

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
May 9, 2018

The Combined Special Meeting of the Boards of Directors (collectively, "Boards") 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 High Plains Library District – Carbon Valley Regional Library, 7 Park Avenue, Firestone, Colorado at 3:00 p.m. on Wednesday, May 9, 2018. Notice of the Combined Meeting was duly posted.

ATTENDANCE

Directors in Attendance:

Marc Savela, President (Nos. 1-4)
Neil Simpson, Assistant Secretary (Nos. 1-4)
David Carro, Director (No. 1)
Shannon Robbins, Director (No. 1)
Ashley Tarufelli, Secretary/Treasurer (Nos. 1-4)

Also in Attendance:

Kammy Tinney, Brian Doble, Chelsey Green, and Shannon McEvoy; Pinnacle Consulting Group, Inc.
Blair M. Dickhoner, Esq.; White Bear Ankele Tanaka & Waldron, P.C.
Kimberly Johans, CPA; Simmons & Wheeler, P.C.
Jean Jennings; Independent District Engineering Services, L.L.C.

CALL TO ORDER

The Combined Special Meeting of the Boards was called to order at 3:07 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 Boards determined to hold joint meetings of the Districts and to prepare joint minutes of actions taken by the Districts at such meetings. Unless otherwise noted herein, all official actions reflected in these minutes shall be deemed to be actions 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 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 Boards 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 Boards determined that the participation of the Directors present was necessary to obtain a quorum or otherwise enable the Board to act.

APPROVAL OF
AGENDA

The Boards considered the approval of the agenda. Upon a motion duly made by Director Simpson, seconded by Director Tarufelli, and upon vote, unanimously carried, it was

RESOLVED to approve the agenda, as presented.

PUBLIC COMMENT

There were no members of the public present.

CONSENT
AGENDA

The Boards reviewed the following items on the consent agenda:

- A. Approval of February 7, 2018 special meeting minutes; ratify actions taken at the February 7, 2018 special meeting.
- B. Ratification and approval of payables.

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

RESOLVED to approve the items on the consent agenda, including the February 7, 2018 minutes.

ADMINISTRATIVE
MATTERS

Oaths of Office: Ms. Tinney, in her capacity as Notary Public, administered Oaths of Office to Directors Carro, Simpson, and Robbins.

Appointments to Fill Vacancies: The Boards considered the appointment of interested candidates to fill vacancies on the Boards of District Nos. 2, 3, and 4.

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Upon motion duly made by Director Savela, seconded by Director Simpson and, upon unanimous vote, it was

RESOLVED to appoint Dave Carro and Shannon Robbins to fill the vacancies on the Boards of District Nos. 2, 3, and 4.

Appointment of Officers: The Boards considered the appointment of Officers. Upon motion duly made by Director Tarufelli, seconded by Director Simpson and, upon unanimous vote, it was

RESOLVED to reelect the slate of Officers as follows:

Marc Savela, President
Ashley Tarufelli, Secretary/Treasurer
Neil Simpson, Assistant Secretary
Shannon Robbins, Director
David Carro, Director

FINANCIAL MATTERS

Financial Reports: Ms. Johannis reviewed with the Boards the unaudited financial statements for the period ending December 31, 2017 and answered questions. Upon motion duly made by Director Simpson, seconded by Director Carro and, upon unanimous vote, it was

RESOLVED to approve the unaudited financial statements for the period ending December 31, 2017.

2017 Budget Amendment – District Nos. 1 and 2: Chairman Savela opened the public hearing to consider amendments to the 2017 Adopted Budgets for Districts Nos. 1 and 2. Ms. Tinney noted that notice of today’s public hearing was published in a newspaper having general circulation within the Districts on May 2, 2018.

Ms. Johannis reviewed with the Boards the proposed amendments to the Capital Funds for both Districts as follows:

District No. 1
Capital Fund: \$44,000,000

District No. 2
Capital Fund: \$44,000,000

There were no written objections received prior to this public hearing and no members of the public in attendance. Chairman Savela closed the public hearing.

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Following discussion, upon motion duly made by Director Simpson, seconded by Director Carro and, upon vote, it was unanimously

RESOLVED to approve the Resolution to Adopt the Amended 2017 Capital Funds budgets for St. Vrain Lakes Metropolitan District No. 1 and St. Vrain Lakes Metropolitan District No. 2, and appropriate budgeted funds.

