

# RECORD OF PROCEEDINGS

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## MINUTES OF THE REGULAR MEETING OF

ST. VRAIN LAKES METROPOLITAN DISTRICT NO. 1  
ST. VRAIN LAKES METROPOLITAN DISTRICT NO. 2  
ST. VRAIN LAKES METROPOLITAN DISTRICT NO. 3  
ST. VRAIN LAKES METROPOLITAN DISTRICT NO. 4

HELD  
June 8, 2016

The Coordinated Regular Meeting of the Boards of Directors (collectively, "Board") of St. Vrain Lakes Metropolitan District No. 1, St. Vrain Lakes Metropolitan District No. 2, St. Vrain Lakes Metropolitan District No. 3, and St. Vrain Lakes Metropolitan District No. 4 (collectively, "Districts") was held at 6465 S. Greenwood Plaza Blvd., Suite 230, Greenwood Village, Colorado at 10:00 a.m. on Wednesday, June 8, 2016. Notice of the Coordinated Meeting was duly posted.

ATTENDANCE:      Directors in Attendance:  
Marc Savela, President  
Ashley Taruffelli, Secretary/Treasurer  
Neil Simpson, Assistant Secretary

Also in Attendance:  
Stan Myers and Kammy Tinney; Pinnacle Consulting Group, Inc.  
Guy Ford and Jean Jennings; Independent District Engineering Services  
Diane Wheeler, CPA; Simmons & Wheeler, P.C.  
Kristen D. Bear, Esq.; White Bear Ankele Tanaka & Waldron, P.C.

CALL TO ORDER              The Coordinated Regular Meeting of the Board of Directors of St. Vrain Lakes Metropolitan Districts Nos. 1, 2, 3, and 4 was called to order at 10:20 a.m. by Chairman Savela, noting that a quorum was present for each of the Boards. Each of the Directors confirmed their qualifications to serve on the Boards. Chairman Savela also confirmed that prior to the meeting each of the Directors had been notified of the meeting.

COMBINED MEETINGS              The Board of Directors of the Districts determined to hold joint meetings of the Districts and to prepare joint minutes of action taken by the Districts at such meetings. Unless otherwise noted herein, all official action reflected in these minutes shall be deemed to be action of all of the Districts. Where necessary, action taken by an individual District will be so reflected in these minutes.

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### CONFLICTS OF INTEREST DISCLOSURE

Ms. Bear noted that notices of potential conflicts of interest for all Board Members were filed with the Colorado Secretary of State's Office, disclosing that potential conflicts of interest may exist, as all Board Members are employees of Brookfield Residential, which is associated with the primary landowner and developer of land within the Districts. Ms. Bear advised the Board that pursuant to Colorado law, certain disclosures by the Board Members might be required prior to taking official action at a meeting. The Board reviewed the agenda for the meeting, following which each Board Member present confirmed the contents of the written disclosures previously made stating the fact and summary nature of any matters as required under Colorado law to permit official action to be taken at the meeting. Additionally, the Board determined that the participation of the Directors present was necessary to obtain a quorum or otherwise enable the Board to act.

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### AGENDA

The Board reviewed the agenda. Director Tarufelli requested that discussion of regular meeting dates, time and location be added for discussion under Other Matters. Following review, upon motion duly made by Director Tarufelli, seconded by Director Simpson and, upon unanimous vote, it was

**RESOLVED** to approve the agenda, as amended.

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### APPROVAL OF MINUTES

The minutes of the March 10, 2016 regular meeting were presented for the Board's consideration. Following review and discussion, and upon motion duly made by Director Savelle, seconded by Director Simpson, and, upon unanimous vote, it was

**RESOLVED** to approve the March 10, 2016 regular meeting minutes, as presented.

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### PUBLIC COMMENT

There were no members of the public present.

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### LEGAL MATTERS

Director Vacancies: The Board directed Ms. Bear to publish a Notice of Vacancies in the Ft. Lupton Press.

Ratification of Approval: The Board reviewed the following documents:

- Engagement letter with Otis, Bedingfield & Peters
- Resolution to Transfer Streets with Barefoot Lakes Filing No. 1

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- Special Warranty Deed between District No. 1 and the Town of Firestone pertaining to Streets and Alleyways
- Development and Vested Rights Agreement for Barefoot Lakes
- Declaration of Covenants Conditions and Restrictions
- 2016 Fee Addendum.

Following review and discussion, upon motion duly made by Director Tarufelli, seconded by Director Savela, and, upon unanimous vote, it was

**RESOLVED** to ratify approval of the documents listed above, as presented.

Approve Revocable License Agreement between District No. 1 and the Town of Firestone: The Board reviewed the Revocable License Agreement between District No. 1 and the Town of Firestone. Director Savela noted that this agreement relates to signs and landscaping within the Town of Firestone's right-of-ways. Following review and discussion, upon motion duly made by Director Tarufelli, seconded by Director Simpson, and, upon unanimous vote, it was

**RESOLVED** to approve the Revocable License Agreement between District No. 1 and the Town of Firestone, as presented.

Discussion of Contractor's Builder's Risk Insurance: Mr. Ford reviewed with the Board the terms of the contractor's builder's risk insurance and the gap in coverage that exists between completion and acceptance of improvements by the District. Mr. Ford recommends that the Board consider adding additional coverage to manage the District's risk for damages to improvements through "Acts of God" Ms. Bear presented two proposals for consideration, one from the Colorado Special Districts Property and Liability Pool, and one from Travelers Insurance. Following discussion, the Board authorized general counsel to work with Ms. Tarufelli, Mr. Ford, and management staff to review contracts and determine the appropriate amount of coverage needed.

