

RECORD OF PROCEEDINGS

**MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
JEFFERSON CENTER METROPOLITAN DISTRICT NO. 1
HELD
JULY 27, 2020**

A Special Meeting of the Board of Directors of the Jefferson Center Metropolitan District No. 1 (referred to hereafter as "Board") was convened on Monday, the 27th day of July, 2020, at 12:00 p.m. Due to concerns regarding the spread of the coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, the District Board meeting was held by conference call. There was one person present at the physical location at the offices of Special District Management Services, Inc., 141 Union Blvd., Suite 150, Lakewood, CO 80228. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Gregg Bradbury (via telephone)
Jeff Nading (via telephone)
Charles Church McKay (via telephone)
Steven Nading (via telephone)

Following discussion, upon motion duly made by Director McKay, seconded by Director Bradbury 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. (via telephone)

Peggy Ripko; Special District Management Services, Inc. (in person at the meeting location)

Megan Becher, Esq.; McGeady Becher P.C. (via telephone)

Ken Guckenberger, Esq.; Kutak Rock LLP (via telephone, for a portion of the meeting)

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

Wes Back; Independent District Engineering Services, LLC (via telephone)

Creig Veldhuizen; Piper Sandler & Co. (via telephone, for a portion of the meeting)

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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' 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 Special Meeting.

Following discussion, upon motion duly made by Director McKay, seconded by Director Bradbury and, upon vote, unanimously carried, the Agenda was approved, as amended.

Approval of Location/Manner of Meeting: 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, due to concerns regarding the spread of the coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, the meeting would be held by telephonic means, and encouraged public participation via telephone. There was one person at the physical meeting location as posted. The Board further noted that notice of the time, date and location was duly posted and that that no objections to the telephonic manner of the meeting, or any requests that the telephonic manner of the meeting be changed by taxing electors within the District boundaries, have been received.

Minutes: The Board reviewed the Minutes from the June 23, 2020 special meeting and the July 2, 2020 special meeting.

Following discussion, upon motion duly made by Director McKay, seconded by Director Steve Nading and, upon vote, unanimously carried, the Minutes from the June 23, 2020 special meeting and the July 2, 2020 special meeting were approved, as presented.

PUBLIC COMMENT

There were no public comments.

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LEGAL MATTERS

Issuance of the District's Special Revenue Bonds, Series 2020A-2, and Subordinate Special Revenue Bonds, Series 2020B (collectively, the "Bonds"):

Special Counsel Engagement Agreement by and among Butler Snow LLP, the City of Arvada, and the Arvada Urban Renewal Authority: Attorney Becher reviewed with the Board 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 Jefferson Center Metropolitan District No. 1 Special Revenue Bonds, Series 2020A-2, and Subordinate Special Revenue Bonds, Series 2020B, whereby the District agrees to pay all fees and expenses incurred by Butler Snow LLP thereunder (the "Butler Snow Engagement Agreement").

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

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: Attorney Becher discussed with the Board 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.

Attorney Becher also reviewed with the Board the "Engagement Agreement for Legal Services – 2020 Bond Opinion, Bank Loan and Bond Issuance" between the District and Brownstein Hyatt Farber Schreck, LLP (the "Brownstein Engagement Agreement").

Following review and discussion, upon motion duly made by Director Steve Nading, seconded by Director Bradbury 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, and approved the Brownstein Engagement Agreement.

Resolution authorizing the issuance of: (1) the District's Special Revenue Bonds, Series 2020A-2, in a maximum aggregate principal amount of up to \$19,000,000; and (2) the District's Subordinate Special Revenue Bonds, Series 2020B, in a maximum aggregate principal amount of up to \$95,000,000 (the "Authorizing Resolution"): Attorney Guckenberger

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and Mr. Veldhuizen reviewed with the Board the Authorizing Resolution. Extensive discussion ensued.

Following review and discussion, upon motion duly made by Director Bradbury, seconded by Director Steve Nading and, upon vote, unanimously carried, the Board appointed Director Bradbury as the District's Authorized Delegate, and adopted the Authorizing Resolution, contingent upon the receipt of the necessary approvals from the City of Arvada and the Arvada Urban Renewal Authority. By the same vote, the Board also authorized the execution of all documents, instruments and certificates in connection therewith, ratified prior actions, authorized incidental actions, and repealed prior inconsistent actions.

First Amendment to Facilities Funding and Acquisition Agreement by and between the District and Cimarron Development Company: Attorney Becher reviewed with the Board the First Amendment to Facilities Funding and Acquisition Agreement by and between the District and Cimarron Development Company.

