

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE JEFFERSON CENTER METROPOLITAN DISTRICT NO. 1 HELD FEBRUARY 28, 2023

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 28, 2023, 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.

Emily Murphy, Esq.; McGeady Becher P.C.

Joy Tatton; Simmons & Wheeler, P.C.

Wes Back and Brandon Collins; Independent District Engineering Services, LLC

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 Murphy 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, an agenda for the District's Regular Meeting.

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

Resignation and Appointment of Secretary to the Board: The Board discussed the resignation of James Ruthven as Secretary to the Board and considered the appointment of David Solin as Secretary to the Board.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director J. Nading and, upon vote, unanimously carried, the Board acknowledged the resignation of James Ruthven as Secretary to the Board and appointed David Solin as Secretary to the Board.

Minutes: The Board reviewed the minutes of the January 24, 2023 Regular Meeting.

Following discussion, upon motion duly made by Director Dooling, seconded by Director J. Nading and, upon vote, unanimously carried, the minutes of the January 24, 2023 Meeting was approved, as presented.

PUBLIC COMMENT

There were no public comments.

CONSENT AGENDA

The Board considered the following actions:

- Ratify approval of Change Order No. 6 to the Contract between the District and NRE Excavating, Inc., for fire hydrant repair, in the amount of \$2,361.00.
- Ratify approval of Change Order No. 4 to the Contract between the District and Timco Blasting & Coatings, Inc., for El Diente landscape repairs, for a decrease in the amount of <\$5,887.94>.

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- Ratify approval of Change Order No. 5 to the Contract between the District and Timco Blasting & Coatings, Inc., for Stockpile Stabilization, in the amount of \$5,334.00.
- Ratify approval of Change Order No. 3 to the Contract between the District and Wagner Construction, Inc., for Gas Line Crossings, in the amount of \$2,871.27.
- Ratify approval of Change Order No. 4 to the Contract between the District and Wagner Construction, Inc., for DEV and Site Permit Fees, in the amount of \$7,350.70.
- Ratify approval of Task Order No. 3 to the Service Agreement between the District and 360 Rail Services, LLC for SH72/SH93 Crossing Investigation, in the amount of \$58,660.00.
- Ratify approval of Task Order No. 8 to the Service Agreement between the District and Storm Water Asset Protection for Stormwater Oversight Services, in the amount of \$35,000.00.
- Ratify approval of Task Order No. 2 to the Service Agreement between the District and 7S, Inc., d/b/a S & S Striping and Signage, for the replacement of signs at Candelas Point, in the amount of \$905.00.
- Ratify approval of Task Order No. 3 to the Service Agreement between the District and Triax Engineering, LLC for Highway 72 Widening Material Testing, in the amount of \$11,867.00.

Following review, upon motion duly made by Director Bradbury, seconded by Director J. Nading 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 and considered approval of the payment of claims through the period ending February 2, 2023, in the amount of \$517,583.79.

Following discussion, upon motion duly made by Director J. Nading, seconded by Director Dooling and, upon vote, unanimously carried, the Board ratified or approved (as appropriate) the payment of claims, as presented.

Unaudited Financial Statements: Ms. Tatton reviewed with the Board the unaudited financial statements for the period ending December 31, 2022.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director J. Nading and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending December 31, 2022.

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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.

Expense Tracking Report (ETR): Mr. Back reviewed with the Board the Expense Tracking Report.

District Expenditures Verification Report prepared by Independent District Engineering Services, LLC (“IDES”): Mr. Back reviewed with the Board IDES’ report entitled “District Expenditures Verification for February 2023,” which summarizes IDES’ review and verification of the expenditures of the District for February 2023 related to certain District construction contracts. The Verification Report identified \$514,451.92 of District Eligible Expenses and \$3,131.87 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 \$514,451.92.

Future Operation and Maintenance Obligations and Related Budget Matters: There were no updates at this time.

Tax Increment Financing (“TIF”) Revenue Collection Matters: Ms. Tatton updated the Board regarding the TIF revenue collection matters.

MANAGEMENT MATTERS

Water Allocations and Facilities Fees Collections: Mr. Solin discussed the water allocations with the Board. The Board made several suggested revisions, and Mr. Solin will present the updated report at the next meeting.

LEGAL MATTERS

City of Arvada’s System Development Charges: Directors J. Nading and Bradbury provided an update to the Board on the status of the City of Arvada’s System Development Charges. No action was taken by the Board.

Retaining Wall and Slope Easements for the Benefit of RangeWater Residential, LLC: It was noted that the retaining wall and slope easements discussions are on hold at this time.

Gross Reservoir Water Rights Purchase: The Board entered into discussion regarding the Gross Reservoir Water Rights Purchase by either the District or Jefferson Center Metropolitan District No. 2. It was noted that District Counsel will review the matter and report back to the Board.

