

RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL 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
August 8, 2017

The Combined Special 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 the Carbon Valley Recreation Center, 701 5th Street, Frederick, Colorado at 4:30 p.m. on Tuesday, August 8, 2017. Notice of the Combined Meeting was duly posted.

ATTENDANCE: Directors in Attendance:
Marc Savela, President (Nos. 1-4)
Ashley Tarufelli, Secretary/Treasurer (via Telephone) (Nos. 1-4)
Neil Simpson, Assistant Secretary (Nos. 1-4)
Shannon Robbins, Director (No. 1)
David Carro, Director (No. 1)

Also in Attendance:
Stan Myers, Tom Flock, and Chelsey Green; Pinnacle Consulting Group, Inc.
Jean Jennings; Independent District Engineering Services (IDES)
Kimberly Johanns, CPA; Simmons & Wheeler, P.C.
Blair M. Dickhoner, Esq.; White Bear Ankele Tanaka & Waldron, P.C.

CALL TO ORDER The Combined Special Meeting of the Boards of Directors of St. Vrain Lakes Metropolitan Districts Nos. 1, 2, 3, and 4 was called to order at 4:42 p.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

Mr. Dickhoner noted that notices of potential conflicts of interest for all Board Members, except Director Robbins, 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. Mr. Dickhoner 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.

PUBLIC COMMENT

There were no members of the public present.

CONSENT
AGENDA

The Board reviewed the following items on the consent agenda:

- A. Approval of agenda, as amended
- B. Approval of May 9, 2017 meeting minutes; ratify actions taken at the May 9, 2017 meeting
- C. Ratification and approval of payables

Mr. Flock requested agenda item III.D Ratification and approval of architectural review applications be moved under section V. A. Manager's report.

Following brief discussion and review of the remaining consent agenda items, upon motion duly made by Director Simpson, seconded by Director Savela and, upon unanimous vote, it was

RESOLVED to approve the items on the consent agenda, including the minutes as presented.

FINANCIAL
MATTERS

Financial Reports: Ms. Johanns presented the financial statements to the Boards and answered questions.

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Following brief discussion and review of the presented financial statements, upon motion duly made by Director Simpson, seconded by Director Savela, upon unanimous vote, it was

RESOLVED to approve the financial statements, as presented.

Ratification of Audit Extension: Ms. Johanns presented the previously-executed Audit Extension for District 1 2016 audit, signed by Director Taruffelli, and asked Board to ratify the Audit Extension. Ms. Johanns noted the audit will be completed the week of August 21, 2017. Upon motion duly made by Director Simpson, seconded by Director Savela and, upon vote, unanimously carried, it was

RESOLVED to ratify the audit extension for the completion of the District 1 2016 audit.

Approval of 2016 Audit: Ms. Johanns presented the Draft St. Vrain Lakes Metropolitan District No. 1 Financial Statements, Year Ended December 31, 2016 with Independent Auditors' Report and answered questions. After further review and discussion, upon motion duly made by Director Simpson, seconded by Director Carro and, upon vote, unanimously carried, it was

RESOLVED to approve the 2016 Audit for District No 1, pending completion, legal review, and authorization from Director Robbin and Director Simpson for Simmons Wheeler, P.C. to file the final audit with the Office of the State Auditor.

LEGAL MATTERS

Approval of November 2017 Election Resolution Mr. Dickhoner presented the Joint Resolution of Boards of Directors Calling Election for St. Vrain Lakes Metropolitan District Nos. 1, 3, and 4 to the Boards and asked for approval. After further review and discussion, upon motion duly made by Director Simpson, seconded by Director Savela and, upon vote, unanimously carried, it was

RESOLVED to approve the Joint Resolution of Boards of Directors Calling Election for St. Vrain Lakes Metropolitan District Nos. 1, 3, and 4

Approval of Amended Meeting Resolution: Mr. Dickhoner reported that Pinnacle Consulting Group Inc., presented legal with an Amended Meeting Resolution as the Boards of Directors regularly scheduled meetings have changed locations, dates, and times. After further review and discussion,

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upon motion duly made by Director Simpson, seconded by Director Savela and, upon vote, unanimously carried, it was

RESOLVED to approve the Amended Meeting Resolution for St. Vrain Lakes Metropolitan District Nos. 1-4.

Authorization of Moving Forward with Series 2017 Bonds: Mr. Dickhoner discussed the timeline and upcoming deadlines required to move forward with General Obligation Limited Tax Bonds, Series 2017 A, B, and C for District No. 2. After further review and discussion, upon motion duly made by Director Simpson, seconded by Director Savela and, upon vote, unanimously carried, it was

RESOLVED to authorized White Bear Ankele Tanaka & Waldron, P.C., Simmons & Wheeler P.C., and Pinnacle Consulting Group, Inc. to move forward with securing General Obligation Limited Tax Bonds, Series 2017 A, B, C for St. Vrain Lakes Metropolitan District No. 2.