Following review and discussion, upon motion duly made by Director Steve Nading, seconded by Director Bradbury and, upon vote, unanimously carried, the Board approved the First Amendment to Facilities Funding and Acquisition Agreement by and between the District and Cimarron Development Company, and authorized any necessary actions in conjunction therewith.

Resolution approving an Amendment to a Resolution dated November 1, 2010 Authorizing the Issuance of the District's Subordinate Nonrevolving Line of Credit Note, Series 2010B, in the aggregate principal amount of not to exceed \$226,598,000: Attorney Guckenberger reviewed with the Board the Resolution approving an Amendment to a Resolution dated November 1, 2010 Authorizing the Issuance of the District's Subordinate Nonrevolving Line of Credit Note, Series 2010B, in the aggregate principal amount of not to exceed \$226,598,000.

Following review and discussion, upon motion duly made by Director Steve Nading, seconded by Director Bradbury and, upon vote, unanimously carried, the Board adopted the Resolution approving an Amendment to a Resolution dated November 1, 2010 Authorizing the Issuance of the District's Subordinate Nonrevolving Line of Credit Note, Series 2010B, in the aggregate principal amount of not to exceed \$226,598,000, and authorized any necessary actions in conjunction therewith.

Organization of New Districts: Attorney Becher and the Board discussed the possible timing for the organization of new Districts. It was

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determined to close the Bonds before proceeding with the organization of any new districts.

CONSENT AGENDA

The Board considered the following actions:

- Ratify approval of Task Order No. 6 to Contract between the District and Kelley Trucking, Inc., for Candelas Medical Phase 2 Earthwork, for added seeding, ECB and SF, for an increase in the contract amount of \$39,414.50.
- Ratify approval of Task Order No. 14 to the Master Service Agreement for Construction Observation and Materials Testing Services between the District and CTL/Thompson, Inc., for Candelas Medical Phase 2 Retaining Walls, for an increase in the contract amount of \$16,743.00.
- Ratify approval of Task Order No. 7 to the Service Agreement, between the District and Wyoco Erosion Control, Inc., for Erosion Control, for an increase in the contract amount of \$25,992.25.
- Ratify approval of District Engineer's Cost Certification Report No. 1, dated June 29, 2020, prepared by Independent District Engineering Services, LLC, certifying District eligible expenditures in the amount of \$112,844.66, and acceptance of certified costs for Public Improvements in the amount of \$112,844.66.
- Ratify approval of District Engineer's Cost Certification Report No. 2, dated July 1, 2020, prepared by Independent District Engineering Services, LLC, certifying District eligible expenditures in the amount of \$144,791.28, and acceptance of certified costs for Public Improvements in the amount of \$144,791.28.

Following review, upon motion duly made by Director Jeff Nading, 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 considered approval of the payment of claims through the period ending July 27, 2020, in the amount of \$126,774.66.

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 July 27, 2020, in the amount of \$126,774.66.

Cash Position Statement: Ms. Tatton reviewed with the Board the cash position statement as of July 21, 2020.

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Following discussion, upon motion duly made by Director Bradbury, seconded by Director Steve Nading and, upon vote, unanimously carried, the Board accepted the cash position statement as of July 21, 2020.

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

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 July 2020,” which summarizes IDES’ review and verification of the expenditures of the District for July 2020 related to certain District construction contracts. The Verification Report identified \$126,774.67 of District Eligible Expenses and \$-0- of Non-Eligible Expenses.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director Jeff Nading and, upon vote, unanimously carried, the Board determined to accept the District Eligible Expenses in the amount of \$126,774.67.

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

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

MANAGEMENT MATTERS

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

FEMA Grant Close-Out: The Board deferred discussion.

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.

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Verification of Expenditures for Candelas Medical Phase Two Improvements: Mr. Back reviewed with the Board the District Engineer's Verification of Expenditures for Candelas Medical Phase Two Improvements dated July 21, 2020, in the amount of \$7,808.25.

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 the District Engineer's Verification of Expenditures for Candelas Medical Phase Two Improvements dated July 21, 2020, in the amount of \$7,808.25.

Disbursement Request No. 9 under the Phase Two Agreement: The Board reviewed Disbursement Request No. 9 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. 9 under the Phase Two Agreement, in the amount of \$7,808.25.

Purchase and Sale Agreement (Water Tank Site) by and between the City of Arvada, Jefferson Center Metropolitan District No. 1, and acknowledged by Jefferson Center Metropolitan District No. 2: Attorney Becher reported to the Board that she has received comments from the City of Arvada.

