vote, unanimously carried, the meeting was adjourned at 10:43 a.m.

Respectfully submitted,

By: 

Secretary for the Meeting