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CONSTRUCTION MATTERS

Construction Status Report: Mr. Back presented to the Board the Construction Status Report.

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

- Consider approval of Contractor Agreement between the District and ABC Asphalt Inc. for Candelas Medical Access Paving, in the amount of \$41,741.00.
- Consider approval of Contractor Agreement between the District and RCD Construction Inc. for Candelas Point Paving and Utility Repairs, in the amount of \$195,162.90.
- Consider approval of Change Order No. 1 to the Contract between the District and Leo Landscape LLC for El Diente Landscape Repairs, in the amount of \$ 5,887.94.
- Consider approval of Task Order No. 17 to the Contract between the District and Kimley-Horn and Associates, Inc. for OCC Industrial P6 Traffic Compliance, in the amount of \$3,500.00
- Consider approval of Task Order No. 7-A12 to the Contract between the District and Martin/Martin, Inc. for JCMD Parcel Coordination Amd #12, in the amount of \$15,000.00.
- Consider approval of Task Order No. 8-A7 to the Contract between the District and Martin/Martin, Inc. for On-Call Survey Amd #7, in the amount of \$12,000.00.
- Consider approval of Task Order No. 22-A10 to the Contract between the District and Martin/Martin, Inc. for Indiana North Infrastructure Amd #10, in the amount of \$18,000.00.
- Consider approval of Task Order No. 24-A9 to the Contract between the District and Martin/Martin, Inc. for Highway 72 & Welton Parcel Amd #9, in the amount of \$12,000.00.
- Consider approval of Task Order No. 24-A10 to the Contract between the District and Martin/Martin, Inc. for Highway 72 Parcel P1 & P3 Widening Amd #10, in the amount of \$15,000.00.
- Consider approval of Task Order No. 25-A4 to the Contract between the District and Martin/Martin, Inc. for Candelas Sanitary Sewer Outfall Amd #4, in the amount of \$8,500.00.
- Consider approval of Task Order No. 26-A4 to the Contract between the District and Martin/Martin, Inc. for Highway 72 Waterline Construction Documents, in the amount of \$2,500.00.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director Dooling and, upon vote 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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Payment to City of Arvada (“City”) Under the Intergovernmental Agreement By and Between the City of Arvada and Jefferson Center Metropolitan District No. 1: The Board entered into discussion regarding a payment to the City under the Intergovernmental Agreement By and Between the City and Jefferson Center Metropolitan District No. 1 for Financing of the Design, Preconstruction Services, and Construction of the Upgrades and Improvements to the Alkire Lift Station.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director J. Nading and, upon vote, unanimously carried, the Board authorized the payment to the City under the Intergovernmental Agreement By and Between the City and Jefferson Center Metropolitan District No. 1 for Financing of the Design, Preconstruction Services, and Construction of the Upgrades and Improvements to the Alkire Lift Station, in the amount of \$212,274.75.

Warranty Issues:

Premier Earthworks & Infrastructure, Inc. (“PEI”) Warranty Obligations: Mr. Back provided a brief update.

GH Phipps Construction Companies Warranty Obligations: Mr. Back provided a brief update.

SEMA Construction Inc. Warranty Obligations: Mr. Back provided an update to the Board on the status of the SEMA Construction Inc. Warranty Obligations.

Settlement and Release Agreement by and between the District and SEMA Construction, Inc.: The Board discussed the Settlement and Release Agreement by and between the District and SEMA Construction, Inc.

Following discussion, upon motion duly made by Director J. Nading, seconded by Director McKay and, upon vote, unanimously carried, the Board ratified approval of the Settlement and Release Agreement by and between the District and SEMA Construction, Inc.

CAPITAL IMPROVEMENTS

District Engineer’s Cost Certification Report No. 16, dated February 28, 2023, prepared by Independent District Engineering Services, LLC, certifying District eligible expenditures relative to Trailstone Filing No. 1 Public Improvements: Mr. Back reviewed the report with the Board.

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Following discussion, upon motion duly made by Director Bradbury, seconded by Director S. Nading and, upon vote, unanimously carried, the Board approved the District Engineer's Cost Certification Report No. 16, dated February 28, 2023, prepared by Independent District Engineering Services, LLC, certifying District eligible expenditures relative to Trailstone Filing No. 1 Public Improvements, in the amount of \$528,253.40 ("Report No. 16").

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 the 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.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director S. Nading and, upon vote, unanimously carried, the Board authorized a direct reimbursement of \$400,000.00 to Cimarron Commercial, LLC, and authorized the remaining certified amount of \$125,253.40 be added to the Nonrevolving Line of Credit Nolte, Series 2010B, per 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.


OTHER BUSINESS

There was no other business.

ADJOURNMENT

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

Respectfully submitted,

By: 
Secretary for the Meeting