Remaining option between the District and the City of Arvada for 7.42 Acre Feet of water: Attorney Becher discussed with the Board the remaining option between Jefferson Center Metropolitan District No. 2 ("JCMD No. 2") and the City of Arvada for 7.42 acre-feet of water.

Following review and discussion, upon motion duly made by Director Jeff Nading, seconded by Director McKay and upon vote, unanimously carried, the Board approved the use of bond proceeds to remit to JCMD No. 2 for JCMD No. 2's purchase of the remaining option for 7.42 acre-feet of water, in the amount of \$260,700.00.

CONSTRUCTION MATTERS

Construction Status Report: Mr. Back reviewed with the Board the Project Status Report dated July 27, 2020. A copy of the report is attached hereto and incorporated herein by this reference.

District Engineer's Cost Certification Report No. 3, dated July 24, 2020, prepared by Independent District Engineering Services, LLC, certifying District eligible expenditures, in the amount of \$12,997.00: Mr. Back reviewed the report with the Board.

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Following discussion, upon motion duly made by Director Jeff Nading, seconded by Director Steve Nading and, upon vote, unanimously carried, the Board approved the District Engineer's Cost Certification Report No. 3, dated July 24, 2020, prepared by Independent District Engineering Services, LLC, certifying District eligible expenditures in the amount of \$12,997.00, and accepted certified costs for Public Improvements in the amount of \$12,997.00.

Candelas Medical West 91st Extension Phase 2 / Award of Contract:

The Board reviewed the bids received. Following extensive discussion, upon motion duly made by Director Steve Nading, seconded by Director Bradbury and, upon vote, unanimously carried, the Board selected Gerald H. Phipps, Inc., d/b/a GH Phipps Construction Company ("GH Phipps") as the contractor, and approved the award of contract to GH Phipps in the amount of \$575,068.82.

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

- Ratify approval of Contract between the District and Miller Wall Company, for Candelas Medical Retaining Walls, in the amount of \$1,077,183.00.
- Consider approval of Task Order No. 1 to Contract between the District and Miller Wall Company, for Candelas Medical Retaining Walls, Phase 2 Retaining Walls, in the amount of \$1,269,244.65.
- Consider approval of Task Order No. 1 to Contract between the District and NRE Excavating, Inc., for Big Dry Creek Bore Extension, ROW reimbursement & Bond Deduct, in the amount of \$48,218.02.
- Consider approval of Task Order No. 15 to the Master Service Agreement for Construction Observation and Materials Testing Services between the District and CTL/Thompson, Inc., for Candelas Medical Phase 2 Utilities, for an increase in the contract amount of \$17,290.
- Consider approval of Task Order No. 16 to the Master Service Agreement for Construction Observation and Materials Testing Services between the District and CTL/Thompson, Inc., for W. 91st Drive Subgrade Investigation and Pavement Design, for an increase in the contract amount of \$1,650.
- Consider approval of Task Order No. 17 to the Master Service Agreement for Construction Observation and Materials Testing Services between the District and CTL/Thompson, Inc., for Candelas Parkway Improvements, for an increase in the contract amount of \$5,845.

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- Consider approval Task Order No. 2-A6 to the Master Service Agreement for Civil Engineering and Surveying Services between the District and Galloway & Company, Inc., for On Call Survey Amendment #6, in the amount of \$8,000.
- Consider approval of Task Order No. 15-A6 to the Master Service Agreement for Civil Engineering and Surveying Services between the District and Galloway & Company, Inc., for Candelas Point Amendment #6, in the amount of \$2,800.
- Consider approval of Task Order No. 10 to the Service Agreement for District Oversight Services between the District and Independent District Engineering Services, LLC, for District Oversight Services, in the amount of \$111,000.
- Consider approval of Task Order No. 2-A6 to the Service Agreement between the District and Martin/Martin, Inc., for SCL Medical Engineering Amendment #6, in the amount of \$10,000.
- Consider approval of Task Order No. 7-A6 to the Service Agreement between the District and Martin/Martin, Inc., for JCMD Parcel Coordination, in the amount of \$10,000
- Consider approval of Task Order No. 22-A3 to the Service Agreement between the District and Martin/Martin, Inc., for Indiana North Infrastructure Design Amendment #3, in the amount of \$198,500.
- Consider approval of Task Order No. 23-A1 to the Service Agreement between the District and Martin/Martin, Inc., for Candelas Indiana Widening Amendment #1, in the amount of \$48,900.
- Consider approval of Task Order No. 24-A1 to the Service Agreement between the District and Martin/Martin, Inc., for Highway Indiana Widening Amendment #1, in the amount of \$109,500.
- Consider approval of Task Order No. 25 to the Service Agreement between the District and Martin/Martin, Inc., for Candelas Sanitary Sewer Outfall, in the amount of \$134,500.
- Consider approval of Task Order No. 26 to the Service Agreement between the District and Martin/Martin, Inc., for Highway 72 Waterline Due Diligence, in the amount of \$10,000.