Approval of Engagement Letters: Mr. Dickhoner reviewed and recommended approval of the Engagement Letters listed below:

1. Sherman & Howard, L.L.C. to assume as disclosure counsel to St. Vrain Lakes Metropolitan District No. 2 in connection with the Issuance of Limited Tax General Obligation Bonds, Series 2017A, Subordinate Limited Tax General Obligation Bonds, Series 2017B and Junior Lien Limited Tax General Obligations Bonds, Series 2017C.
2. Kutak Rock, L.L.P. to assume as bond counsel to St. Vrain Lakes Metropolitan District No. 2 in connection with the Issuance of Limited Tax General Obligation Bonds, Series 2017A, Subordinate Limited Tax General Obligation Bonds, Series 2017B and Junior Lien Limited Tax General Obligations Bonds, Series 2017C.
3. D.A. Davidson & Co. Fixed Income Capital Markets, to provide investment banking services to St. Vrain Lakes Metropolitan District No. 2 in connection with the Issuance of Limited Tax General Obligation Bonds, Series 2017A, Subordinate Limited Tax General Obligation Bonds, Series 2017B and Junior Lien Limited Tax General Obligations Bonds, Series 2017C.
4. White Bear Ankele Tanaka & Waldron, P.C. to provide legal services to St. Vrain Lakes Metropolitan District No. 2 in connection with the Issuance of Limited Tax General Obligation Bonds, Series 2017A, Subordinate

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Limited Tax General Obligation Bonds, Series 2017B and Junior Lien Limited Tax General Obligations Bonds, Series 2017C.

After further review and discussion, upon motion duly made by Director Simpson, seconded by Director Savela and, upon vote, unanimously carried, it was

RESOLVED to approve the Engagement Letters listed above for St. Vrain Lakes Metropolitan District No. 2 in connection with the Issuance of Limited Tax General Obligation Bonds, Series 2017A, Subordinate Limited Tax General Obligation Bonds, Series 2017B and Junior Lien Limited Tax General Obligations Bonds, Series 2017C, as presented.

MANAGEMENT MATTERS

Manager's Report: Mr. Myers reviewed the management and operations report with the Boards and answered questions. Mr. Myers reported that on June 29th Pinnacle conducted a Metro District 101 Orientation for new homeowners at Barefoot Lakes. The presentation was well received and appreciated by those present. Several follow up questions regarding landscape and mailboxes were addressed shortly after this meeting.

Mr. Flock reviewed the Architectural Design Review activity from May 9, 2017 – August 08, 2017. Mr. Flock noted 10 applications have been submitted, two applications have been approved by the Design Review Committee, and three are pending Design Review Committee approval slated to meeting on August 18th, 2017. The other 5 applications have been hung up due to the minimum plant requirement by square footage requirement, however the proposed changes to Residential Improvement Guidelines would correct this issue. Mr. Flock requested the Board ratify the two applications the Design Review Committee has approved. Upon motion duly made by Director Simpson, seconded by Director Carro and, upon vote, unanimously carried, it was

RESOLVED to ratify 4692 Colorado River Drive and 12487 Lake Point Drive approved Architectural Design Review applications.

Mr. Flock reported that he had conducted a site inspection for Barefoot Lakes on August 7, 2017, noting two homeowners have started landscape projects prior to submitting Architectural Design Review applications. Director Savela requested Mr. Flock send letters and follow up personally with each landscape company regarding the application process.

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Ms. Green reviewed market research finding on potential platforms to integrate development data with a GIS system, and software to track operation and maintenances data along with homeowner management data. Director Savela requested Pinnacle to follow up with himself and Director Carro regarding our final assessment and recommendation for data management software.

Director Savela asked for an update on the modification to the District monument signs that e3 Signs was contracted to install, and requested the sign installation happen before the Run Barefoot 5k on September 16, 2017. Mr. Myers commented that e3 Signs is awaiting final approval of design proofs from Marni Shwartz, Brookfield Residential Marketing Manager, and will confirm with e3 Signs that the signs installation will be completed prior to the Run Barefoot 5K on September 16, 2017.

Director Carro requested strips on both sides of the Districts trails be mowed, and coordinated at whatever frequency determined necessary by Pinnacle Consulting Group. Mr. Myers responded that he would coordinate the strips on both sides of the Districts trails with Mr. Woolard.

