

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE JEFFERSON CENTER METROPOLITAN DISTRICT NO. 1 HELD NOVEMBER 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, November 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.

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

Joy Tatton; Simmons & Wheeler, P.C.

Wes Back, Elesha Carbaugh-Gonzales 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 Dooling, seconded by Director McKay and, upon vote, unanimously carried, the agenda was approved, as presented.

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 October 24, 2023 Regular Meeting.

Following discussion, upon motion duly made by Director J. Nading, seconded by Director Bradbury and, upon vote, unanimously carried, the minutes of the October 24, 2023 Regular Meeting were approved, as presented.

Resolution No. 2023-11-01, Resolution Establishing Regular Meeting Dates, Time, and Location, and Designating Location for Posting of 24-Hour Notices: The Board considered Resolution No. 2023-11-01, Resolution Establishing Regular Meeting Dates, Time, and Location and Designating Location for Posting of 24-Hour Notices.

Mr. Solin reviewed the business to be conducted in 2024 to meet the statutory compliance requirements. Following discussion, the Board determined to meet on the fourth Tuesday of every month at 9:30 a.m. Meetings will be held virtually.

Following review, upon motion duly made by Director Bradbury, seconded by Director J. Nading and, upon vote, unanimously carried, the Board adopted Resolution No. 2023-11-01, Resolution Establishing Regular Meeting Dates, Time, and Location and Designating Location for Posting of 24-Hour Notices. A copy of the adopted Resolution is attached to these minutes and incorporated herein by this reference.

Section 32-1-809, C.R.S. Compliance for 2024 (Transparency Notice): Mr. Solin discussed with the Board the requirements of Section 32-1-809,

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C.R.S., indicating that the required Transparency Notice will be posted on the District website and the Special District Association website.

Insurance Matters:

Cyber Security and increased Crime Coverage: The Board discussed the District's current cyber security and crime coverage, and a potential increase to the limits of the crime coverage.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director J. Nading and, upon vote, unanimously carried, the Board authorized increasing the District's crime coverage to \$250,000.00.

Insurance Committee: The Board discussed establishing an insurance committee to make final determinations regarding insurance coverage. The Board determined this was not necessary. No action was taken.

District's insurance and Special District Association ("SDA") membership for 2024: The Board discussed the renewal of the District's insurance and SDA membership for 2024.

Following review, upon motion duly made by Director Bradbury, seconded by Director J. Nading and, upon vote, unanimously carried, the Board approved the renewal of the District's existing insurance and SDA membership for 2024, with the previously authorized increase in the crime coverage limit.

PUBLIC COMMENT

There were no public comments.

CONSENT AGENDA

The Board considered the following actions:

- Ratify approval of Change Order No. 3 to the Service Agreement for Snow Removal Services between the District and Environmental Designs Inc., for Snow Removal Fees.
- Ratify approval of Change Order No. 18 to the Contract between the District and Wagner Construction Inc. – Candelas Indiana North, for Unused Quantities & Sidewalk Extension, for a reduction in the contract amount of <\$18,388.37>.
- Ratify approval of Change Order No. 9 to the Contract between the District and Wagner Construction Inc. – JCMD Sanitary Interceptor, for Unused Quantities, for a reduction in the contract amount of <\$17,248.77>.
- Ratify approval of Change Order No. 2 to the Contract between

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the District and Wagner Construction Inc. – Highway 72 Widening, for Relocation of CMWC Water Line, in the amount of \$73,351.58.

- Ratify approval of Task Order No. 8 to the Service Agreement for Project Management Services between the District and Papillon, LLC for Management Fees, in the amount of \$195,260.00.
- Ratify approval of Task Order No. 1-A1 to the Contract between the District and Triax Engineering, LLC, for Materials Testing Services, SH 72 Water Main, Amd #1, for a reduction in the contract amount of <\$2,271.85>.
- Ratify approval of Task Order No. 4 to the Contract between the District and Triax Engineering, LLC, for Materials Testing Services, SH 72 Parcel 6, in the amount of \$19,855.00.

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 considered ratification/approval of the payment of claims through the period ending November 28, 2023, in the updated amount of \$705,124.78.

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

Cash Position Statement: Ms. Tatton reviewed with the Board the cash position statement as of November 16, 2023.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director Dooling and, upon vote, unanimously carried, the Board accepted the cash position statement as of November 16, 2023.

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

District Expenditures Verification Report prepared by Independent District Engineering Services, LLC (“IDES”): The Board reviewed IDES’ report entitled “District Expenditures Verification for October

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2023,” which summarizes IDES’ review and verification of the expenditures of the District for October 2023 related to certain District construction contracts. The Verification Report identified \$705,124.78 of District Eligible Expenses and \$0.00 of Non-Eligible Expenses.

