

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE JEFFERSON CENTER METROPOLITAN DISTRICT NO. 1 HELD MARCH 26, 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, March 26, 2024, at 9:30 a.m. This District Board meeting was held by via Zoom. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Gregg Bradbury
Jeff L. Nading
Charles Church McKay
Steven Nading

Following discussion, upon motion duly made by Director J. Nading, seconded by Director McKay and, upon vote, unanimously carried, the absence of Director Brandon Dooling was excused.

Also In Attendance Were:

David Solin and Diana Garcia; 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’

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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 J. Nading, seconded by Director McKay 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 February 27, 2024 Regular Meeting and the March 18, 2024 Special Meeting.

Following review and discussion, upon motion duly made by Director Bradbury, seconded by Director J. Nading and, upon vote, unanimously carried, the Minutes of the February 27, 2024 Regular Meeting and the March 18, 2024 Special Meeting were approved, as presented.

PUBLIC COMMENT

There were no public comments.

CONSENT AGENDA

The Board considered the following actions:

- Ratify 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.
- Ratify 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.
- Ratify approval of Change Order #1 to the Contract between the District and NRE Excavating Inc. – Barbara Gulch Drain

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- Extension, for Plan Changes, in the amount of \$34,582.00.
- Ratify 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.
- Ratify 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.
- Ratify 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.
- Ratify approval of proposal from Environmental Designs, LLC for 2024 Landscape Maintenance, in the amount of \$46,744.17.
- Ratify approval of proposal from Monarch Tree Services – Colorado (a division of Environmental Designs, LLC) for Deadwood Tree Pruning of 103 Trees, in the amount of \$4,111.00.

Following review, upon motion duly made by Director Bradbury, seconded by Director McKay 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 March 26, 2024.

Following review and discussion, upon motion duly made by Director Bradbury, seconded by Director McKay and, upon vote, unanimously carried, the Board ratified approval of the payment of claims through the period ending March 26, 2024 in the amount of \$1,345,476.96.

Cash Position Statement: Ms. Tatton reviewed with the Board the cash position statement as of March 18, 2024.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director J. Nading and, upon vote, unanimously carried, the Board accepted the cash position statement as of March 18, 2024.

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 and District Expenditures Verification Report prepared by Independent District Engineering Services, LLC (“IDES”): Ms. Carbaugh-Gonzalez presented to the Board the Expense

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Tracking Report and IDES' report entitled "District Expenditures Verification for February 2024," which summarizes IDES' review and verification of the expenditures of the District for February 2024 related to certain District construction contracts. The Verification Report identified \$1,345,476.96 of District Eligible Expenses and \$0 of Non-Eligible Expenses.

Following discussion, upon motion duly made by Director J. Nading, seconded by Director Bradbury and, upon vote, unanimously carried, the Board determined to accept the District Eligible Expenses in the amount of \$1,345,476.96.

Letter Agreement for Reimbursement Between the District and Cimarron Development Company Relative to Xcel Energy Reimbursements: Attorney Becher discussed with the Board the Letter Agreement for Reimbursement between the District and Cimarron Development Company relative to Xcel Energy reimbursements.

Following review and discussion, upon motion duly made by Director J. Nading, seconded by Director Bradbury and, upon vote, unanimously carried, the Board approved the Letter Agreement for Reimbursement between the District and Cimarron Development Company relative to Xcel Energy reimbursements, subject to final legal review.

MANAGEMENT MATTERS

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

CONSTRUCTION MATTERS

Construction Status Report: Mr. Back reviewed the Project Status Report, dated March 26, 2024, with the Board. 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 Contracts, Task Orders, Work Orders and Change Orders:

- Consider approval of Change Order #2 to the Contract between the District and JBS Pipeline, LLC d/b/a JBS Pipeline Contractors, for Additional Potholing, in the amount of \$2,886.69.
- Consider approval of Task Order #2-A9 to the Contract between the District and Galloway & Company, Inc., for On-Call Survey Amendment #9, for a reduction in the contract amount of \$<3,132.68>.