Following discussion, upon motion duly made by Director Steve Nading, 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.

CAPITAL IMPROVEMENTS

None.

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OTHER BUSINESS

None.

**CONTINUATION
OF MEETING**

Upon motion duly made, seconded and, upon vote, unanimously carried, the meeting was continued to August 3, 2020 at 12:00 p.m., at the same meeting location and with the same conference call information.

Respectfully submitted,

By: 

Secretary for the Meeting

JEFFERSON CENTER METRO DISTRICT NO. 1

Board Meeting Project Status

July 27, 2020

Project Work

Candelas Point

- The City of Arvada has issued initial acceptance for all the improvements completed at Candelas Point and started the warranty period.
- The City of Arvada has requested stabilization be completed along the pump station access road. WYOCO has installed wire fence and diverted storm flows away from the pump station.

Kings North / North Indiana Stockpile

- PEI has been notified of the sanitary sewer manhole settlement on W. 91st Drive northeast of King Soopers and is coordinating repairs with Arvada.
- WYOCO has installed all erosion control measures and is ready for initial inspection following permit issuance by Arvada.
- IDES has requested the remaining release of escrow for improvements completed at Indiana box culvert that was being held for stabilization.

Candelas Medical



- Miller Wall Company has completed approximately 12,000 square feet of retaining wall.



- NRE has completed installation of the sanitary sewer main below W. 91st Drive and has begun to install water main. The Jefferson Parkway casing has been installed.



- Brightview has installed hardscape and plants along Candelas Parkway and above the detention pond. The sod will be installed pending irrigation completion.



- Streetlight installation along W. 91st Drive Phase 1 has been completed.
- PEI is awaiting final punch lists from the City of Arvada to obtain initial acceptance.

Upcoming Projects

- Candelas Parkway and Indiana Street – KECI has applied for the Arvada permit and is working through submittals. A field preconstruction meeting was held with Arvada.
- Candelas Medical West 91st Extension Phase 2 – Bids were received on July 23rd from four contractors. GH Phipps was the low bidder.

Construction Contract Documents

Contractor Contracts

- Miller Wall – Candelas Medical Retaining Walls - \$1,077,183.00
- GH Phipps – Candelas Medical West 91st Extension Phase 2 - \$575,068.82

Contractor Change Orders

- Miller Wall
TO #1 – Phase 2 Retaining Walls - \$1,269,244.65
- NRE Excavating
TO #1 – Big Dry Creek Bore Extension, ROW reimbursement, & Bond Deduct - \$ 48,218.02

Consultant/Vendor Agreements & Task Orders

Consultant/Vendor Agreements

- None

Task Orders and Work Orders

- CTL Thompson
 - TO #15 - Candelas Medical Phase 2 Utilities - \$ 17,290.00
 - TO #16 - W 91st Drive Subgrade Investigation & Pavement Design - \$1,650.00
 - TO #17 - Candelas Parkway Improvements - \$5,845.00
- Galloway
 - TO #2-A6 - On-Call Survey Amendment #6 - \$8,000.00
 - TO #15-A6 - Candelas Point Amendment #6 - \$2,800.00
- IDES
 - TO #10 – Metro District Oversight Services - \$111,000.00
- Martin/Martin
 - TO #2-A6 - SCL Medical Engineering Amendment #6 - \$10,000.00
 - TO #7-A6 - JCMD Parcel Coordination - \$10,000.00
 - TO #22-A3 - Indiana North Infrastructure Design Amendment #3 - \$198,500.00
 - TO #23-A1 - Candelas Indiana Widening Amendment #1 - \$ 48,900.00
 - TO #24-A1 - Highway Indiana Widening Amendment #1 - \$109,500.00
 - TO #25 - Candelas Sanitary Sewer Outfall - \$134,500.00
 - TO #26 - Hwy 72 Waterline Due Diligence - \$10,000.00

Potential Task Orders

- SWAP
 - TO #3 – Storm Water Compliance Coordination - \$21,000.00