Ratification of Approval of Subdivision Agreement with Barefoot Lakes Filing No. 1: The Board reviewed the Subdivision Agreement with Barefoot Lakes Filing No. 1. Following review and discussion, upon motion duly made by Director Tarufelli, seconded by Director Savela, and, upon unanimous vote, it was

**RESOLVED** to ratify approval of the Subdivision Agreement with Barefoot Lakes Filing No. 1, as presented.

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Approve Amended and Restated Joint Resolution Establishing Guidelines for the Processing and Collection of Delinquent Fees and Charges: The Board reviewed the Amended and Restated Joint Resolution Establishing Guidelines for the Processing and Collection of Delinquent Fees and Charges. Following review and discussion, upon motion duly made by Director Savela, seconded by Director Taruffelli, and, upon unanimous vote, it was

**RESOLVED** to approve the Amended and Restated Joint Resolution Establishing Guidelines for the Processing and Collection of Delinquent Fees and Charges, as presented.

District Mapping: The Board engaged in general discussion regarding the timing of revisions to the Districts' maps.

District Operations and Rules, Regulations, and Policies for District Facilities: Director Savela noted that there are no District owned and operated facilities at this time.

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### FINANCIAL MATTERS

Consideration of Payables: Ms. Wheeler reviewed with the Board the payables dated June 8, 2016, in the amount of \$3,083,713.79. Following review and discussion, upon motion duly made by Director Taruffelli, seconded by Director Savela, and, upon unanimous vote, it was

**RESOLVED** to approve the payables dated June 8, 2016, in the amount of \$3,083,713.79, as presented.

Financial Statements: Ms. Wheeler reviewed with the Board the Financial Statements dated March 31, 2016. Following review and discussion, upon motion duly made by Director Taruffelli, seconded by Director Simpson, and, upon unanimous vote, it was

**RESOLVED** to approve the Financial Statements dated March 31, 2016, as presented.

2015 Audits for Districts 1 and 2: Ms. Wheeler reported that an amendment to the 2015 budgets is needed prior to finalizing the audits. A request for extension to file the final audits will be submitted to the Office of the State Auditor. The Board will consider amendments to the 2015 budgets and review of the draft audits at the regular meeting in August.

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### CONSTRUCTION MATTERS

Construction Status: Mr. Ford reviewed the Construction Report with the Board. Director Savela reviewed the status of projects with the Board, noting

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that the main roadways have been completed, the landscaping is approximately 40% complete, two model homes are under construction, and 24 development fee certificates have been issued.

Ratification of Change Orders and Fencing Contract: Mr. Ford reviewed the previously-approved HEI Change Orders 12-29 and 31-38; Martin Marietta CO #3; Thoutt Bros. Concrete CO#3; Valley Crest Landscaping CO#3 and Wyoco Erosion Control CO#1 totaling \$1,419,075.29 and listed in the Construction Report. Mr. Ford also reviewed the previously-approved fencing contract with Split Rail Fence Company, in the amount of \$273,917.09. Following review and discussion, upon motion duly made by Director Savela, seconded by Director Tarufelli, and upon unanimous vote, it was

**RESOLVED** to ratify approval of the Change Orders listed in the Construction Report as noted above, and the fencing contract with Split Rail Fence Company in the amount of \$273,917.09, as presented.

Approval of Trail Work Contract: Mr. Ford reviewed a contract with Thoutt Brothers Concrete Company for trail work, in the amount of \$388,000. Following review and discussion, upon motion duly made by Director Tarufelli, seconded by Director Savela, and upon unanimous vote, it was

**RESOLVED** to approve the trail work contract with Thoutt Brothers Concrete Company in the amount of \$388,000, as presented.

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### MANAGEMENT MATTERS

Ratify Agreement with HOA Online Resources: Mr. Myers presented the previously-approved agreement with HOA Online Resources for development and hosting of the Districts' website. Following review and discussion, upon motion duly made by Director Savela, seconded by Director Tarufelli, and upon unanimous vote, it was

**RESOLVED** to ratify approval of the agreement with HOA Online Resources, as presented.

Manager's Report: Mr. Myers reported that he and management staff are getting up to speed regarding the Districts' operations, and coordinating management and operations activities with the Districts' consultants. Mr. Myers will submit a written Manager's Report including a summary of the development fee activity at the regular meeting in August.

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### OTHER MATTERS

Directors' Comments: The Board determined to schedule quarterly meetings to be held quarterly on the second Wednesday in February, May, August, and

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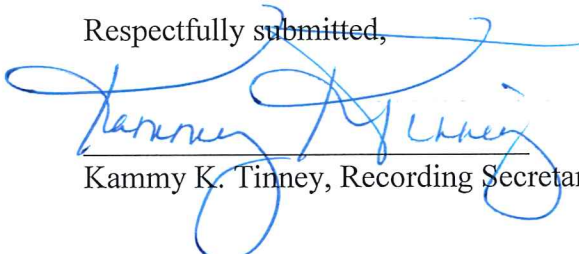
November. The Board requested that the quarterly meetings take place at 5:30 p.m. at Tallyn's Reach Club House. Mr. Myers will prepare a revised Regular Meeting Resolution for the Board's consideration at the regular meeting in August.

ADJOURNMENT

There being no further business to come before the Board, upon motion duly made by Director Simpson, seconded by Director Tarufelli, and upon unanimous vote, the meeting was adjourned at 11:00 a.m.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.

Respectfully submitted,



Kammy K. Tinney, Recording Secretary for the Meeting