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- Consider approval of Task Order #5-A3 to the Contract between the District and Galloway & Company, Inc., for SCL Landscape Design Amendment #3, for a reduction in the contract amount of \$<\$1,671.30>.
- Consider approval of Task Order #24-A16 to the Service Agreement between the District and Martin/Martin, Inc, for Barbara Gulch Additional CA Amendment #16, in the amount of \$2,500.00.
- Consider approval of Task Order #4-A1 to the Service Agreement between the District and SWCA Incorporated, d/b/a SWCA Environmental Consultants, for Joyce Street Culvert Crossing 9 Amendment #1, for a reduction in the contract amount of \$<\$2,285.98>.
- Consider approval of Task Order #3-A1 to the Service Agreement between the District and Triax Engineering, LLC, for Materials Testing, Hwy 72, in the amount of \$9,797.51.
- Consider approval of Task Order #5 to the Service Agreement between the District and Triax Engineering, LLC, for Materials Testing, Hwy 72 & Candelas Pkwy Sidewalk, in the amount of \$7,960.00.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director J. Nading 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.

OPERATIONS / MAINTENANCE MATTERS

Change Order No. 9 to Service Agreement for Landscape Maintenance Services: Mr. Solin reviewed with the Board Change Order No. 9 to the Service Agreement for Landscape Maintenance Services between the District and Environmental Designs, Inc. (n/k/a Environmental Designs, LLC), for 2024 Landscape Maintenance and 2024 Tree Care Services, in the amount of \$50,855.17 (“Change Order No. 9”).

Following review and discussion, upon motion duly made by Director Bradbury, seconded by Director J. Nading and, upon vote unanimously carried, the Board approved Change Order No. 9.

CAPITAL IMPROVEMENTS

District Engineer’s Cost Certification Report No. 22, prepared by Independent District Engineering Services, LLC, certifying District eligible expenditures relative to Trailstone Filing No. 1 Public Improvements: There was no report available.

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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: No action was taken by the Board.

Taylor Morrison of Colorado, Inc. ("Taylor Morrison") Request for Reimbursement of Certain Costs Related to Offsite Sanitary Sewer Improvements: Director J. Nading provided an update.

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.

LEGAL MATTERS

Issuance of the District's Second Subordinate Special Revenue Bonds, Series 2024C (the "Series 2024C Bonds"):

Status and Timing of Issuance of the Series 2024C Bonds: Attorney Becher and Director Bradbury discussed with the Board the status and timing of issuance of the Series 2024C Bonds.

Actions in Connection with the Series 2024C Bonds: The Board discussed authorizing any necessary actions in connection with the Series 2024C. The Board determined no additional actions were necessary.

Executive Session: The Board notified those present that it would need to convene in executive session for the purpose of receiving legal advice on specific legal questions regarding ongoing negotiations and reimbursement considerations.

Pursuant to Section 24-6-402(4), C.R.S., upon motion duly made by Director Bradbury, seconded by Director McKay, and upon an affirmative vote of at least two-thirds of the quorum present, the Board convened in executive session at 10:03 a.m. for the purpose of receiving legal advice on specific legal questions regarding ongoing negotiations and reimbursement considerations, as authorized by Sections 24-6-402(4)(b) and (e), C.R.S.

Furthermore, pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., no record will be kept of those portions of the executive session that, in the opinion of the Board's attorney, constitute privileged attorney-client communication pursuant to Section 24-6-402(4)(b), C.R.S.

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The Board reconvened in regular session at 10:41 a.m. No action was taken in the executive session.


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 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

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Attorney Statement

REGARDING PRIVILEGED ATTORNEY-CLIENT COMMUNICATION

Pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., I attest that, in my capacity as the attorney representing the Jefferson Center Metropolitan District No. 1, I attended the executive session meeting of the Jefferson Center Metropolitan District No. 1 convened on March 26, 2024, for the purpose of receiving legal advice on specific legal questions regarding ongoing negotiations and reimbursement considerations, as authorized by Sections 24-6-402(4)(b) and (e), C.R.S. I further attest it is my opinion that all of the executive session discussion constituted a privileged attorney-client communication and based on that opinion, no further record, written or electronic, was kept or required to be kept pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S.

Megan M. Becher, Attorney for the District
Date: March 26, 2024