Following discussion, upon motion duly made by Director Jeff Nading, seconded by Director Bradbury and, upon vote, unanimously carried, the Board determined to accept the District Eligible Expenses in the amount of \$705,124.78.

2023 Audit: The Board discussed preparation of the 2023 Audit by Fiscal Focus Partners LLC.

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 Fiscal Focus Partners LLC to prepare the 2023 Audit, for an amount not to exceed \$7,250.00.

2023 Budget Amendment Hearing: The President opened the public hearing to consider an amendment to the 2023 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider an amendment to the 2023 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. There were no comments from the public in attendance and the public hearing was closed.

The Board determined that an amendment to the 2023 Budget was not necessary.

2024 Budget Hearing: The President opened the public hearing to consider the proposed 2024 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2024 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No public comments were received, and the public hearing was closed.

Ms. Tatton reviewed the estimated 2023 expenditures and the proposed 2024 expenditures.

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Following discussion, the Board considered the adoption of Resolution No. 2023-11-02 to Adopt the 2024 Budget and Appropriate Sums of Money and Resolution No. 2023-11-03 to Set Mill Levies (with General Fund and Debt Service Fund mill levies to be adjusted as required per new legislation). Upon motion duly made by Director Bradbury, seconded by Director J. Nading and, upon vote, unanimously carried, the Resolutions were adopted, subject to receipt of the final Certification of Valuation from Jefferson County by January 3, 2024, to final adjustment of the mill levies, and to final review by Director Bradbury. The Board further authorized the execution of the Certification of Budget and Certification of Mill Levies. Mr. Solin was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of Jefferson County not later than January 10, 2024. Mr. Solin was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2024. Copies of the adopted Resolutions are attached to these minutes and incorporated herein by this reference.

Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Service Plan: The Board reviewed Resolution No. 2023-11-04, Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Service Plan.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director J. Nading and, upon vote, unanimously carried, the Board adopted Resolution No. 2023-11-04, Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Service Plan, subject to finalization by legal counsel. A copy of the adopted Resolution is attached to these minutes and incorporated herein by this reference.

DLG-70 Mill Levy Certification Form: The Board considered authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form (“Certification”).

Following discussion, upon motion duly made by Director Bradbury, seconded by Director J. Nading and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the Certification and directed the District Manager to file the Certification with the Board of County Commissioners and other interested parties.

Preparation of the 2025 Budget: Following discussion, upon motion duly made by Director Bradbury, seconded by Director J. Nading and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2025 Budget and set the date for the public hearing to adopt the 2025 Budget as November 26, 2024.

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MANAGEMENT MATTERS

Water Allocations: Mr. Solin reviewed the status of water allocations with the Board.

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

LEGAL MATTERS

Resolution No. 2023-11-05, Resolution Amending Policy on Colorado Open Records Act Requests: The Board reviewed Resolution No. 2023-11-05, Resolution Amending Policy on Colorado Open Records Act Requests.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director Dooling and, upon vote, unanimously carried, the Board adopted Resolution No. 2023-11-05, Resolution Amending Policy on Colorado Open Records Act Requests.

November 7, 2023 Special Election: Attorney Becher discussed with the Board results of the November 7, 2023 Special Election, noting that the proposed ballot issue did not pass.

Issuance of the District's Junior Subordinate Capital Appreciation Bonds, Series 2024C (the "2024 Bonds"):

Status and Timing of Issuance of the 2024 Bonds: Attorney Becher updated the Board on the status and timing of issuance of the 2024 Bonds.

Letter Agreement between the District and National Valuation Consultants, Inc. (regarding appraisals of four separate land parcels at Candelas – P1, P3, P5 and P8): The Board review the Letter Agreement between the District and National Valuation Consultants, Inc. (regarding appraisals of four separate land parcels at Candelas – P1, P3, P5 and P8).

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 Letter Agreement between the District and National Valuation Consultants, Inc. (regarding appraisals of four separate land parcels at Candelas – P1, P3, P5 and P8).

Proposal for Market Analysis Services between the District and PGAV Planners, LLC: The Board reviewed the Proposal for Market Analysis Services between the District and PGAV Planners, LLC.

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

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Board ratified approval of the Proposal for Market Analysis Services between the District and PGAV Planners, LLC.

Proposal/Authorization for Valuation and Consulting Services – Plains End Power Plant between Partner Valuation Advisors, LLC and Jefferson Center Metropolitan District Nos. 1 and 2: The Board reviewed the Proposal/Authorization for Valuation and Consulting Services – Plains End Power Plant between Partner Valuation Advisors, LLC and Jefferson Center Metropolitan District Nos. 1 and 2.

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 Proposal/Authorization for Valuation and Consulting Services – Plains End Power Plant between Partner Valuation Advisors, LLC and Jefferson Center Metropolitan District Nos. 1 and 2.