Approval of Amended and Restated Covenants, Conditions, and Restrictions for Barefoot Lakes: Mr. Myers presented the Amended and Restated Covenants, Conditions, and Restrictions for Barefoot Lakes for approval by the Board, and the Residential Improvement Guidelines for ratification by the Board. Ms. Green discussed the Lot ownership vote guidelines, noting 67% of the Lot owners must first approve the Amended and Restated Covenants, Conditions, and Restrictions for Barefoot Lakes prior to the Districts enforcement of the changes. Director Robbins requested she contact multiple ownership parcels regarding their ballots. Following discussion, upon motion duly made by Director Robbins, seconded by Director Carro and, upon unanimous vote, it was

RESOLVED to approve the Amended and Restated Covenants, Conditions, and Restrictions for Barefoot Lakes, as presented, and ratify the Residential Improvement Guidelines.

Approval of Resolution Regarding Policies, Procedures and Penalties for the Enforcement of the Governing Documents: Mr. Dickhoner reviewed the Resolution Regarding Policies, Procedures and Penalties for the Enforcement of the Governing Documents with the Board. Following discussion, upon motion duly made by Director Simpson, seconded by Director Robbins and, upon unanimous vote, it was

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RESOLVED to approve the Resolution Regarding Policies, Procedures and Penalties for the Enforcement of the Governing Documents, as presented.

Approval of Resolution Regarding Adoption of Lakes Use Policy: Mr. Dickhoner reviewed the Resolution Regarding Adoption of Lakes Use Policy with the Board. Director Savela requested Pinnacle work with Marni Shwartz, Brookfield Residential Marketing Manager and Jake Sippy at Design Workshop to install signage in accordance with the Lake Use Policy. Following discussion, upon motion duly made by Director Simpson, seconded by Director Robbins and, upon unanimous vote, it was

RESOLVED to approve the Resolution Regarding Adoption of Lakes Use Policy, as presented.

Approval of Western Environmental Analysts Contract: Mr. Dickhoner presented an Independent Contractor Agreement with Western Environmental Analysts, Inc. to provide water quality reports and water sources reports during the 2017 growing season. Upon motion duly made by Director Simpson, seconded by Director Carro and, upon vote, unanimously carried, it was

RESOLVED to approve the Independent Contractor Agreement with Western Environmental Analysts, Inc. to provide water quality reports and water sources reports during the 2017 growing season, as presented.

CONSTRUCTION MATTERS

Construction Report: Ms. Jennings reviewed the Construction Report with the Board and answered questions. Ms. Jennings noted Ronald Reagan Blvd (CR28) paving, signs, and pavement marking is complete.

Ratification of Velocity Constructors, Inc. Contract: Ms. Jennings requested the approval of an Independent Contractor Agreement with Velocity Constructors, Inc. for the construction of the lake inlet and structure. Upon motion duly made by Director Simpson, seconded by Director Carro and, upon vote, unanimously carried, it was

RESOLVED to approve the Independent Contractor Agreement with Velocity Constructors, Inc. for the construction of the lake inlet and structure, as presented.

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Ratification of Independent Contractor Agreement, Change Orders and Task Orders: Ms. Jennings reviewed and recommended ratification of the previously-approved Independent Contractor Agreement, Change Orders, and Task Orders listed in the Construction Report:

1. Independent Contractor Agreement with Velocity Constructors, Inc. not to exceed \$724,286,
2. Martin Marietta Materials, Inc. Change Order #8 in the amount of \$17,620.50,
3. Brightview Landscape Change Order # 12 in the amount of \$5,618 and Change Order #13 in the amount of \$1,411.45,
4. Aztec Consultants Task Order #5 in the amount of \$7,790,
5. LT Environmental Task Order #2 in the amount of \$9,420, and
6. Powell Environmental Task Order #2 in the amount of \$11,060.25.

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

RESOLVED to ratify the Independent Contractor Agreement, Change Orders, and Task Orders listed in the Construction Report as noted above, as presented.

OTHER
MATTERS

Directors' Comments: Director Carro reported the Town of Firestone has requested a formal written acknowledgment from the Districts regarding the use of city streets for the Barefoot Run 5k race that will be hosted in District No. 1 on September 16, 2017. Mr. Dickhoner will work with Director Carro to submit a letter to the Town of Firestone.

Mr. Dickhoner briefly discussed with the Boards the ongoing draft revisions to the Districts' service plan to more closely reflect the expected delineation of responsibilities between the Districts and the Town of Firestone. Mr. Myers requested Pinnacle be included on Service Plan draft revision reviews and discussions.

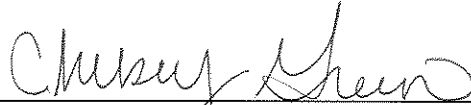
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ADJOURNMENT

There being no further business to come before the Board, upon motion duly made by Director Simpson, seconded by Director Savela, and upon unanimous vote, the meeting was adjourned at 5:41 p.m.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting, as approved on September 11, 2017.

Respectfully submitted,



Chelsey Green, Recording Secretary for the Meeting