District Nos. 1 and 2 Audited Financial Statements: Ms. Johannis reviewed with the Board the draft 2017 audited financial statements for District Nos. 1 and 2, and answered questions. Upon motion duly made by Director Savela, seconded by Director Taruffelli, and upon vote, it was unanimously

RESOLVED to approve the draft 2017 audited financial statements for District Nos. 1 and 2 subject to final review by Directors Simpson and Taruffelli, Mr. Dickhoner, and Ms. Tinney.

LEGAL MATTERS

Second Amended and Restated Joint Resolution concerning Authorization for Approval of Contracts and Payments of Claims: Mr. Dickhoner presented to the Boards for approval the Second Amended and Restated Joint Resolution concerning Authorization for Approval of Contracts and Payments of Claims and answered questions. Following review and discussion, upon motion duly made by Director Savela, seconded by Director Simpson, and upon vote, it was unanimously

RESOLVED to approve the Second Amended and Restated Joint Resolution concerning Authorization for Approval of Contracts and Payments of Claims.

Policies and Procedures Governing the Barefoot Lakes Recreation Amenities: Mr. Dickhoner presented to the Boards for approval the Policies and Procedures Governing the Barefoot Lakes Recreation Amenities and answered questions. Following review and discussion, upon motion duly made by Director Savela, seconded by Director Simpson, and upon vote, it was unanimously

RESOLVED to approve the Policies and Procedures Governing the Barefoot Lakes Recreation Amenities.

Shared Maintenance Agreement between the Town of Firestone and District No. 1: Director Savela reported that there was no new information on this matter. The Town of Firestone intends to appoint a new Town Manager in the coming weeks.

MANAGEMENT & OPERATIONAL MATTERS

Manager's Report: Ms. Tinney reviewed with the Boards the Management Report dated May 9, 2018. Ms. Tinney noted that District matters were running smoothly.

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Operations and Maintenance Report: Mr. Doble reviewed with the Board the Operations and Maintenance report dated May 9, 2018. Mr. Doble noted that shoreline erosion was taking place and would require mitigation to stabilize portions of the southern shoreline banks. It was discussed that the District No. 1 would engage a civil engineer to assess the erosion and make recommendations for mitigation. Further discussion regarding funding of the erosion mitigation will be necessary. Mr. Doble reported that e3 Signs would be awarded the contract to produce and install signage throughout District No. 2. Further discussion regarding the type of contract, Capital versus Operations & Maintenance, will be necessary. Finally, Mr. Doble provided an update on fisheries management, stating that awarding this contract would be contingent on cost savings realized via a revised water quality management scope of services.

Amended 2018 Schedule of Fees: The Board reviewed the Amended 2018 Schedule of Fees. Following review and discussion, upon motion duly made by Director Simpson, seconded by Director Taruffelli, and upon vote, it was unanimously

RESOLVED to approve the Amended 2018 Schedule of Fees.

CAPITAL
INFRASTRUCTURE
ITEMS

Project Status Report: Ms. Jennings reviewed with the Boards the Project Status Report dated May 9, 2018 and answered questions.

Ratification of Independent Contractor Agreement Change Orders: Ms. Jennings reviewed and recommended ratification of the previously-approved Change Orders as follows:

1. BrightView Landscape Change Order #17 related to additional signage in the amount of \$16,799.00.
2. BrightView Landscape Change Order #18 related to repairs and changing see to sod in the amount of \$5,143.50.
3. Velocity Constructors, Inc. Change Order #5 related to stone step access to slide gates in the amount of \$3,536.00,

Following review and discussion, upon a motion duly made by Director Savela, seconded by Director Taruffelli and, upon vote, it was unanimously

RESOLVED to ratify the Change Orders listed in the Project Status Report.

Improvement Acceptance and Cost Certification Process: Director Savela reported that discussions continue with the Districts' consultant team regarding the proposed process and he expects to formalize prior to the regular meeting in August.

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OTHER
MATTERS

Directors' Comments: There were no items brought before the Boards for consideration.

ADJOURNMENT

There being no further business to come before the Boards, upon motion duly made by Director Savela, seconded by Director Simpson, and upon unanimous vote, the meeting was adjourned at 3:33 p.m.

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

Respectfully submitted,



Shannon McEvoy, Recording Secretary for the Meeting