Actions in Connection with the Issuance of the 2024 Bonds: The Board discussed authorizing any necessary actions in connection with the issuance of the 2024 Bonds. No additional actions were taken.

CONSTRUCTION MATTERS

Construction Status Report: Mr. Back reviewed the Project Status Report dated November 28, 2023, 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 Contract for Highway 72 Widening Parcel 6 between the District and JBS Pipeline, LLC d/b/a JBS Pipeline Contractors in the amount of \$547,756.06.
- Consider approval of Contract for Barbara Gulch Drain Extension between the District and NRE Excavating Inc. in the amount of \$165,508.00.
- Consider approval of Change Order No. 3 to the Contract between the District and Wagner Construction Inc., for Relocation of Raw Water Line & ARV, in the amount of \$187,931.22.
- Consider approval of Vendor Agreement between the District and Advanced Drainage Systems, Inc.
- Consider approval of Vendor Agreement between the District and Lumin8 Transportation Technologies, LLC.
- Consider approval of Task Order No. 1 to the Vendor Agreement between the District and Advanced Drainage Systems, Inc., for Temporary Monitoring, in the amount of \$31,750.00.
- Consider approval of Task Order No. 2 to the Service Agreement

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- between the District and Encompass LLC, for Subsurface Utility Engineering for 93-72 South, in the amount of \$181,070.00.
- Consider approval of Task Order No. 4 to the Service Agreement between the District and Legacy Traffic Management, LLC, for Traffic Control Management, in the amount of \$49,780.00.
 - Consider approval of Task Order No. 5 to the Service Agreement between the District and Legacy Traffic Management, LLC, for Traffic Control – Candelas Pkwy, in the amount of \$1,600.00.
 - Consider approval of Task Order No. 1 to the Vendor Agreement between the District and Lumin8 Transportation Technologies, for Candelas Interconnect Fiber, in the amount of \$49,780.00.
 - Consider approval of Task Order No. 7-A14 to the Service Agreement between the District and Martin/Martin, Inc., for JCMD Parcel Coordination, Amd #14, in the amount of \$10,000.00.
 - Consider approval of Task Order No. 22-A11 to the Service Agreement between the District and Martin/Martin, Inc., for Indiana North Infrastructure Design, Amd #11, in the amount of \$10,000.00.
 - Consider approval of Task Order No. 25-A6 to the Service Agreement between the District and Martin/Martin, Inc., for Candelas Sanitary Sewer Outfall, Amd #6, in the amount of \$4,000.00.
 - Consider approval of Task Order No. 29-A4 to the Service Agreement between the District and Martin/Martin, Inc., for DU Coordination/Legal Descriptions, Amd #4, in the amount of \$5,000.00.
 - Consider approval of Task Order No. 33-A3 to the Service Agreement between the District and Martin/Martin, Inc., for P6 Highway 72 Widening, Amd #3, in the amount of \$5,000.00.
 - Consider approval of Task Order No. 33-A4 to the Service Agreement between the District and Martin/Martin, Inc., for P6 Highway 72 Widening, Amd #4, in the amount of \$22,500.00.
 - Consider approval of Task Order No. 35 to the Service Agreement between the District and Martin/Martin, Inc., for Barbara Gulch FP Grading/Utility Relocates, in the amount of \$30,000.00.

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.

Warranty Issues:

Premier Earthworks & Infrastructure, Inc. (“PEI”) Warranty Obligations: Director J. Nading reported to the Board a settlement agreement is being negotiated with Premier Earthworks & Infrastructure, Inc.

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Following discussion, upon motion duly made by Director J. Nading, seconded by Director Bradbury and, upon vote carried, the Board approved the settlement agreement subject to final review by counsel and Director J. Nading.

CAPITAL IMPROVEMENTS

District Engineer's Cost Certification Report No. 20, prepared by Independent District Engineering Services, LLC, certifying District eligible expenditures relative to Trailstone Filing No. 1 Public Improvements: There was no report available at this time.

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: No action was taken by the Board.

Facilities Acquisition Agreement (Trailstone Development) by and between the District, Taylor Morrison of Colorado, Inc., Cimarron Development Company, and Cimarron Commercial, LLC.: The Board deferred action on this matter.

OTHER BUSINESS

Cancellation of December 26, 2023 Regular Meeting: The Board discussed canceling the December 26, 2023 Regular Meeting. The Board determined to cancel the December 26, 2023 Regular Meeting and to schedule a Special Meeting on December 19, 2023 at 9:30 a.m.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director McKay, seconded by Director Bradbury and, upon vote, unanimously carried, the meeting was adjourned at 11:05 A.M.

Respectfully submitted,

By: 
Secretary for the Meeting